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CALIFORNIA NURSES ASSOCIATION

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

INGRID RAGOOBAR, AMBER UGARTE,
MARKI HENDERSON, AND THE
CALIFORNIA NURSES ASSOCIATION

Plaintiffs,

vs.

SUTTER HEALTH,

Defendant.

Case No.: **23CV037410**

VERIFIED COMPLAINT

Plaintiffs Ingrid Ragoobar, Amber Ugarte, and Marki Henderson, individually, and in a representative capacity on behalf of themselves and other similarly situated aggrieved employees, and California Nurses Association (collectively "Plaintiffs") hereby submit this Complaint against Defendant Sutter Health. The Plaintiffs allege as follows:

NATURE OF THE ACTION

1. Plaintiffs Ingrid Ragoobar, Amber Ugarte, and Marki Henderson are registered Nurses who have been employed at three Sutter Health locations in Northern California. Plaintiff California Nurses Association ("CNA") is a labor organization representing more than 8,000 registered nurses and other healthcare workers employed by Sutter Health in California. Plaintiffs bring this action pursuant to the Private Attorneys General Act of 2004 ("PAGA"), California Labor Code Section 2698 *et seq.*, individually and on a representative basis, for Defendant's violations of

1 Cal. Labor Code provisions, including but not limited to Sections 204, 210, 222, 223, 225.5, 218.6,
2 218.5, 226(a), 226(e), 226.3, 510, 558, 1174(d), 1174.5, 1175, 1194, 1194.2, 1194.5, and 2699 et
3 seq.

4 2. Defendant failed to comply with California Labor Code requirements due to
5 wrongful, willful, and intentional practices and policies. Plaintiffs bring this representative action on
6 behalf of themselves, all other similarly situated aggrieved employees, and the State of California,
7 based on the claims articulated below. Plaintiff provided notice of the claim pursuant to Section
8 2698 *et seq.*, to the Labor and Workforce Development Agency (“LWDA”). The LWDA has not
9 provided any notice to Plaintiff that it intends to prosecute these claims following the exhaustion of
10 the 65-day notice period required by Section 2699.3(a)(2)(B). Accordingly, Plaintiffs may now
11 bring this Complaint for civil penalties under the Private Attorneys General Act (“PAGA”), Labor
12 Code Section 2698 *et seq.*

13 3. Since implementing a new payroll system on July 1, 2022, Sutter Health Services has
14 incorrectly paid thousands of its employees.¹ The pay discrepancies caused by the new payroll
15 system are continuing as of the filing of this lawsuit. Plaintiff CNA and Plaintiffs Ingrid Ragoobar,
16 Amber Ugarte and Marki Henderson, on behalf of all similarly situated aggrieved employees in the
17 State of California, file this Complaint seeking a Court order requiring Sutter Health to make
18 employees whole for payroll errors, fix its payroll system so that it accurately pays its employees,
19 and to conduct an audit of all wages since July 1, 2022 to ensure that its employees have been fully
20 and accurately compensated.

21 **THE PARTIES**

22 4. Plaintiff Ingrid Ragoobar is a resident of the State of California and has been
23 employed as an hourly, nonexempt employee of Defendant since May 2012. Plaintiff Amber Ugarte
24 is a resident of the State of California and has been employed as an hourly, nonexempt employee of
25 Defendant from May 2014 to February 2023. Plaintiff Marki Henderson is a resident of the State of
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28 ¹ Cathie Anderson (August 8, 2022). “Sutter Health screwed up paychecks, shorted thousands of workers on wages, unions say” available at <https://www.sacbee.com/news/local/health-and-medicine/article264312311.html> (last accessed 8/9/2022). *Sacramento Bee*

1 California and has been employed as an hourly, nonexempt employee of Defendant since November
2 2011.

3 5. Plaintiff CNA is a labor organization based in Oakland, California, representing
4 approximately 120,000 registered nurses and other healthcare workers. CNA represents more than
5 8,000 registered nurses and other healthcare workers employed by Defendant Sutter Health in
6 California. As a labor organization, CNA represents its members in collective bargaining and
7 advocates for fair wages and working conditions. These members include Sutter Health employees
8 who have been harmed by the acts alleged herein.

9 6. Defendant Sutter Health is a not-for-profit health care organization that operates 24
10 acute care hospitals and over 200 clinics throughout Northern California. Defendant does business
11 in California with the capacity to sue and be sued, and does business in Sacramento County,
12 California.

13 7. Plaintiffs are informed and believe and thereon allege that the Defendant, either
14 directly or indirectly, through agents or other persons, employed Plaintiffs and other members of the
15 class, and exercised control over their wages, hours and working conditions.

16 **JURISDICTION AND VENUE**

17 8. Venue is proper in this judicial district because Defendant conducts business in this
18 county. Defendant has legal obligations to Plaintiffs and many of the aggrieved employees in this
19 case that arose in this county.

20 9. The statutory penalties sought by Plaintiffs exceed the minimum jurisdictional limits
21 of the Superior Court and will be established according to proof at trial. Based on information,
22 investigation and analysis, Plaintiff alleges that the amount in controversy, including claims for
23 monetary damages, penalties, and attorney's fees, exceeds twenty-five thousand dollars (\$25,000).

24 10. The California Superior Court has jurisdiction in this matter because the Plaintiffs
25 are residents of California, and Defendant is incorporated in California, qualified to do business in
26 California and regularly conducts business in California. Further, there is no federal question at
27 issue as the claims herein are based on the California Labor Code and the California Business &
28 Professions Code.

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12. Plaintiffs are aggrieved employees of Defendant, currently working for Defendant. Defendant owns and operates 24 acute care hospitals and over 200 clinics in Northern California.

14. Plaintiffs and all similarly situated nonexempt, hourly employees of Defendant in California who were employed by Defendant since July 1, 2022 to the present are aggrieved employees within the meaning of Labor Code Section 2699(c).

16. Defendant knew, or should have known, in advance of implementing Workday that employees would be systemically underpaid. Defendant activated Workday on July 1, 2022 for all California hourly paid employees without first verifying that all employees would be paid accurately. Defendant did not activate Workday on a rolling basis for different categories of employees so as to ensure correct payment of wages, nor did Defendant revert back to the previous payroll system, “Lawson,” when informed of the litany of outstanding payroll issues within the first

1 two weeks of its implementation. Defendant also did not conduct adequate testing of Workday
2 before it went into effect. Defendant is therefore liable for actual damages, liquidated damages, civil
3 penalties, and reasonable attorney's fees and costs under the California Labor Code, including
4 PAGA, Labor Code Section 2698 *et seq.* as described more fully herein.

5 17. As a result of the implementation of Workday, Plaintiffs and numerous employees
6 have found errors in their pay. Some employees have been able to identify how they were
7 underpaid, other employees have concluded that they were underpaid but needed multiple pay
8 periods to identify how they were underpaid and the correct amounts owed.

9 18. Although the Defendant has taken steps to fix some of the problems with Workday,
10 there are still ongoing errors each pay period. Multiple employees suffered payroll errors for
11 multiple pay periods before the errors were corrected. Many employees who were underpaid have
12 not received corrected pay and reasonably expect to continue to be underpaid in subsequent pay
13 periods.

14 19. The errors caused by Workday have caused significant disruption and annoyance for
15 Defendant's employees. Every payroll cycle beginning in July 2022 and August 2022 has included
16 some combination of unpaid wages, incorrect shift differentials, missing call pay, among other
17 mistakes. Defendant's employees have spent significant time reviewing their paystubs, attempting
18 to confirm the accuracy of their pay, and explaining to Defendant's representatives the various
19 discrepancies in their pay. Many employees utilized the "Sutter Health Employee Line," which was
20 created specifically to handle complaints related to problems with the Workday platform.

21 20. Defendant's implementation and continued use of Workday violates the California
22 Labor Code because it systemically underpays employees, fails to pay all wages owed at each
23 regular payday, produces inaccurate withholdings and deductions, and has produced inaccurate
24 wage statements across multiple pay periods.

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1 21. Defendant has committed the following violations of the California Labor Code:

2 **FIRST CLAIM FOR RELIEF**

3 **Equitable Accounting of Wages**

4 (California Labor Code §§ 1174(d); 1174.5; 1175; 1195.5)

5 (California Code of Civil Procedure § 872.140)

6 22. Plaintiffs reallege and incorporate paragraphs 1 through 21 as if alleged herein.

7 23. Defendant owes a duty to Plaintiff and all aggrieved employees to accurately pay
8 wages, provide accurate wage statements, and to promptly distribute any funds withheld or diverted
9 from their wages. Defendant's duty is one of a fiduciary and is based on a relationship of trust that
10 Defendant will comply with its obligations in redistributing the earned wages of its employees.

11 24. On July 14, 2022, the Plaintiff's Union, the California Nurses Association ("CNA"
12 or "Union") first requested an Audit following reports of ongoing payroll errors. On August 11,
13 2022, the Plaintiffs Union reiterated its request for a full accounting of errors both made and
14 corrected since the implementation of Workday on July 1, 2022. Rather than provide said Audit, on
15 August 26, 2022, the Defendant provided a web link for individual employees to access their
16 payroll records and wage statements online.

17 25. California Labor Code Section 1174 ("Duties of Employers"), subsection (d),
18 requires Employers to "keep, at a central location in the state or at the plants or establishments at
19 which employees are employed, payroll records showing the hours worked daily by and the wages
20 paid to...employees employed at the respective plants or establishments. These records shall be
21 kept in accordance with rules established for this purpose by the commission, but in any case shall
22 be kept on file for not less than three years."

23 26. California Labor Code Section 1174.5 ("Failure to Maintain Records; penalties")
24 subjects an employer who fails to maintain "accurate and complete records required by subdivision
25 (d) of Section 1174" to a "civil penalty of five hundred dollars (\$500)."

26 27. California Labor Code Section 1195.5 empowers the Division of Labor Standards
27 Enforcement to "determine, upon request, whether the wages of employees...have been correctly
28 computed and paid. For this purpose, the division may examine the books, reports, contracts,

1 payrolls, and other documents of the employer relative to the employment of employees. The
2 division shall enforce the payment of any sums found, upon examination, to be due and unpaid to
3 the employees.”

4 28. Cal. Civil Procedure Code Section 872.140 empowers the Court to “in all cases,
5 order...accounting, or other compensatory adjustment among the parties according to the principles
6 of equity.”

7 29. Given the record keeping requirements of the California Labor Code, the penalties
8 involved for failure to maintain accurate records, and the widespread pay discrepancies caused by
9 Workday, Defendant has a duty to Plaintiffs and all aggrieved employees to render an accounting
10 showing in detail the wages owed since the implementation of Workday, the amounts paid to
11 Plaintiffs and all aggrieved employees since the implementation of Workday, and the amounts
12 redistributed in connection with any diversion, reduction, or withholding of wages since the
13 implementation of Workday.

14 **SECOND CLAIM FOR RELIEF**

15 **Failure to Keep Accurate Payroll Records**

16 (California Labor Code §§ 558, 1174(d); 1174.5; 1175; Cal. Code Regs. tit. 8 § 11050 7(A))

17 30. Plaintiffs reallege and incorporate paragraphs 1 through 29 as if alleged herein.

18 31. On July 14, 2022, the Plaintiff’s Union, the California Nurses Association (“CNA”
19 or “Union”) first requested an Audit following reports of ongoing payroll errors. On August 11,
20 2022, the Plaintiffs Union reiterated its request for a full accounting of errors both made and
21 corrected since the implementation of Workday on July 1, 2022. On August 26, 2022, the
22 Defendant committed to “conducting a complete audit to make sure that every employee has been
23 paid correctly and made whole from day one of the transition to Workday.” However, instead of
24 conducting the Audit, the Defendant said “we must first identify the root causes and correct the
25 issues generating the errors before conducting the audit.”

26 32. As of June 1, 2023, the Defendant still has yet to conduct the audit that the
27 Defendant “already committed to” as of August 26, 2022. In the nearly 10 months since the
28 Defendant made that commitment, Plaintiffs have received no indication that an audit has been

1 initiated, completed, nor any indication that the Defendant ever truly intended to make whole the
2 Plaintiffs and all other aggrieved Employees.

3 33. The transition from “Lawson” to “Workday” payroll software has resulted in either
4 the destruction of or the inability to access the payroll records necessary to conduct a payroll audit.

5 34. Defendant has failed to maintain accurate payroll records as required by Cal. Labor
6 Code Section 1174(d), Cal. Code Regs. tit. 8, § 11050, and Industrial Wage Commission Wage
7 Order No. 5.

8 **THIRD CLAIM FOR RELIEF**

9 **Unlawful Failure to Pay Wages**

10 (California Labor Code §§ 204, 222, 223, 225.5, 218.6, 510, 1194, 1194.2)

11 35. California Labor Code Section 204 that requires all wages...earned by any person in
12 any employment are due and payable twice during each calendar month, on days designated in
13 advance by the employer as regular paydays.

14 36. California Labor Code Section 222 makes it “unlawful, in case of any wage
15 agreement arrived at through collective bargaining, either willfully or unlawfully with intent to
16 defraud an employee...to withhold from said employee any part of the wage agreed upon.”

17 37. California Labor Code Section 223 makes it unlawful to secretly pay a lower wage
18 while purporting to pay the wage designated by statute or by contract, where any statute or contract
19 requires an employer to maintain the designated wage scale.

20 38. California Labor Code Section 225.5 provides a civil penalty of \$100 for any initial
21 violation of Labor Code Sections 222 and 223, and a civil penalty of \$250 plus 25 percent of the
22 amount unlawfully withheld for each subsequent violation.

23 39. In any action brought for the nonpayment of wages, California Labor Code Section
24 218.6 provides that the court shall award interest on all due and unpaid wages at the rate of interest
25 specified in subdivision (b) of Section 3289 of the Civil Code, which shall accrue from the date that
26 the wages were due and payable.

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1 40. California Labor Code Section 510 requires any work in excess of eight hours in one
2 workday and any work in excess of 40 hours in any one workweek...shall be compensated at the
3 rate of no less than one and one-half times the regular rate of pay for an employee.

4 41. California Labor Code Section 1194 provides that any employee receiving less than
5 the legal minimum wage or the legal overtime compensation applicable to the employee is entitled
6 to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime
7 compensation, including interest thereon, reasonable attorney's fees and costs of suit.

8 42. California Labor Code Section 1194.2 provides that an employee shall be entitled to
9 recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

10 43. Aggrieved RN Marki Henderson works as an RN at Sutter Solano Medical Center.
11 Her paycheck for the pay period ending on August 12, 2022 did not include 6 hours of double-time
12 pay that she had earned. She contacted Sutter Health on August 22 via the online service portal that
13 was established specifically to deal with the litany of errors that emerged from the Defendant's
14 implementation of the "Workday" payroll software. As of February 2023, she has yet to be paid for
15 the 6 hours of double time pay that he earned. RN Henderson was not paid in a timely manner as
16 required by California Labor Code Section 204, nor did she receive overtime pay as required by
17 Labor Code Section 510.

18 44. RN Henderson and all similarly aggrieved employees are entitled to recover the
19 unpaid balance of overtime compensation pursuant to Labor Code Section 1194 and liquidated
20 damages pursuant to Section 1194.2.

21 **FOURTH CLAIM FOR RELIEF**

22 **Failure to Timely Pay Wages**

23 (California Labor Code §§ 204, 210, 222, 223, 225.5, 218.6, 218.5, 248.6)

24 45. California Labor Code Section 248.6 (the "2022 COVID-19 Supplemental Paid Sick
25 Leave Law") requires that employers provide 80 hours of supplemental paid sick leave to full time
26 employees if, inter alia, the worker is subject to a Federal, State, or local quarantine or isolation
27 order related to COVID-19, or the worker is advised by a health care provider to self-isolate or self-
28 quarantine due to health concerns related to COVID-19, or if the Employer prohibits the worker

1 from working due to health care concerns related to the potential transmission of COVID-19.

2 Defendant is a covered employer under Labor Code Section 248.6(a)(3), Plaintiffs and aggrieved
3 employees are covered employees as defined by Section 248.6(a)(1).

4 46. The requirement to provide 2022 COVID-19 Supplemental Paid Sick Leave was in
5 effect from January 1, 2022 through December 31, 2022.

6 47. Aggrieved RN Amber Ugarte worked at Sutter Solano Medical Center until February
7 2023. She tested positive for Covid-19 in June 2022. Before the transition to the Workday payroll
8 software, her wage statements indicated that she had the full availability of 2022 Covid-19
9 Supplemental Paid Sick Leave. After the transition to Workday, she was told by Sutter that she had
10 no Covid leave availability.

11 48. Aggrieved RN Ugarte began her leave of absence on July 13, 2022 and returned to
12 work on August 1, 2022. During this nearly 3-week period, RN Ugarte received almost no pay for 3
13 full pay periods, despite her clear eligibility for 2022 Covid-19 Supplemental Paid Sick Leave as a
14 “covered employee” as defined by California Labor Code Section 248.6(a)(1).

15 49. The change to the Workday payroll software resulted in 3 full pay periods of
16 significant financial hardship and unnecessary aggravation. The process to correct this error
17 involved RN Ugarte sending dozens of emails, making several phone calls, and reaching out to her
18 Union. As of September 2022, RN Ugarte has still not been made completely whole.

19 50. Aggrieved RN Ingrid Ragoobar works as an RN at Eden Medical Center. Since the
20 pay period ending on July 8, 2022, RN Ragoobar has suffered multiple payroll errors, including her
21 per diem pay rate not being paid, inaccurate payment for rest between shifts, unpaid double time,
22 and an incomplete payroll adjustment.

23 51. The series of payroll errors over multiple pay periods experienced by RN Ragoobar
24 and all similarly aggrieved employees violate Labor Code Sections 204, 210, 222, 223, 225.5, 218.6
25 and 218.5.

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1 **FIFTH CLAIM FOR RELIEF**

2 **Failure to Provide Accurate Itemized Wage Statements**

3 (California Labor Code §§ 226(a), 226(e), 226.3)

4 52. Plaintiffs reassert and reallege all preceding paragraphs as if fully set forth and
5 incorporates said paragraphs herein by reference.

6 53. California Labor Code Section 226(a) provides that “an Employer, semimonthly or
7 at the time of each payment of wages, shall furnish to his or her employee...an accurate itemized
8 statement in writing showing (1) gross wages earned, (2) total hours worked..., (3) the number of
9 piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis,
10 (4) all deductions..., (5) net wages earned, (6) the inclusive dates of the period for which the
11 employee is paid, (7) the name of the employee and his or her social security number..., (8) the
12 name and address of the legal entity that is the Defendant, and (9) all applicable hourly rates in
13 effect during the pay period and the corresponding number of hours worked at each hourly rate by
14 the employee.”

15 54. Since the implementation of the Workday payroll system on July 1, 2022, Plaintiffs
16 and all aggrieved employees have experienced widespread pay disparities, including but not limited
17 to (1) payment of incorrect wage rates, (2) missing work hours from paychecks, (3) missing or late
18 paychecks, (4) absent or incorrect overtime wages, (5) incorrect wage deductions or
19 withholdings, (6) reductions from PTO or reduced census banks, including 2022 COVID-19
20 Supplemental Paid Sick Leave, (7) unpaid bonuses or per diems, and (8) absent or incorrect wage
21 rates for various types of premium pay, including shift differentials.

22 55. Defendant failed to provide timely, accurate, itemized wage statements to Plaintiffs
23 and aggrieved employees in accordance with Labor Code Section 226(a) for multiple pay periods
24 following the implementation of the Workday payroll system. The wage statements provided to
25 Plaintiff's and aggrieved employees have not accurately reflected the amounts of available sick
26 leave, wage rates, total hours worked, net wages earned, deductions and withholdings, and fringe
27 benefits.

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56. Such failures caused by Workday have resulted in significant disruption and annoyance for Defendant's employees. Plaintiffs have been unable to rely on the accuracy of their PTO banks and census banks. Defendant's employees have spent significant time reviewing their paystubs, attempting to confirm the accuracy of their pay, explaining to Defendant's representatives the various discrepancies in their pay, and activating their Union Labor Representatives to assist in sorting out the errors.

57. Defendant issued and maintained inaccurate wage statements and records across multiple pay periods. Defendant is liable for civil penalties pursuant to Labor Code Sections 226.3, 226(e), and 2699 *et seq.*

SIXTH CLAIM FOR RELIEF

Violation of the Private Attorneys General Act (“PAGA”)

(California Labor Code § 2698 *et seq*)

58. Plaintiffs reassert and reallege all preceding paragraphs as if fully set forth and incorporate said paragraphs herein by reference.

59. Plaintiffs seek to recover the PAGA civil penalties through a representative action permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal. 4th 969. Therefore, class certification of the PAGA claims brought herein is not required.

60. Plaintiffs are “aggrieved employees” under PAGA, as they are employed by Defendant currently or were employed by Defendant during the applicable statutory period. Plaintiffs suffered one or more of the Labor Code violations set forth herein. Accordingly, Plaintiffs seek to recover on behalf of themselves and all other current and former aggrieved employees of Defendant, the civil penalties provided by PAGA and the California Labor Code, plus reasonable attorneys’ fees, and costs.

61. Plaintiffs seek civil penalties pursuant to PAGA for violations of the following Labor Code provisions:

a. Failure to Keep Accurate Payroll Records (Cal. Labor Code §§ 558, 226(3)(f), 1174(d), 1174.5; Cal. Code Regs. tit. 8, § 11050)

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- b. Unlawful Failure to Pay Wages (Cal. Labor Code § 204, 222, 223, 225.5, 218.6, 218.5, 510, 1194, 1194.2, 1198)
- c. Failure to Timely Pay Wages (Cal. Labor Code §§ 204, 210, 222, 223, 225.5, 218.6, 218.5)
- d. Failure to Provide Accurate, Itemized Wage Statements (Cal. Labor Code §§ 226(a), 226(e), 226.3)

62. With respect to violations of Labor Code Section 1174(d), Labor Code Section 1174.5 provides a civil penalty of \$500 for the employer who fails to maintain accurate and complete records as required by Section 1174(d). Labor Code 226(3)(f) entitles a current or former employee to recover a \$750 penalty from the employer when the employer fails to permit the employee to inspect or receive a copy of payroll records. With respect to violations of Industrial Welfare Commission Wage Order No. 5, codified at Cal. Code Regs. tit. 8 § 11050, Labor Code Section 558 provides a penalty of \$50 for each underpaid employee for each pay period for which the employee was underpaid, in addition to an amount sufficient to recover underpaid wages. For each subsequent violation, the civil penalty is \$100 for each underpaid employee for each pay period for which the employee was underpaid.

63. With respect to violations of Labor Code Sections 222 and 223, which make it unlawful to withhold any part of the agreed upon wage or pay the designated wage scale, Labor Code Section 225.5 provides a civil penalty of \$100 for each failure to pay each employee for an initial violation. Subsequent violations result in a civil penalty of \$200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld.

64. In this action brought for the nonpayment of wages, fringe benefits, incorrect deductions and withholdings, Labor Code Section 218.5 provides reasonable attorney's fees and costs to the prevailing party. Labor Code Section 218.6 provides that the court shall award interest on all due and unpaid wages, which shall accrue from the date that the wages were due.

65. With respect to violations of Labor Code Section 226(a), Labor Code Section 226.3 imposes a civil penalty in addition to any other penalty provided by law of two hundred and fifty dollars (\$250) per aggrieved employee for the first violation and one thousand (\$1000) per

1 aggrieved employee for each subsequent violation of Labor Code Section 226(a). Labor Code
2 226(e) provides fifty dollars (\$50) in damages for the initial pay period in which a violation occurs
3 and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to
4 exceed four thousand dollars (\$4000).

5 66. Labor Code Section 2699(f)(2) imposes a civil penalty of one hundred dollars (\$100)
6 per pay period, per aggrieved employee for initial violations, and two hundred dollars (\$200) per
7 pay period, per aggrieved employee for subsequent violations for all Labor Code provisions for
8 which a civil penalty is not specifically provided, including Labor Code Section 204 which requires
9 the timely payment of wages.

10 67. At the time of each violation, Defendant employed one or more employees.

11 68. As a result of the above-mentioned wrongful and illegal conduct of Defendant,
12 Plaintiffs and all aggrieved employees are entitled to civil penalties in an amount to be determined
13 at trial, pre-judgment interest, costs, and attorney's fees.

14 69. Plaintiffs have complied with all procedural requirements of Labor Code Section
15 2699.3 prior to filing this Complaint. By the PAGA Notice of Claim filed in January 2023,
16 submitted online to the Labor and Workforce Development Agency ("LWDA") and served by
17 certified mail upon Defendant, Plaintiff through counsel notified the LWDA and Defendant of the
18 specific Labor Code provisions that the Defendant has violated. The LWDA did not respond to
19 Plaintiff's Notice within the statutory timeframe, and Plaintiff has therefore exhausted
20 administrative remedies. Pursuant to Labor Code Section 2699.3, Plaintiffs may pursue these PAGA
21 claims in this action on behalf of aggrieved employees and the State of California.

22 **SEVENTH CLAIM FOR RELIEF**

23 **Unfair Business Practices in Violation of California Unfair Competition Law ("UCL")**

24 (California Business & Professions Code §§ 17200 *et seq*)

25 70. Plaintiffs re- allege each paragraph of this Complaint as though fully set forth herein.

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71. Business and Professions Code Sections 17200 *et seq.* prohibits unfair competition in the form of any unlawful, unfair, or fraudulent business practice. Business and Professions Code Section 17203 states:

72. Defendant Sutter Health has committed and is continuing to commit unlawful business practices against Plaintiffs as defined by California Business and Professions Code Section 17200, by, among other things, violating provisions of the California Labor Code. Sutter's conduct as alleged herein has taken place in the course of its business as a health care organization and operator of acute-care hospitals.

PRAYER FOR RELIEF

1. An accounting showing in detail the wages owed since the implementation of Workday, the amounts paid to Plaintiffs and all aggrieved employees since the implementation of Workday, and the amounts redistributed in connection with any diversion, reduction or withholding of wages since the implementation of Workday, pursuant to Cal. Civ. Proc. Code § 872.140;
2. An award of liquidated damages and interest on all due and unpaid wages pursuant to Cal. Labor Code § 218.6;
3. An award of any unpaid balance of overtime compensation, including interest thereon, pursuant to Cal. Labor Code § 1194;

4. For civil penalties as provided under Labor Code §§ 226(e), 226.3 and/or other applicable law;
5. For civil penalties of \$750 for each employee for whom the Defendant is unable to provide payroll records due to the implementation of Workday, pursuant to Labor Code § 226(3)(f);
6. An injunction against any further violations of the California Labor Code, pursuant to Labor Code § 1194.5, including requiring the Defendant to no longer use the Workday payroll software;
7. An award of civil penalties pursuant to PAGA and the Cal. Labor Code in an amount to be determined at trial, but at least the jurisdictional amount of this Court;
8. An award of reasonable attorney's fees and costs pursuant California Labor Code § 2699(g) and other applicable law;
9. Pre-judgment and post-judgment interest as provided by law;
10. That the Court declare that Defendant's above-mentioned conduct violates the California Unfair Competition Law; and
11. Such other and further relief that the Court may deem just and proper.

Dated: June 30, 2023

Respectfully submitted,

CALIFORNIA NURSES ASSOCIATION
LEGAL DEPARTMENT

/s/ Imhotep A. Royster

NICOLE J. DARO
IMHOTEP A. ROYSTER
Attorneys for Plaintiffs

1 **VERIFICATION**

2 I, Imhotep Royster, declare as follows:

- 3 1. I am the attorney in the above-entitled matter.
- 4 2. I have drafted the foregoing Verified Complaint and know the contents thereof.
- 5 3. The same is true of my own knowledge, except as to those matters which are therein stated
- 6 on information and belief, and as to those matters, I believe them to be true.

7 Executed on June 30, 2023 at Alameda County, California.

8 I declare under penalty of perjury that the foregoing is true and correct.

9 /s/ Imhotep Royster

10 Attorney for Plaintiffs

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