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County of San Diego
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Clerk of the Superior Court
By A. Vargas ,Deputy Clerk

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN DIEGO

HEATHER FRANKLIN, on behalf of herself and others similarly situated,

Plaintiff,

v.

AMN HEALTHCARE LABOR DISRUPTION, INC., a California corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 25CU069686C

COMPLAINT PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF 2004 (Labor Code §§ 2698 *et seq*.)

[AMOUNT DEMANDED EXCEEDS $35,000.00]

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Plaintiff Heather Franklin ("Plaintiff"), by and through her attorneys of record, brings this enforcement action under the Private Attorneys General Act of 2004 ("PAGA") on behalf of herself, the State of California, and all aggrieved employees against Defendant AMN Healthcare Labor Disruption, Inc., and Does 1 through 50 (collectively, "Defendants"), on the following grounds:

INTRODUCTION

1. This enforcement action is brought by Plaintiff on behalf of the State of California and all current and former non-exempt employees of Defendants who were assigned to work for Defendants' clients engaged in a labor dispute inside California during the relevant period (referred to herein as "Aggrieved Employees").

2. Through this action, Plaintiff alleges that Defendants have violated the California Labor Code ("Labor Code") and the applicable Industrial Welfare Commission ("IWC") Wage Orders by, among other things:

a. Failing to timely pay all minimum and/or regular wages during employment;

b. Failing to timely pay all overtime and/or double time wages during employment;

c. Failing to pay contractual wages during employment;

d. Failing to provide legally compliant meal periods and/or timely pay premium wages for non-compliant meal periods during employment;

e. Failing to provide legally compliant rest periods and/or timely pay premium wages for non-compliant rest periods during employment;

f. Failing to timely pay all wages due and owing at the time of separation of employment and/or the required waiting time penalties;

g. Failing to reimburse for necessary business expenses;

h. Failing to furnish accurate itemized wage statements; and

i. Failing to maintain accurate employment records.

3. By and through this enforcement action, Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks to recover all available remedies including, but not limited to, civil penalties, injunctive relief, reasonable attorneys' fees and litigation costs.

4. All allegations in this complaint are based upon information and belief except those allegations specifically pertaining to Plaintiff, which are based upon her personal knowledge and experience. Each allegation in this complaint has evidentiary support or is likely to have evidentiary support after a reasonable opportunity for further investigation and discovery.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this action pursuant to California Code of Civil Procedure ("Code of Civil Procedure") section 410.10. Defendants conduct business in California. The amount in controversy, exclusive of interest, costs, and attorneys' fees exceeds the minimum jurisdictional amount for this Court.

6. Venue is proper in this judicial district pursuant to Code of Civil Procedure sections 395(a) and 395.5 because many of the acts, conduct, and events alleged herein occurred within this county. Defendants transact business in this county and are otherwise within this Court's jurisdiction for purposes of service of process. The unlawful acts alleged herein have a direct effect on Aggrieved Employees within this county and throughout the State of California.

THE PARTIES

7. At all times relevant to this complaint, Plaintiff Heather Franklin was an adult working as a healthcare professional and a resident of the State of Ohio.

8. Defendant AMN Healthcare Labor Disruption, Inc. is a healthcare staffing company that is incorporated in California. Defendant AMN Healthcare Labor Disruption, Inc. is duly authorized to do business and actually does business in California. Upon information and belief, Defendant AMN Healthcare Labor Disruption, Inc. solely provides replacement labor staffing for employers involved in labor disputes in California.

9. The true names and capacities, whether individual, corporate, subsidiary, partnership, associate or otherwise of defendant Does 1 through 50, inclusive, are unknown to Plaintiff, who therefore sues these defendants by such fictitious names pursuant to Code of Civil Procedure section 474. Plaintiff will amend this complaint to allege the true names and capacities of Does 1 through 50 when they are ascertained.

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10. Plaintiff is informed and believes, and thereon alleges, that Defendants, at all times relevant to this complaint, were employers subject to the Labor Code and applicable IWC Wage Order, as defined therein, whose employees were and are engaged in work throughout this county within the state of California.

11. At all times relevant to this complaint, the acts alleged to have been done and/or caused by the named defendants are also alleged to have been done and/or caused by the fictitiously named defendants and by each of their agents and/or employees who acted within the scope of their agency and/or employment.

12. At all times relevant to this complaint, each named defendant, including each fictitiously named defendant, acted as an agent, servant, employee, co-conspirator, alter-ego and/or joint venture of the other defendants, and in doing the things alleged herein, acted within the course and scope of such agency, employment, alter-ego and/or in furtherance of the joint venture.

13. At all times relevant to this complaint, the acts and/or omissions of each of the defendants, including each fictitiously named defendant, concurrently contributed to the various acts and/or omissions of each and every one of the other defendants, including each fictitiously named defendant, in proximately causing the wrongful conduct, harm, and/or damages alleged herein. Each of the defendants, including each fictitiously named defendant, approved of, condoned, and/or otherwise ratified each and every one of the acts and/or omissions complained herein. Each defendant, including each fictitiously named defendant, was and is acting with the authority of each and every other defendant and/or are acting as agents of each and every other defendant or Doe defendant.

14. At all times relevant to this complaint, there was a unity of interest and ownership between each defendant, including each fictitiously named defendant, such that all defendants acted as a single employer of Plaintiff and all other Aggrieved Employees.

15. At all times relevant to this complaint, each defendant, including each fictitiously named defendant, exercised supervision and control over the wages, hours, and/or working conditions of Plaintiff and all other Aggrieved Employees, including, but not limited to, implementing standard policies and procedures.

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16. At all times relevant to this complaint, each defendant, including each fictitiously named defendant, was the employer or other person acting on behalf of the employer, within the meaning of Labor Code sections 558, 558.1, and 1197.1, who violated or caused the violations alleged herein.

17. At all times relevant to this complaint, each defendant, including each fictitiously named defendant, caused Aggrieved Employees, including Plaintiff, to work and/or prevented Plaintiff and other Aggrieved Employees from working.

18. At all times relevant to this complaint, each defendant, including each fictitiously named defendant, had control over the Aggrieved Employees.

19. Each defendant, including each fictitiously named defendant, is alleged to have caused each of the violations alleged herein.

20. Each defendant, including each fictitiously named defendant, is jointly and severally liable for each of the violations alleged herein.

FACTUAL ALLEGATIONS

21. Plaintiff hereby incorporates by reference all other allegations contained in this Complaint as though fully set forth herein.

22. Plaintiff was employed by, or otherwise performed work for, Defendants during the relevant period. Specifically, in or around October 2025, Defendants hired, assigned, and paid Plaintiff to perform work on a short-term assignment at a healthcare facility in California. Upon being hired, Plaintiff was required to travel to California and undergo a multi-day induction and onboarding process beginning on or around October 9, 2025. At all times during her employment, Plaintiff was classified by Defendants as a non-exempt employee and earned an hourly wage.

23. Defendant AMN Healthcare Labor Disruption, Inc. is a healthcare staffing company that solely provides replacement labor staffing for employers involved in labor disputes in California.

24. At all times relevant to this complaint, Defendants employed other Aggrieved Employees in various non-exempt positions and paid them an hourly wage.

25. At all times relevant to this complaint, Defendants hired, assigned, and paid Aggrieved Employees to perform work on short-term assignments at healthcare facilities in California. Defendants

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required Aggrieved Employees to travel to California to undergo a multi-day induction and onboarding process, as well as to perform work at the California healthcare facilities.

26. At all times relevant to this complaint, the policies and practices applicable to Plaintiff were also applicable to other Aggrieved Employees.

I. Plaintiff and Aggrieved Employees are Transportation Workers Engaged in Interstate Commerce

27. Plaintiff and other Aggrieved Employees are a class of "transportation workers" engaged in interstate commerce and are therefore exempt from the Federal Arbitration Act ("FAA") under Section 1 of that Act. Defendants' business model involves recruiting, hiring, and deploying healthcare professionals, like Plaintiff, from their homes across the United States to travel to and work at healthcare facilities in California and other states experiencing labor disputes.

28. The work that Plaintiff and the Aggrieved Employees are hired to perform is predicated on, and cannot be separated from, the act of interstate travel. Their job is not merely to work at a fixed site in California; their job is to travel across state lines to provide temporary labor. This continuous and essential interstate movement places them squarely within a "class of workers engaged in foreign or interstate commerce" analogous to other workers whose roles are fundamentally defined by interstate movement. As such, any arbitration agreement they may have entered into is not enforceable under the FAA.

II. Defendants' Failure to Pay for All Hours Worked

29. Defendants required Plaintiff and other Aggrieved Employees to complete numerous hours of compliance modules, skills labs, and other administrative tasks for which they were not fully compensated. Following this onboarding, Defendants failed to provide Plaintiff and other Aggrieved Employees with confirmed housing or work assignments for over twelve hours, leaving them waiting in a hotel lobby with their luggage. During this time, Defendants provided conflicting communications, including an assignment to a facility that was immediately rescinded, causing further confusion and uncompensated waiting time before Plaintiff and other Aggrieved Employees were ultimately assigned to work.

30. At all times relevant to this complaint, Aggrieved Employees, including Plaintiff, were

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required to use company-provided or company-directed transportation to and from their assigned healthcare facilities because, among other reasons, crossing active, or potential, picket lines without such protection would seriously jeopardize their health and safety. In other instances, Defendants directed Aggrieved Employees to use ride-sharing services but failed to provide a system for full and timely reimbursement. Furthermore, Defendants do not reimburse Aggrieved Employees for the cost of a vehicle that they, as travelers, would be required to rent to commute to work themselves. Thus, using company-provided or company-directed transportation is compulsory for the Aggrieved Employees.

31. However, at all times relevant to this complaint, Defendants have a pattern and practice of not paying these Aggrieved Employees for their compulsory commute/transportation time, and the associated wait time, even though they are under Defendants' control during the entirety of that time and/or they suffered or were permitted to work for Defendants. Defendants also fail to pay Aggrieved Employees for all hours spent in mandatory onboarding, training modules, and other pre-shift activities, despite sometimes promising compensation for such time.

III. Defendants' Failure to Pay Earned Non-Discretionary Bonuses or to Take Them into Account for Purposes of Calculating Overtime and Double Time

32. At all times relevant to this complaint, Defendants have, depending on the assignment, promised Aggrieved Employees non-discretionary bonuses but, from time to time, have failed to pay Aggrieved Employees their earned non-discretionary bonuses, and, from time to time, failed to take those bonuses (whether they have paid them or not) into account for purposes of determining their overtime and double time rates of pay.

33. At all times relevant to this complaint, Defendants have, from time to time, also failed to properly incorporate the non-discretionary bonuses (whether paid or not) into the regular rate of pay for overtime calculation purposes. For clarity, Plaintiff does not allege that Defendants promised non-discretionary bonuses to Aggrieved Employees on each assignment, but rather when, depending on the assignment, Defendants promised non-discretionary bonuses to Aggrieved Employees, they, from time to time, failed to pay such bonuses to them when they were earned and Defendants, from time to time, also failed to incorporate such bonuses into the regular rate of pay for overtime calculation purposes.

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IV. Defendants' Failure to Pay Contractual Wages

34. At all times relevant to this complaint, Defendants have, from time to time, contractually promised to provide guaranteed payments and/or non-discretionary bonuses to Plaintiff and Aggrieved Employees if they fulfilled certain terms and conditions.

35. Plaintiff, and upon information and belief, the Aggrieved Employees to whom Defendants promised such payments and/or bonuses, performed all required terms and conditions, except those from which they were excused from performing. Defendants, however, have, from time to time, failed to provide such payments and/or bonuses to Plaintiff and Aggrieved Employees who had earned them, thereby breaching their contracts with them.

V. Defendants' Failure to Authorize and/or Permit Lawful Meal or Rest Breaks and Their Failure to Pay Required and Proper Premiums for Non-Complaint Breaks

36. At all times relevant to this complaint, Defendants, from time to time, have not authorized and/or permitted their Aggrieved Employees, including Plaintiff, to take lawful meal or rest breaks under California law, and have also failed to pay the required and proper break premiums owed to these Aggrieved Employees. Due to the workload and high-pressure environment of the strike assignments, Plaintiff and other Aggrieved Employees were frequently unable to take uninterrupted, off-duty meal periods of at least 30-minutes and/or off-duty, uninterrupted 10-minute rest periods for every four hours worked. To the extent Defendants paid any meal or rest break premiums, they were not paid at the regular rate of pay because certain non-discretionary bonuses were not taken into account in violation of California law.

VI. Defendants' Failure to Pay Premium Wages

37. Upon separation of employment, Defendants willfully failed to timely pay Plaintiff and other former Aggrieved Employees for all time worked, meal and rest break premiums, and overtime wages.

38. Plaintiff and other former Aggrieved Employees have yet to be paid all wages that were owed upon separation of employment.

39. Plaintiff and other former Aggrieved Employees have not been paid the required waiting time penalties for Defendants' failure to pay all wages due and owing upon separation of employment.

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VII. Defendants' Failure to Reimburse for Necessary Business-Related Expenditures

40. At all times relevant to this complaint, Defendants have, from time to time, not reimbursed Aggrieved Employees, including Plaintiff, for their necessary business-related expenditures, including, but not limited to, all of their incurred meals and incidentals expenses while traveling away from home on assignment.

VIII. Defendants' Failure to Furnish Accurate Itemized Wage Statements and Maintain Accurate Records

41. At all times relevant to this complaint, Defendants have failed to furnish Plaintiff and Aggrieved Employees with accurate itemized wage statements. The wage statements furnished did not accurately reflect their gross and net wages earned, their total hours worked, or the applicable hourly rates in effect during each period and the corresponding number of hours worked at each hourly rate.

42. The wage statements do not include the accurate overtime and/or double time rates due to Defendants' failure to include bonuses into the regular rate of pay when calculating overtime and/or double time.

43. The wage statements do not include the accurate premium wages due to Defendants' failure to include bonuses into the regular rate of pay when calculating premium wages.

44. Due to the missing and/or incorrect information on the wage statements, Plaintiffs and Aggrieved Employees were unable to promptly and easily determine their gross and net wages earned, as well as their total hours worked during the pay period.

45. At all times relevant to this complaint, Defendants failed to maintain accurate employment records.

46. Defendants failed to accurately record all hours actually worked or spent under their control, failed to record the proper beginning and end of each work period, including meal periods, failed to record the total hours actually worked, to record the total wages actually earned, and the applicable and proper rates of pay.

47. On October 16, 2025, Plaintiff submitted written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendants informing them of Defendants' alleged

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violations of the Labor Code. A true and correct copy of the October 16, 2025 written notice is attached hereto as **Exhibit 1** and is incorporated herein by reference.

48. To date, the LWDA has not provided notice of its intent to investigate the alleged violations.

49. Plaintiff believes that additional violations may be discovered and therefore reserves her right to allege additional violations of law as investigation and discovery warrants. In the event Plaintiff discovers additional violations, Plaintiff will seek to amend the operative complaint.

PAGA DESIGNATION

50. Plaintiff represents herself and the following individuals:

Aggrieved Employees

> All current and former non-exempt employees of Defendants who were assigned to work for Defendants' clients engaged in a labor dispute inside California during the period commencing on the date that is one year and sixty-five days prior to the filing of the complaint through and including the date judgment is entered. To the extent equitable tolling operates to toll the claims by the Aggrieved Employees against Defendants, the time period should be adjusted accordingly.

51. Aggrieved Employees are all "employees" as the term is used in the Labor Code and the IWC Wage Orders regulating wages, hours, and working conditions in the state of California.

52. Plaintiff reserves her right to redefine the group of Aggrieved Employees as permitted by California law.

53. Pursuant to Labor Code section 2698 *et seq*., any provision of the Labor Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its departments, divisions, commissions, boards, agencies or employees for violation of the code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Labor Code section 2699.3.

54. Pursuant to Labor Code section 2699(m), all civil penalties recovered must be allocated sixty-five percent (65%) to the LWDA and thirty-five (35%) to the aggrieved employees.

55. During all, or a portion of, the one-year and sixty-five day period before Plaintiff filed notice of his claims with the LWDA, Defendants were Plaintiff's and all other Aggrieved Employee's

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employer or person acting on behalf of the Aggrieved Employees' employer, either individually or as an officer, agent, or employee of another person, within the meaning of Labor Code sections 558(a), 558.1, and 1197.1.

56. Plaintiff is an "aggrieved employee" under the PAGA because she was employed by the alleged violator and personally suffered each of the violations alleged.

57. Plaintiff exhausted her administrative remedies by submitting written notice to the LWDA and Defendants. See Ex. 1.

58. The LWDA had 65 days to provide notice of whether it intended to investigate the alleged violations. Lab. Code § 2699.3(a)(2)(A).

59. To date, the LWDA has not provided notice its intent to investigate the alleged violations.

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CAUSES OF ACTION

FIRST CAUSE OF ACTION

(By Plaintiff, on behalf of herself, the State of California and all Aggrieved Employees, against Defendants and Does 1-50)

PRIVATE ATTORNEYS GENERAL ACT OF 2004

[Labor Code §§ 2698 *et seq*.]

60. Plaintiff hereby incorporates by reference all other allegations contained in this Complaint as though fully set forth herein.

61. Plaintiff, on behalf of herself, the State of California, and all Aggrieved Employees, seeks to recover civil penalties, injunctive relief, and attorneys' fees and costs through this enforcement action based the following on violations of the Labor Code and/or IWC Wage Order provisions:

a. Failing to timely pay all minimum and/or regular wages during employment in violation of Labor Code sections 204, 1194, 1197, 1198, and the "Minimum Wage" and "Hours and Days of Work" sections of the Applicable IWC Wage Orders;

b. Failing to timely pay all overtime wages during employment in violation of Labor Code sections 204, 510, 1194, 1197, 1198, and the "Hours and Days of Work" and "Minimum Wage" sections of the Applicable IWC Wage Orders;

c. Failing to pay contractual wages during employment in violation of Labor Code sections 221, 223 and 225.5;

d. Failing to provide legally compliant meal periods and/or timely pay premium wages for non-compliant meal periods during employment in violation of Labor Code sections 204, 226.7, 512, 1198, and the "Meal Periods" section of the Applicable IWC Wage Orders;

e. Failing to provide legally compliant rest periods and/or timely pay premium wages for non-compliant rest periods during employment in violation of Labor Code sections 204, 226.7, 1198, and the "Rest Periods" section of the Applicable IWC Wage Orders;

f. Failing to timely pay all wages due and owing at the time of separation and/or the required waiting time penalties in violation of Labor Code sections 201, 202, and 203;

g. Failing to reimburse for necessary business expenses in violation of Labor Code section 2802;

h. Failing to furnish accurate itemized wage statements in violation of Labor Code section 226, and the "Records" section of the Applicable IWC Wage Orders; and

i. Failing to maintain accurate employment records in violation of Labor Code section 1174, and the "Records" section of the Applicable IWC Wage Orders.

62. Labor Code section 210 provides that any person who fails to pay wages as provided in Labor Code sections 201.3, 203, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5 shall be subject to a civil penalty of $100 for any initial violation for each failure to pay each employee and for each subsequent violation, or any willful or intentional violation $200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld, in addition to any other penalty. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalty imposed by Labor Code section 210.

63. Labor Code section 225.5 provides that "every person who unlawfully withholds wages due to any employee in violation of Sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty as follows: (a) For any initial violation, one hundred dollars ($100) for each failure to pay each employee.

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(b) For each subsequent violation, or any willful or intentional violation, two hundred dollars ($200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld." Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalty imposed by Labor Code section 225.5.

64. For violations of Labor Code sections 510 and 512, in addition to any other recovery provided by law, Labor Code section 558 imposes a civil penalty of $50 per pay period for each underpaid employee for the initial violation and $100 per pay period for each underpaid employee for each subsequent violation of any section of Labor Code Division 2, Part 2, Chapter 1, or any provision regulating hours and days of work in any order of the IWC. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalty imposed by Labor Code section 558.

65. Labor Code section 1174.5 imposes a civil penalty of $500 for an employer's failure to maintain accurate and complete records. This civil penalty is in addition to the civil penalty of $100 per pay period, per aggrieved employee that would be imposed pursuant to Labor Code section 2699(f)(2) for a violation of Labor Code section 1174(d). Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalty imposed by section 1174.5.

66. Labor Code section 1197.1 imposes a civil penalty of $100 for each underpaid employee for each pay period for which the employee is underpaid and a subsequent civil penalty of $250 for each underpaid employee for each pay period for which the employee is underpaid for paying or causing an employee to be paid a wage less than the minimum wage. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalty imposed by Labor Code section 1197.1.

67. Labor Code section 2699(f)(2)(A) provides that for violations of Labor Code section 226, if the violation is a violation of paragraphs (1) to (7) or (9) of subdivision (a) of Section 226 then the civil penalty is $25 per pay period per employs if the employee could promptly and easily determine the information specified in subdivision (a) of Section 226. If the alleged violation is a violation of paragraph (8) of subdivision (a) of Section 226, the civil penalty is $25 for each aggrieved employee per pay period if the employee would not be confused or misled about the correct identity of their employer. The civil

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penalty is $50 for each aggrieved employee per pay period if the alleged violation resulted from an isolated, nonrecurring event that did not extend beyond the lesser of 30 consecutive days or four consecutive pay periods. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalties described in Labor Code section 2699(f)(2)(A).

68. For all provisions of the Labor Code except those for which a civil penalty is specifically provided Labor Code section 2699(f)(2) imposes a civil penalty of $100 per pay period, per employee, except for violations of Labor Code section 226(a), and $200 per pay period, per employee if either of the following are met: (a) an agency or court issued a finding or determination to the employer that its policy or practice giving rise to the violation was unlawful within the five years preceding the alleged violation, or (b) the court determines that the employer's conduct giving rise to the violation was malicious, fraudulent, or oppressive. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks the civil penalties described in Labor Code section 2699(f)(2).

69. Labor Code section 2699(k)(1) provides that an aggrieved employee may be awarded injunctive relief in a civil action. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks injunctive relief as provided by Labor Code section 2699(k)(1).

70. Labor Code section 2699(k)(1) provides that an employee who prevails in a civil action brought pursuant to the PAGA shall be entitled to an award of reasonable attorneys' fees and costs. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks attorneys' fees and costs as provided by Labor Code section 2699(k)(1).

71. Labor Code sections 218.5, 226(e)(1), 1194, 2802, and Code of Civil Procedure section 1021.5, also permit the recovery of attorneys' fees and costs. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees, seeks attorneys' fees and costs as permitted by Labor Code sections 218.5, 226(e)(1), 1194, 2802, and Code of Civil Procedure section 1021.5.

72. Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees requests further relief as described in the below prayer.

PRAYER FOR RELIEF

Plaintiff, on behalf of herself, the State of California, and all other Aggrieved Employees prays for judgment against Defendants as follows:

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a. For any and all civil penalties available for the violations of the Labor Code and applicable IWC Wage Order alleged herein including, but not limited to, civil penalties under Labor Code sections 210, 225.5, 558(a), 1174.5, 1197.1, 2699(f)(2), 2699(f)(2)(A), and/or other applicable law;

b. For injunctive relief pursuant to Labor Code section 2699(k)(1);

c. For reasonable attorneys' fees and costs of suit to the extent permitted by law, including, but not limited to, Labor Code sections 218.5, 226(e)(1), 1194, 2802, 2699(k)(1), Code of Civil Procedure section 1021.5, and the "common fund" theory, the "substantial benefit" theory, the "catalyst" theory and/or other applicable law; and

d. For any and all other relief as this Court deems just and proper.

Respectfully submitted,

Dated: December 23, 2025

ARCH LEGAL P.C.

By: Monique R. Rodriguez
HALI M. ANDERSON
MONIQUE R. RODRIGUEZ
Attorneys for Plaintiff Heather Franklin

Dated: December 23, 2025

SHAKOURI LAW FIRM

By: */s/ Ashkan Shakouri*
ASHKAN SHAKOURI
Attorney for Plaintiff Heather Franklin

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EXHIBIT 1

<u>SHAKOURI LAW FIRM</u>
Employment & Civil Litigation

11601 Wilshire Blvd, Fifth Floor
Los Angeles, CA 90025
Tel: (310) 575-1827
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ash@shakourilawfirm.com
shakourilawfirm.com

October 16, 2025

<u>Via Online Filing:</u>
California Labor & Workforce
Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, CA 95814

455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

<u>Via Certified U.S. Mail:</u>
AMN Healthcare Labor Disruption, Inc.
12400 High Bluff Drive, Suite 500
San Diego, CA 92130

AMN Healthcare Labor Disruption, Inc.
c/o
Brian S. Fong, Esq.
Amanda E. Beckwith, Esq.
Victoria B. Ayeni, Esq.
SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
Four Embarcadero Center, 17th Floor
San Francisco, CA 94111-4109

Re: *PAGA Notice Pursuant to California Labor Code § 2699*

Claimant: Heather Franklin
Employer: AMN Healthcare Labor Disruption, Inc. (Formerly Healthsource Global Staffing, Inc.)

Please be advised that Heather Franklin ("Claimant") has retained Shakouri Law Firm and ARCH Legal to represent her for various claims against AMN Healthcare Labor Disruption, Inc. ("AMN"). This letter shall serve as Claimant's written notice to the California Labor and

Workforce Development Agency ("LWDA") and to AMN of the alleged California Labor Code ("Labor Code") violations Claimant contends that AMN committed against her and all other current and former non-exempt employees of the AMN who were assigned to work for its clients engaged in a labor dispute inside California during the applicable recovery period ("Strikebreakers"). All Strikebreakers, including Claimant, are believed to have suffered at least one of the Labor Code violations described herein. Claimant therefore contends that she and all other Strikebreakers are "aggrieved employees" as defined by PAGA. Claimant provides this notice, which includes the facts and theories to support the Labor Code violations alleged herein, in accordance with the Private Attorneys General Act of 2004 (codified in Labor Code §§ 2698, *et seq*., "PAGA"), Labor Code § 2699.3.

FACTUAL BACKGROUND

AMN is a California corporation with its headquarters located in San Diego, California. AMN places skilled domestic and international health professionals at hospitals across the United States, specifically during labor disputes between a hospital and its employees' unions.

In or around October 2025, the AMN hired, assigned, and paid Claimant to work as a Strikebreaker for a short-term assignment at a healthcare facility in California. Claimant contends that at all relevant times, AMN employed, and continues to employ, Strikebreakers to perform work for the AMN at its various locations throughout the state of California. Upon information and belief, all policies, practices, procedures, and/or guidelines of the AMN applicable to Claimant were also applicable to all other Strikebreakers throughout the state of California during the relevant time period. Claimant further contends that all other former Strikebreakers suffered, and current Strikebreakers will continue to suffer, the same and/or similar violations of law described herein.

Claimant alleges that the AMN denied, and continues to deny, Claimant and other Strikebreakers the specific rights afforded to them under the Labor Code and the applicable Industrial Welfare Commission ("IWC") Wage Order. Specifically, the AMN failed, and continues to fail, to timely pay all wages owed to all Strikebreakers, including Claimant; failed, and continues to fail, to pay minimum wages for all hours worked by Claimant and other Strikebreakers; failed, and continues to fail, to pay overtime wages for all overtime hours worked by Claimant and other Strikebreakers; failed and continues to fail, to authorize and/or permit Claimant and other Strikebreakers to take legally compliant meal periods; failed, and continues to fail, to authorize and/or permit Claim and other Strikebreakers to take legally compliant rest periods; failed, and continues to fail, to reimburse Claimant and other Strikebreakers for necessary business-related expenditures; failed, and continues to fail, to furnish all Strikebreakers, including Claimant, with complete and accurate itemized wage statements; failed, and continues to fail, to maintain accurate records; and failed to timely pay without abatement or reduction, former Strikebreakers, including Claimant, all wages due and owing upon separation of employment and/or pay the required waiting time penalties.

The AMN failed, and continues to fail, to timely pay all wages owed, including all minimum, regular, and overtime wages, to all Strikebreakers, including Claimant. For instance, during the applicable recovery period, Strikebreakers, including Claimant, were required to use AMN-provided transportation to and from their assigned healthcare facilities because, among other reasons, crossing active, or potential, picket lines without the protection of AMN-provided transportation would seriously jeopardize the Strikebreakers' health and safety. Furthermore, the Strikebreakers were required to use AMN-provided transportation because the AMN does not reimburse Strikebreakers for the cost of a vehicle that they, as travelers, would be required to rent in order to commute to work themselves. Thus, using AMN-provided transportation to get to their assigned healthcare facilities and back is compulsory for the Strikebreakers. Despite requiring the Strikebreakers to only travel via AMN-provided transportation, during the applicable recovery period, the AMN maintained a pattern and practice of not paying these Strikebreakers for their transportation time, and the associated wait time, even though they are under its control during the entirety of that time. The AMN improperly considered the work that Claimant and, on information and belief, other Strikebreakers performed while off-the-clock as non-compensable time and failed to provide any remuneration for this time on the AMN-designated pay days.

Similarly, during applicable recovery period, the AMN, depending on the assignment, promised Strikebreakers non-discretionary bonuses but has failed to pay Strikebreakers their earned non-discretionary bonuses, and, from failed to take those bonuses (whether it has paid them or not) into account for purposes of determining their overtime and double time rates of pay. AMN also failed to take these unpaid bonuses into account for purposes of calculating Claimant's overtime and double time rates of pay. For clarity, Claimant does not allege that the AMN promised non-discretionary bonuses to Strikebreakers on each assignment, but rather when, depending on the assignment, the AMN promised non-discretionary bonuses to Strikebreakers, it failed to pay such bonuses to them when they were earned. Based on the foregoing, Claimant contends that she and all other Strikebreakers were not timely paid all minimum, regular, and/or overtime wages for all hours worked in violation of California law.

In addition, Claimant contends that the AMN had, and continues to have, a policy, practice, procedure, and/or guideline of failing to authorize and/or permit Claimant and other Strikebreakers to take legally compliant meal and rest periods and failed to pay the required premiums for the non-compliant breaks. For example, due to the workload, there were instances where Claimant, and the other Strikebreakers were unable to take uninterrupted, off-duty meal periods of at least 30-minutes before the start of their sixth hour of work and/or a second off-duty 30-minute meal period when they worked in excess of 10 hours in a workday. Similarly, Claimant, and the other Strikebreakers, were unable to take any off-duty, uninterrupted 10-minute rest periods for every four hours worked or major fraction thereof. Based on the foregoing, Claimant contends that he and all other Strikebreakers were not provided legally compliant meal and rest periods in violation of Labor Code §§ 226.7, 512, and the applicable IWC Wage Orders.

Claimant also asserts that the AMN had, and continues to have, a policy, practice, procedure, and/or guideline of failing to reimburse Claimant and other Strikebreakers for necessary business-related expenditures, including, but not limited to, all of their incurred meals and incidentals expenses while traveling away from home on assignment. Despite knowing that the Strikebreakers, including Claimant, incurred these expenses in the discharge of their work duties, the AMN did not have a policy, practice, procedure, and/or guideline of reimbursing Strikebreakers, in violation of Labor Code § 2802.

Claimant asserts that the AMN had, and continues to have, a policy, practice, procedure, and/or guideline of not timely paying former Strikebreakers all wages due and payable upon separation of employment and/or the required waiting time penalties for the late payment of wages. For instance, the AMN failed to timely pay Claimant and other former Strikebreakers all minimum, regular, and/or overtime wages for all hours worked, in part due to the aforementioned Labor Code violations. Therefore, Claimant, and other former Strikebreakers, have not yet received payment for all hours worked or the required waiting time penalties for the AMN's failure to immediately pay all wages due and owing upon separation of employment in violation of Labor Code § 203.

Due to the AMN's failure to pay all minimum, regular, and/or overtime wages; failure to authorize and permit legally compliant meal and rest periods, and failure to reimburse for business expenses; the AMN also failed to furnish accurate itemized wage statements and maintain accurate records. Similarly, the AMN's illegal policies, practices, procedures and/or guidelines, such as those described herein, have resulted in the AMN's failure to maintain accurate records reflecting Strikebreakers' actual time worked, the proper beginning and end of each work period, the total hours worked during the pay period, and the applicable rates of pay, among other things, in violation of California law.

Due to the foregoing Labor Code violations, the AMN denied, and continues to deny, Claimant and other Strikebreakers certain rights afforded to them under the Labor Code and the applicable IWC Wage Order. Claimant makes these claims against the AMN on behalf of herself and all other Strikebreakers.

All facts, claims and/or legal theories contained within this written notice are alleged and/or asserted on behalf of Claimant and all other Strikebreakers. The facts and/or claims contained in this written notice are based on information available at the time of this writing. Claimant's investigation is ongoing and Claimant reserves the right to assert any and all related facts, claims, and/or legal theories discovered after the sending of this letter on behalf of herself and other current or former Strikebreakers against the AMN and/or other persons that may be discovered after the sending of this letter. Such other persons include, but are not limited to, those persons who have acted as an agent, subsidiary, servant, employee, co-conspirator, alter-ego, and/or joint venture of the AMN, as well as those persons who caused and/or concurrently contributed to the various acts and/or admissions of each and every one of the others, including the AMN, in proximately causing the wrongful conduct, harm, and/or damages alleged herein or otherwise participated in or ratified any or all of the acts and/or omissions complained of herein, and those who were acting within the authority and/or scope of the AMN.

Claimant reserves the right to revise these facts and/or add any new claims by amending this letter and/or by adding facts and/or claims to her civil complaint.

<u>FAILURE TO TIMELY PAY ALL MINIMUM, REGULAR, AND/OR OVERTIME WAGES</u>

(Labor Code §§ 204, 210, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198, and 1199, and the "Minimum Wages" and "Hours and Days of Work" sections of the applicable IWC Wage Order)

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Specifically, Labor Code § 204(a) states that all wages earned are due and payable twice during each calendar month on days designated in advance by the employer as regular pay days. Overtime wages are to be paid no later than the payday for the next regular payroll period. (Labor Code § 204(b)(1).)

Labor Code § 1197 states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful." (See *Gonzalez v. Downtown LA Motors, LP* (2013) 215 Cal.App.4th 36, 44 [providing that an employer may not pay "less than the applicable minimum wage for all hours worked in the payroll period, whether the remunerations is measured by time, piece, commission, or otherwise"].)

The "Minimum Wages" section of the applicable IWC Wage Order further provides that "[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise."

Labor Code § 1197.1 provides:

> Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law or by an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203…

Labor Code § 1198 states:

> The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.

Labor Code § 1199 imposes "a fine of not less than one hundred dollars ($100)" for any employer who violates the provisions set forth in Labor Code § 1198.

Labor Code § 510(a), which codifies an employee's right to overtime compensation, provides:

> Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.

The "Hours and Days of Work" and "Minimum Wages" sections of the applicable IWC Wage Order mandate the same requirements as Labor Code § 510. Under California law, an employee may not waive his or her right to overtime compensation. (*Early v. Superior Court* (2000) 79 Cal.App.4th 1420, 1430.)

Labor Code § 1194(a) provides:

> Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit.

Labor Code § 1194.2 allows for the recovery of liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon.

Labor Code § 210 states that, "every person who fails to pay the wages of an employee as provided in Section…204…shall be subject to a civil penalty" of $100 for an initial violation and $200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Labor Code § 558 provides that "any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty" of $50 for each underpaid employee for each pay period for which the employee was underpaid for any initial violation, and $100 for each underpaid employee for each pay period for which the employee was underpaid for each subsequent violation.

As set forth above, the AMN has a policy, practice, procedure, and/or guideline of failing to timely pay all minimum, regular, and/or overtime wages to Claimant and, on information and belief, other Strikebreakers for all hours actually worked. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

FAILURE TO PROVIDE LEGALLY COMPLIANT MEAL PERIODS AND/OR TIMELY PAY PREMIUM WAGES IN LIEU THEREOF

(Labor Code §§ 204, 226.7, 512, 558, and the "Meal Periods" section of the applicable IWC Wage Order)

Section 512(a) of the Labor Code provides:

> An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived. (Emphasis added.)

In pertinent part, the "Meal Periods" section of IWC Wage Order No. 7-2001 states:

> (A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. An "on duty" meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all

> duty and when by written agreement between the parties an on-the-job paid meal is agreed to. The written agreement shall state that the employee may, in writing, revoke the agreement at any time.
>
> (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

A meal period generally comports with the requirements of California law if the employee has at least 30-minutes uninterrupted and the employee is relieved of any and all duty and is free to leave the premises during such time. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1036.) California law further prohibits employers from "...undermining [its] formal policy of providing meal breaks by pressuring employees to perform their duties in ways that omit breaks." (*Id.* at p. 1040 [internal citations omitted].)

Pursuant to Labor Code § 226.7:

> If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Premium wages under Labor Code § 226.7 are wages that are due payable in accordance with the Labor Code § 204. (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103-1114.)

Labor Code § 558 subjects any employer or any person acting on behalf of an employer who violates Labor Code Part 2, Chapter 1, of the Labor Code (Labor Code §§ 500-558), or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty as follows: "[f]or any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid. For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid."

As set forth above, the AMN failed to provide Claimant and other Strikebreakers with the opportunity to take uninterrupted, off-duty meal periods of at least 30-minutes before the start of their sixth hour of work and/or a second off-duty 30-minute meal period when they worked in excess of 10 hours in a workday. Consequently, Claimant and other Strikebreakers are entitled to receive one hour of premium wages for each day a compliant meal period was not provided. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND/OR TIMELY PAY PREMIUM WAGES IN LIEU THEREOF

(Labor Code §§ 204, 226.7, and the "Rest Periods" section of the applicable IWC Wage Order)

The "Rest Periods" section of IWC Wage Order No. 7-2001 provides:

> (A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes of net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.
>
> (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided. (Emphasis added.)

An employer has not authorized or permitted lawful off-duty rest periods unless the employer relieves its employees of any and all work-related duties and relinquishes all control over how its employees spend their time during rest periods. (*Augustus v. ABM Security Services, Inc*. (2016) 2 Cal.5th 267, 269.)

In pertinent part, Labor Code § 226.7 provides:

> (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable

> statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and health.
>
> (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for workday that the meal or rest or recovery period is not provided.

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Premium wages under Labor Code § 226.7 are wages that are due payable in accordance with the Labor Code § 204. (*Murphy*, *supra*, 40 Cal.4th at pp. 1103-1114.)

As discussed herein, the AMN failed to authorize and permit Strikebreakers, including Claimant, to take any off-duty, uninterrupted 10-minute rest periods for every four hours worked or major fraction thereof. Therefore, Claimant and other Strikebreakers are entitled to receive one hour of premium wages for each day a legally compliant rest period was not provided. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

<u>FAILURE TO REIMBURSE FOR NECESSARY BUSINESS EXPENSES</u>

(Labor Code § 2802)

Labor Code § 2802(a) provides in pertinent part, "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer."

Labor Code § 2802(b) states, "[a]ll awards made by a court or by the Division of Labor Standards Enforcement for reimbursement of necessary expenditures under this section shall carry interest at the same rate as judgments in civil actions. Interest shall accrue from the date on which the employee incurred the necessary expenditure or loss." Accordingly, Claimant will request that he receive interest on the applicable amount.

Furthermore, Labor Code § 2802(c) states, "[f]or purposes of this section, the term 'necessary expenditures or losses' shall include all reasonable costs, including, but not limited to, attorney's fees incurred by the employee enforcing the rights granted by this section." Consequently, Claimant will also request reimbursement of the attorney's fees incurred in pursuing this matter.

As set forth above, the AMN knew Claimant and other Strikebreakers incurred travel related business expenses and failed to provide remuneration. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

FAILURE TO TIMELY PAY ALL WAGES DUE AND OWING UPON SEPARATION OF EMPLOYMENT

(Labor Code §§ 201, 202, 203 and 210)

Labor Code § 201 states, in pertinent part, "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately."

Labor Code § 202 provides, in pertinent part:

> If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Labor Code § 203(a) further states:

> If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days.

Labor Code § 210 provides that, "every person who fails to pay the wages of each employee as provided in Section[]…204…shall be subject to a penalty" of $100 for any initial violation and $200 plus 25% of the amount unlawfully withheld for each subsequent violation.

As discussed herein, the AMN violated these Labor Code sections by not timely paying Claimant and other former Strikebreakers all minimum, regular, and/or overtime wages, not paying bonuses at the regular rate of pay, and not paying for all work performed while off the clock within the required time upon separation of their employment. The AMN also did not pay Claimant and, on information and belief, other former Strikebreakers the required waiting time penalties for the late payment of wages. Thus, the AMN violated California law. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

<u>FAILURE TO FURNISH ACCURATE ITEMIZED WAGE STATEMENTS</u>

(Labor Code §§ 226 and 226.3, and the "Records" section of the applicable IWC Wage Order)

Labor Code § 226(a) states in pertinent part:

> An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee… (4) all deductions…(5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number…(8) the name and address of the legal entity that is the employer…, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee…

The "Records" section of the applicable IWC Wage Order further provides, in pertinent part:

> Every employer shall semimonthly or at the time of each payment of wages furnish to each employee…an itemized wage statement in writing showing (1) all deductions; (2) the inclusive dates of the

> period for which the employee is paid; (3) the name of the employee and the employee's social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregate and shown as one item.

Labor Code § 226(e)(1) provides:

> An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand ($4,000), and is entitled to an award of costs and reasonable attorney's fees.

Labor Code § 226(h) states, "[a]n employee may also bring an action for injunctive relief to ensure compliance with this section, and is entitled to an award of costs and reasonable attorney's fees."

Labor Code § 226.3 imposes an additional civil penalty on the employer of $250 per employee per violation in an initial citation and $1,000 per employee for each violation in a subsequent citation for violations of Labor Code § 226(a).

As discussed above, the AMN failed to furnish Claimant and other Strikebreakers with accurate itemized wage statements that comply with the requirements of the Labor Code because the wage statements provided to Claimant and other Strikebreakers did not include the total hours worked during the pay period, the applicable rates of pay, and the actual wages earned and paid. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

FAILURE TO MAINTAIN ACCURATE RECORDS

(Labor Code §§ 226(a), 226(e), 1174, and 1174.5, and the "Records"

section of the applicable IWC Wage Order)

Labor Code § 226(a) mandates, in pertinent part:

> The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California.

Labor Code § 1174(c) requires every employer to "[k]eep a recording showing the names and addresses of all employees employed…." Labor Code § 1174(d) further requires employers to:

> Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to…employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years.

The "Records" section of the applicable IWC Wage Order provides that every employer shall keep accurate information with respect to each one of its employees, including time records showing when the employee begins and ends each work period, meal periods, total daily hours worked, total wages paid each payroll period, and total hours worked in the payroll period and applicable rates of pay.

Labor Code § 1174.5 imposes a civil penalty of $500 for an employer's failure to maintain accurate and complete records as required by § 1174. This civil penalty is in addition to the civil penalty of $100 per pay period per aggrieved employee that would be imposed pursuant to Labor Code § 2699 for a violation of Labor Code § 1174(d).

Labor Code § 226(e)(1) provides:

> An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand ($4,000), and is entitled to an award of costs and reasonable attorney's fees.

As set forth above, the AMN violated its record keeping requirements by failing to accurately record employee hours actually worked, including, but not limited to, failing to record the proper beginning and end of each work period, the total hours worked during the pay period, the applicable rates of pay, and the actual wages earned and paid. Claimant will pursue all available remedies against the AMN for its violations of the Labor Code on behalf of herself and all Strikebreakers to the extent permitted by law.

CIVIL PENALTIES FOR VIOLATION OF THE LABOR CODE AND APPLICABLE IWC WAGE ORDER

(Labor Code §§ 210, 225.5, 226.3, 558, 558.1, 1174.5, 1197.1, and 2699(f))

Labor Code § 210 provides that any person who fails to pay wages as provided in § 204 shall be subject to a civil penalty of $100 for any initial violation for each failure to pay each employee, and for each subsequent violation or any willful or intentional violation $200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld, in addition to any other penalty.

For violations of Labor Code § 223, Labor Code § 225.5 imposes a civil penalty of $100 for any initial violation and $200 for each subsequent or any willful or intentional violation, plus 25% of the amount unlawfully withheld.

For violations of Labor Code § 226(a), Labor Code § 226.3 imposes a civil penalty of $250 per employee per violation in an initial citation and $1,000 per employee for each violation in a subsequent citation.

Labor Code § 558 subjects an employer or any person acting on behalf of an employer who violates Labor Code §§ 500-558, or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty of $50 for any initial violation for each underpaid employee for each pay period for which the employee was underpaid, and $100 for each subsequent violation for each underpaid employee for each pay period in which the employee was underpaid. Labor Code § 558.1(a) states:

> Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

Pursuant to Labor Code § 558.1(b), the phrase "other person acting on behalf of an employer" is applicable to the owners, officers, directors, or managing agents of the employer.

For violations of Labor Code § 1174 subdivisions (c) and (d), Labor Code § 1174.5 imposes a civil penalty of $500.

Similarly, Labor Code § 1197.1 subjects any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to § 203 as follows:

> (1) For any initial violation that is intentionally committed, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203.
>
> (2) For each subsequent violation for the same specific offense, two hundred fifty dollars ($250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203.
>
> (3) Wages, liquidated damages, and any applicable penalties imposed pursuant to § 203, recovered pursuant to this section shall be paid to the affected employee.

Labor Code § 2699(f) imposes a civil penalty of $100 per pay period per employee for the initial violation, and $200 per pay period per employee for each subsequent violation for all Labor Code provisions for which a civil penalty is not specifically provided, including, but not limited to, Labor Code §§ 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1197.1, 1198, 2802 and the relevant IWC Wage Orders.

As set forth above, the AMN violated the Labor Code and the applicable IWC Wage Order by failing to timely pay Claimant and all Strikebreakers all minimum, regular, and/or overtime wages for all time actually worked; failing to authorize and permit legally compliant meal and rest periods; failing to reimburse for necessary business-related expenditures; failing to pay all wages due and owing upon the separation of employment; failing to furnish accurate itemized wage statements; and failing to maintain accurate employee records, as required under the Labor Code and the applicable sections of the IWC Wage Order. As a result, the AMN is liable for civil penalties under the Labor Code and Claimant will pursue all available remedies including, but not limited to, those stated herein, for the AMN's violations on behalf of herself and all other Strikebreakers to the extent allowed by law.

ATTORNEYS' FEES, COSTS, INTEREST, LIQUIDATED DAMAGES AND PENALTIES

(Labor Code §§ 210, 218.5, 218.6, 226(e)(1), 226(h), 558, 1194, 1194.2, 1197.1, 2698 *et seq*., and 2802)

Labor Code §§ 210, 218.5, 218.6, 226(e)(1), 226(h), 558, 1194, 1194.2, 1197.1, 2802 and 2698 *et seq.*, among others, give employees, such as Claimant, the right to recover in a civil action the full amount of damages, liquidated damages and penalties, including interest thereon, as well as reasonable attorney's fees and costs.

Under Labor Code § 2699(g)(1) aggrieved employees, such as Claimant, are entitled to an award of reasonable attorney's fees and costs. Accordingly, the AMN is liable for these items. Claimant has already incurred actual damages, costs, and attorney's fees, and he will continue to incur such costs as a result of the AMN's unlawful actions. Claimant will pursue all available remedies against the AMN, including those provided under the PAGA, on behalf of herself and all other Strikebreakers to the extent permitted by California law for the violations of law described herein and those that may be later discovered.

CONCLUSION

Based on the foregoing, the AMN has violated the Labor Code and the applicable IWC Wage Order, thereby depriving Claimant and other Strikebreakers of the rights and protections afforded to them. Claimant has satisfied the prerequisites of the PAGA to serve as a representative of all Strikebreakers, the general public, and the state of California in order to enforce California labor laws and to seek civil penalties for the provisions set forth herein, as well as those which may be later discovered.

Accordingly, if the California agency declines to intervene or act within the time prescribed by the PAGA, Claimant may elect to initiate and/or amend a civil action, on behalf of herself and all other Strikebreakers, as permitted by the PAGA.

Respectfully Submitted,

SHAKOURI LAW FIRM

Ashkan Shakouri

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Aggrieved Employees