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pursuant to the Private Attorney General Act

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

RENARD GALLOWAY, as a designated
Private Attorney General, pursuant to the
Private Attorney General Act,

Plaintiff,

v.

SUTTER HEALTH; SUTTER VALLEY
HOSPITALS; and DOES 1 through 50,
inclusive,

Defendants,

Case No.: **26CV009157**

COMPLAINT FOR CIVIL PENALTIES

1. Violation of the Private Attorneys General Act, Labor Code §2698 et seq. for Recovery of Unpaid Wages and Overtime);
2. Violation of the Private Attorneys General Act, Labor Code §2698 et seq. for Failure to Provide Meal Periods);
3. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Provide Rest Periods);
4. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Keep Accurate Payroll Records and Provide Accurate Itemized Wage Statement);
5. Violation of the Private Attorneys' General Act, Labor Code §§ 201–203 (Failure to Pay Wages Due at Separation of Employment); and
6. Violation of the Private Attorneys' General Act, Labor Code § 2802 (Failure to Reimburse Necessary Business Expenses)

1 Plaintiff RENARD GALLOWAY ("Plaintiff") on behalf of the State of California,
2 complains and alleges as follows:

3 **INTRODUCTION**

4 1. This is an action brought on behalf of California as a Private Attorney General
5 pursuant to the Private Attorney General Act (2004), and more specifically, Labor Code §2698 et
6 seq. as a result of one or more of the violations of the California Labor Code alleged herein by
7 Defendants SUTTER HEALTH; SUTTER VALLEY HOSPITALS ("Defendant"). The term
8 "RELEVANT TIME PERIOD" or "TIME PERIOD" is defined as one (1) year plus sixty-five
9 (65) days prior to the filing of the complaint. Plaintiff as a Private Attorney General reserves the
10 right to amend this complaint to reflect a different "Time Period" as further discovery is
11 conducted.

12 2. Plaintiff, on behalf of the State of California as a Private Attorney General, seeks
13 relief against Defendants for (1) failing to pay Plaintiff and Aggrieved Employees for all hours
14 worked; (2) failing to provide Plaintiff and Aggrieved Employees with meal periods or premium
15 compensation in lieu thereof; (3) failing to provide Plaintiff and Aggrieved Employees with rest
16 periods or premium compensation in lieu thereof; (4) failing to provide Plaintiff and Aggrieved
17 Employees with accurate itemized wage statements; (5) failing to pay Plaintiff and Aggrieved
18 Employees all wages earned and owed at separation of employment; and (6) failing to reimburse
19 Plaintiff and Aggrieved Employees for all necessary expenditures and losses incurred in
20 furtherance of their job duties.

21 3. At all relevant times herein, Defendants have consistently maintained and
22 enforced the following unlawful policies and practices against Plaintiff:

- 23 a. Willfully refusing to pay all hours worked, including both regular and overtime
24 wages;
- 25 b. Willfully refusing to permit timely off-duty meal periods or providing
26 compensation in lieu thereof
- 27 c. Willfully refusing to permit rest periods or providing compensation in lieu
28 thereof;

- 1 d. Willfully refusing to furnish accurate itemized wage statements upon payment
2 of wages;
3 e. Willfully refusing to pay all wages due upon separation of employment; and
4 f. Willfully refusing to reimburse necessary business expenses.

5 **JURISDICTION AND VENUE**

6 4. This Court has subject matter jurisdiction over the causes of action alleged in this
7 complaint because the Court is a court of general subject matter jurisdiction and is not otherwise
8 excluded from exercising subject matter jurisdiction over said causes of action.

9 5. Venue is proper in the County of SACRAMENTO because Defendant, SUTTER
10 HEALTH; SUTTER VALLEY HOSPITALS, transacts business in this county, the obligations
11 and liability arise in this county, and work performed by Plaintiff that forms the subject of this
12 action occurred in this county.

13 6. The California Superior Court has jurisdiction in the matter, because of the
14 individual claims are under the seventy-five thousand dollars (\$75,000.00) jurisdictional
15 threshold for Federal Court and this action seeks recovery of civil penalties. Plaintiff is a resident
16 of and/or domiciled in the County of SACRAMENTO, State of California. Defendants is a
17 California corporation doing business in the State of California, County of SACRAMENTO.

18 7. Further, there is no federal question at issue as the issues herein are based solely on
19 California statutes and law, including the Labor Code, Code of Civil Procedure, Business and
20 Professions Code, and California Rules of Court.

21 **THE PARTIES**

22 **Plaintiff**

23 8. Plaintiff began employment with Defendants on or around April 2024 through on
24 or about October 15, 2025, as an environmental service technician. Throughout the Relevant Time
25 Period, Plaintiff worked for Defendants within the County of SACRAMENTO. Plaintiff was
26 deemed a non-exempt hourly employee by Defendant. Plaintiff is accordingly entitled to
27 compensation for all hours worked, overtime compensation, and penalties from Defendant.

28 ///

1 **Defendants**

2 9. Plaintiff is informed and believes, and thereupon alleges, that Defendant Sutter
3 Health (“Sutter Health”) is integrated healthcare system that owns, operates, and manages
4 hospitals, medical groups, and outpatient facilities throughout the state of California, including
5 Sacramento County. On information and belief, and based thereon, Plaintiff alleges that
6 Defendants Sutter Health is conducting business in good standing in California, and at all times
7 herein mentioned has regularly conducted business in the State of California.

8 10. Plaintiff is informed and believes, and thereupon alleges, that Defendant Sutter
9 Valley Hospital (“SVH”) own and operates hospital facilities throughout the state of California,
10 including Sacramento County. On information and belief, and based thereon, Plaintiff alleges that
11 Defendants SVH is conducting business in good standing in California, and at all times herein
12 mentioned has regularly conducted business in the State of California. Defendants Sutter Health
13 and Defendants SVH are collectively herein referred to as “Defendants”.

14 11. Defendant Sutter Health and Defendants SVH are collectively herein referred to
15 as “Defendants”.

16 12. On information and belief, Defendants are, and were the employer for Plaintiff and
17 Aggrieved Employees.

18 13. Plaintiff is ignorant of the true names, capacities, relationships, and extent of
19 participation in the conduct herein alleged of Defendants sued herein as DOES 1 through 50,
20 inclusive, but on information and belief alleges that said Defendants is legally responsible for the
21 violations alleged herein. Plaintiff will amend this complaint to allege the true names and
22 capacities of the DOE Defendants when ascertained.

23 14. Plaintiff is informed and believes, and thereon alleges, that each Defendants acted
24 in all respects pertinent to this action as the agent of the other Defendants, carried out a joint
25 scheme, business plan, or policy in all respects pertinent hereto, and the acts of each Defendants
26 are legally attributable to the other Defendants. Furthermore, Defendants operate as a joint
27 venture and/or single business enterprise, integrated enterprise and/or are agents of one another,
28 are alter egos, joint employers and conspire with one another to increase profits by engaging in

1 the conduct described in this complaint. Furthermore, Defendants in all respects acted as the
2 employer and/or joint employer of Plaintiff and Aggrieved Employees.

3 15. Plaintiff is informed and believes, and based thereon alleges, that each of the
4 Defendants sued herein was, at all relevant times, the employer, owner, shareholder, principal,
5 joint venture, proxy, agent, employee, supervisor, representative, manager, managing agent, joint
6 employer and/or alter-ego of the remaining Defendants, and was acting, at least in part, within the
7 course and scope of such employment and agency, with the express and implied permission,
8 consent and knowledge, approval and/or ratification of the other Defendants. The above co-
9 Defendants, managing agents, and supervisors aided, abetted, condoned, permitted, approved,
10 authorized, and/or ratified the unlawful acts described herein.

11 **PAGA ADMINISTRATIVE PREREQUISITE**

12 13. Plaintiff brings this case as a Private Attorney General pursuant to the Private
13 Attorney General Act (2004) seeking penalties for the State of California in a representative
14 capacity, as provided by the Private Attorneys General Act, Labor Code section 2698 et seq.
15 (“PAGA”), as an aggrieved employee that was employed by Defendants and did not receive all
16 wages due, was not paid minimum wages, was not paid overtime, was not provided with accurate
17 wage statements, was not reimbursed for necessary expenditures, and was not able to take lawful
18 meal and rest breaks or receive premium compensation in lieu thereof.

19 14. Prior to filing this complaint, on December 10, 2025, Plaintiff gave written notice
20 by certified and/or electronic mail to the Labor and Workforce Development Agency (“LWDA”)
21 and to Defendants of the specified provisions alleged to have been violated, including the facts
22 and theories to support the alleged violation as required by Labor Code section 2699.3. A true
23 and correct copy of Plaintiff’s original letter sent to the LWDA is attached hereto as Exhibit A.

24 15. More than sixty-five (65) days have passed since Plaintiff submitted the December
25 10, 2025, notice to the LWDA and Defendants of the specific alleged Labor Code violations, and
26 the LWDA has not provided notice to Plaintiff of its intent to investigate such alleged violations.
27 Plaintiff further has received no notice of Defendant’s intent to cure any of the alleged violations.
28 Therefore, Plaintiff has satisfied the administrative prerequisites for filing this action with regard

1 to the June 5, 2025 PAGA notice.

2 **FACTUAL ALLEGATIONS**

3 16. Plaintiff is informed and believes, and based thereon alleges, that Defendants'
4 policies and practices described herein are common across each of Defendants' job sites within
5 the state of California.

6 17. This lawsuit arises out of an ongoing wrongful scheme by Defendants to deny its
7 employees' wages due under California's wage and hour laws for work performed in California.
8 Defendants wrongfully refused to pay Plaintiff and Aggrieved Employees regular wages,
9 overtime compensation, meal and rest break premiums, and other statutory benefits mandated by
10 California.

11 18. Throughout the Relevant Time Period, Defendants employed Plaintiff and
12 Aggrieved Employees in non-exempt positions throughout California. Plaintiff and Aggrieved
13 Employees were employed by Defendants in positions that are paid at an hourly rate less than
14 twice that of the state minimum wage and remain under Defendant's direct control and
15 supervision. Accordingly, these positions remain non-exempt from California's wage and hour
16 laws, yet Defendants fails to pay overtime, provide meal and rest breaks, and otherwise pay all
17 wages due to these non-exempt employees, as required by law.

18 19. Plaintiff is informed and believes, and based thereon alleges, that Defendant's
19 policies and practices described herein are common within the State of California.

20 20. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew
21 or should have known that Plaintiff and Aggrieved Employees were entitled to receive wages for
22 all hours worked, including minimum, regular, and overtime wages, and that they were not
23 receiving all wages earned for work that was required to be performed. In violation of the Labor
24 Code and IWC Wage Orders, Defendants failed to pay Plaintiff and Aggrieved Employees earned
25 wages by failing to compensate Plaintiff and Aggrieved Employees the mandatory minimum
26 wage. Defendants also failed to pay Plaintiff and Aggrieved Employees at the requisite overtime
27 and double-time rate for all hours worked in excess of eight (8) hours and/or twelve (12) hours
28 per workday.

1 21. Plaintiff alleges that Defendants failed to compensate Plaintiff and Aggrieved
2 Employees at the legally mandated wage rates for all hours worked. Specifically, Defendants
3 failed to compensated Plaintiff and Aggrieved Employees for work performed during meal and
4 rest breaks.

5 22. Defendant also maintained a policy and practice of requiring Plaintiff and
6 Aggrieved Employees to clock out for their breaks and continue working. Specifically,
7 Defendants monitored Plaintiff's break status via the "Epic" application yet continued to assign
8 work duties through said app, effectively maintaining employer control during purportedly unpaid
9 time. Defendants would then clock Plaintiff and Aggrieved Employees back in, regardless of
10 whether they were able to take their full break.

11 23. Further, to the extent the total hours worked exceeded eight (8) in one day, or forty
12 (40) in one week, all excess hours were required to be compensated at a rate of one-and-a-half (1
13 ½) times the employee's base rate of pay. Similarly, all excess hours over twelve (12) hours in a
14 day were required to be compensated at a rate of two times the employee's base rate of pay.
15 Defendant's failure to pay Plaintiff and Aggrieved Employees the legally mandated overtime
16 wage also violated the Labor Code. Defendants' failure to pay overtime and double time wages
17 were done in an effort to cut costs and gain an unfair advantage over the similar businesses thus
18 harming Plaintiff and Aggrieved Employees. The failure to pay Plaintiff and Aggrieved
19 Employees minimum and overtime wages for each hour worked violates, among others, Labor
20 Code sections 1194, 1197, IWC Wage Order(s), and the UCL.

21 24. During the Relevant Time Period, Plaintiff is informed and believes, and based
22 thereon alleges, that Defendants were required to provide Plaintiff and Aggrieved Employees with
23 a work-free, thirty (30) minute meal period within the first five (5) hours of a shift for workdays
24 in excess of six (6) hours, and a second thirty (30) minute meal period within the (10th) tenth hour
25 of a shift for workdays in excess of ten (10) hours, in compliance with Labor Code section 512.
26 Defendants routinely denied Plaintiff and Aggrieved Employees a full, thirty (30) minute off-duty
27 meal period when they worked in excess of six (6) hours within the first five (5) hours of their
28 shifts. On information and belief, neither Plaintiff and Aggrieved Employees waived their lawful

1 meal periods or received compensation from Defendants for their missed meal periods.

2 25. Additionally, Defendants were obligated to provide Plaintiff and Aggrieved
3 Employees with a ten (10) minute rest break for every four (4) hours, or major fraction thereof,
4 worked each day. Defendants prevented Plaintiff and Aggrieved Employees from taking rest
5 breaks throughout their shifts in order to complete its jobs more quickly.

6 26. For at least four (4) years prior to the filing of this action and through to the present,
7 Plaintiff alleges that Defendants consistently maintained and enforced the following unlawful
8 practices and policies against its employees, in violation of California state wage and hour laws.

9 a. Defendants had a consistent policy of not paying Plaintiff and Aggrieved
10 Employees for all hours worked;

11 b. Defendants had a consistent policy of requiring Plaintiff and Aggrieved
12 Employees within the State of California, including Plaintiff, to work at least five
13 (5) hours without a lawful meal period, and failing to pay such employees one (1)
14 hour of pay at the employees' regular rate of compensation for each workday that
15 the meal period was not provided, all in violation of, among others, Labor Code
16 sections 201, 202, 226.7, 512, and applicable Industrial Welfare Commission
17 Wage Orders, in one or more of the following manners;

18 i. employees were required to work through their daily meal period(s), or
19 work an unlawful "on-duty meal period;"

20 ii. employees were restricted in their ability to take a meal period; and

21 iii. employees were not allowed to leave the workplace during the alleged
22 meal periods.

23 c. Defendants had a consistent policy of failing to provide Plaintiff and Aggrieved
24 Employees within the State of California, rest periods of at least (10) minutes per
25 four (4) hours worked or major fraction thereof and failing to pay such employees
26 one (1) hour of pay at the employees' regular rate of compensation for each
27 workday that the rest period is not provided, as required by California state wage
28 and hour laws, in one or more of the following manners:

- i. employees were required to work without being provided a minimum ten (10) minute rest period for every four (4) hours, or major fraction thereof, worked and were not compensated with one (1) hour of pay at their regular rate of pay for each workday that a rest period was not provided; and
 - ii. employees were neither permitted nor authorized to take lawful rest periods or leave the premises for rest periods when allegedly authorized
- d. With respect to Plaintiff and Aggrieved Employees who either were discharged, laid off, or resigned, Defendants failed to pay them in accordance with the requirements of Labor Code sections 201, 202, and 203;
- e. Defendants failed to institute policies and procedures that ensured accurate recording of all hours Plaintiff and Aggrieved Employees worked during the Relevant Time Period;
- f. Defendants instituted policies and procedures that offset the necessary costs of doing business on its employees. Plaintiff and Aggrieved Employees were required to use their personal cellular phones. Defendants failed to reimburse Plaintiff and Aggrieved Employees for the cost of using their cellular phones. Defendants required Plaintiff and Aggrieved Employees to take on the burden of these expenses without reimbursement in violation of Labor Code section 2802.

27. Plaintiff is informed and believes, and based thereon alleges, that Defendants willfully failed to pay Plaintiff and Aggrieved Employees all wages earned, including minimum and overtime wage and compensation for missed meal and rest periods, in a timely manner upon or after termination of their employment with Defendants.

28. Plaintiff is informed and believes, and based thereon alleges, that Defendants currently employs, and during the relevant liability period has employed no less than one hundred (100) employees in the State of California in non-exempt positions.

29. Defendant also required Plaintiff and Aggrieved Employees to frequently work shifts in excess of eight (8) hours but refused to pay Plaintiff and Aggrieved Employees the applicable overtime rate. During State Audits from approximately May 2025 to August 2025,

1 Plaintiff was required to work shifts starting as early as 3:00 a.m. or 4:00 a.m., often exceeding
2 twelve (12) hours, for which Defendants failed to pay the proper double-time premium.

3 30. Defendant failed to compensate Plaintiff and Aggrieved Employees at the legally
4 mandated wage rates for all hours worked. Specifically, Defendants failed to implement meal and
5 rest break policies and prioritized work responsibilities over providing requisite meal and rest
6 breaks. Due to chronic understaffing in the West and East wings, supervisors and leads, including
7 Tamica Hartsfield, regularly instructed Plaintiff and Aggrieved Employees to take late meal
8 periods or forego them entirely to address patient needs.

9 31. Defendant also maintained a policy and practice of requiring Plaintiff and
10 Aggrieved Employees to perform off-the-clock work. This included requiring employees to arrive
11 early to sign into the "Epic" application, review shift flow, and gather essential supplies such as
12 biohazard bags and Oxicide before the 7:00 a.m. huddle. Furthermore, Defendants required
13 Plaintiff and Aggrieved Employees to wait in a bottleneck of thirty (30) to forty (40) employees
14 at a single basement clock-out terminal for up to twenty (20) minutes daily without compensation.

15 32. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew
16 or should have known that Plaintiff and Aggrieved Employees were entitled to receive itemized
17 wage statements that accurately showed their actual hours worked, total hours worked, number
18 of hours worked at each hourly rate, gross and net wages earned, and premium wages earned per
19 pay period in accordance with California law. In violation of the Labor Code, Plaintiff and
20 Aggrieved Employees were not provided with accurate itemized wage statements showing their
21 rate of pay, the actual hours worked, or the correct premium wages earned per pay period.

22 33. By failing to include on Plaintiff and Aggrieved Employees' paystubs all
23 minimum wage, overtime, and double-time owed, Defendants failed to keep accurate payroll
24 records and failed to provide Plaintiff and Aggrieved Employees with complete and accurate
25 wage statements.

26 34. By failing to include on Plaintiff and Aggrieved Employees' paystubs all
27 minimum wage, overtime, and double-time owed, Defendants failed to keep accurate payroll
28 records and failed to provide Plaintiff and Aggrieved Employees with complete and accurate

1 wage statements.

2 35. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew
3 or should have known that Plaintiff and certain Aggrieved Employees were entitled to the timely
4 payment of wages due upon separation of employment. In violation of the Labor Code, Plaintiff
5 and certain Aggrieved Employees did not receive payment of all wages due upon separation of
6 employment within permissible time periods.

7 36. Defendant also maintained a policy of controlling the appearance of Plaintiff and
8 Aggrieved Employees by requiring a distinctive uniform (scrubs) marked with MSCS and Sutter
9 Health logos. Because these uniforms were exposed to hazardous fluids and biohazards in the
10 "Waste Relief Tech" role, they required specialized maintenance. Defendants failed to reimburse
11 for uniform laundering, failed to provide necessary PPE (goggles and aprons) despite specific
12 requests, and failed to reimburse for the mandatory use of personal cell phones used to receive
13 direct orders from supervisors such as Cesar Bucio.

14 37. Plaintiff is informed and believes, and based thereon alleges, that Defendants
15 willfully failed to pay Plaintiff and Aggrieved Employees all wages earned, including minimum
16 and overtime wage and compensation for missed meal and rest periods, in a timely manner upon
17 or after termination of their employment with Defendants.

18 38. Plaintiff is informed and believes, and based thereon alleges, that Defendants
19 currently employs, and during the relevant liability period has employed no less than one hundred
20 (100) employees in the State of California in non-exempt positions.

21 39. At relevant times herein, Plaintiff and Aggrieved Employees were employed by
22 Defendants in non-exempt hourly positions.

23 40. On information and belief, Plaintiff alleges that Defendants' actions as described
24 throughout this complaint were willful.

25 41. On information and belief, Plaintiff alleges that Defendants willfully failed to pay
26 the legal wages, including minimum and overtime wage, failed to provide legal rest and meal
27 periods, and willfully failed to pay one (1) hour's wage in lieu of rest and meal periods, when
28 each such employee quit or was discharged.

1 42. Plaintiff, on behalf of himself and all other Aggrieved Employees, brings this
2 action pursuant to Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and
3 2802, California Business and Professions Code section 17200 et seq., and Code of Regulations,
4 Title 8, section 11000 et seq., seeking unpaid wages, unpaid rest and meal period compensation,
5 penalties, injunctive, and other equitable relief, and reasonable attorneys' fees and costs.

6 43. Plaintiff and Aggrieved Employees are owed regular wages, overtime wages,
7 double time wages, premium payments, and waiting time penalties.

8 44. Defendants have made it difficult to account with precision for the unlawfully
9 withheld wages/unpaid overtime and double-time, and meal and rest period compensation owed
10 to Defendant's non-exempt employees, including Plaintiff, during the liability period. Defendants
11 have failed to comply with Labor Code section 226, subdivision (a) by itemizing in wage
12 statements all deductions from payment of wages and accurately reporting total hours worked by
13 Plaintiff and Aggrieved Employees. Plaintiff and Aggrieved Employees are therefore entitled to
14 penalties not to exceed four thousand dollars (\$4,000.00) for each employee pursuant to Labor
15 Code section 226, subdivision (b).

16 45. Defendants have failed to comply with section 7 of the California IWC Wage
17 Orders by failing to provide, meal periods, wages earned pursuant to Labor Code section 226.7,
18 and total daily hours worked by itemizing in wage statements all deductions from payment of
19 wages and accurately reporting total hours worked by Plaintiff and Aggrieved Employees.

20 46. Plaintiff, on behalf of himself and Aggrieved Employees, pursuant to Business and
21 Professions Code sections 17200-17208, also seeks injunctive relief and restitution for the unfair,
22 unlawful, or fraudulent practices alleged in this complaint.

23 **FIRST CAUSE OF ACTION**

24 **Failure to Pay All Wages Owed, Including Minimum Wage and Overtime**

25 **(Plaintiff as a Private Attorney General Against Defendants)**

26 47. Plaintiff realleges and incorporates by reference all preceding paragraphs as if
27 fully alleged herein.

28 48. Labor Code section 1182.12 provides that on and after January 1, 2016, the

1 minimum wage for all industries shall not be less than ten (\$10.00) per hour. From January 1,
2 2018 to December 31, 2018, the applicable minimum wage rate in California was ten dollars and
3 fifty cents (\$10.50) per hour. From January 1, 2019 to December 31, 2019, the applicable
4 minimum wage rate in California was eleven dollars (\$11.00) per hour. From January 1, 2020,
5 through December 31, 2020, the applicable minimum wage rate in California was twelve dollars
6 (\$12.00) per hour. From January 1, 2021, through December 31, 2021, the applicable minimum
7 wage rate in California was thirteen dollars (\$13.00) per hour. From January 1, 2022, through
8 December 31, 2022, the applicable minimum wage rate in California was fourteen dollars
9 (\$14.00) per hour. As of January 1, 2023 the applicable minimum wage rate in California is fifteen
10 dollars (\$15.00) per hour.

11 49. Additionally, many California cities and counties impose a separate minimum
12 wage higher than that set by section 1182.12, which may be applicable to Plaintiff and Aggrieved
13 Employees.

14 50. Notwithstanding any other provision of the Labor Code, hourly minimum wage
15 rates are set for all industries according to statute. (Lab. Code § 1182.12). Employers must pay
16 employees no less than minimum wage for each hour worked. (Lab. Code § 1194; IWC Wage
17 Order 1-2001, Sect. 4.)

18 51. Any work in excess of eight hours in any workday and any work in excess of 40
19 hours in a workweek shall be compensated at a rate of no less than one and one-half times the
20 regular rate of pay for an employee. (Lab. Code § 510, subd. (a); IWC Wage Order 1-2001, Sect.
21 3(A)). Any work in excess of 12 hours in a workday shall be compensated at the rate of twice the
22 regular rate of pay for an employee. (*Ibid.*)

23 52. Any employee receiving less than the legal minimum wage or legal overtime
24 compensation is entitled to recover in a civil action the amount of unpaid wages and interests
25 thereon, attorneys' fees, and costs of suit. (Lab. Code § 1194, subd. (a)).

26 53. All wages earned in employment are due and payable twice during each calendar
27 month on dates designated in advance by the employer. (Lab. Code § 204).

28 54. Plaintiff and Aggrieved Employees regularly worked over eight (8) hours per day

1 and forty (40) hours per week. Defendants failed to pay Plaintiff and Aggrieved Employees all
2 minimum wage, overtime premiums, and/or double-time premiums for all hours worked in excess
3 of eight (8) hours per day and/or forty (40) hours per week for work performed for Defendants.

4 55. Defendant maintained a policy and practice of requiring Plaintiff and Aggrieved
5 Employees to perform work off-the-clock before their shifts began. Specifically, Plaintiff and
6 Aggrieved Employees were required to sign into the "Epic" application and gather essential
7 supplies (such as biohazard bags, Oxicide, and mops) prior to the 7:00 a.m. "huddle" (this is what
8 Defendants called the morning meeting with Plaintiff and Aggrieved Employees during the
9 Relevant Time Period) without compensation.

10 56. Defendants maintained a policy and practice of requiring Plaintiff and Aggrieved
11 Employees to clock out for their breaks and continue working. Specifically, Defendants
12 monitored Plaintiff's break status via the "Epic" application yet continued to assign work duties
13 through said app, effectively maintaining employer control. Defendants would then clock Plaintiff
14 and Aggrieved Employees back in, regardless of whether they were able to take their full break.

15 57. Defendants also maintained a policy and practice of requiring Plaintiff and
16 Aggrieved Employees to perform work off-the-clock after their shifts had ended. Defendants
17 required Plaintiff and Aggrieved Employees to clock out at a single designated terminal in the
18 basement, resulting in a bottleneck of thirty (30) to forty (40) employees who were required to
19 wait under Defendant's control for ten (10) to twenty (20) minutes after their shift ended.

20 58. Furthermore, during State Audits from May 2025 to August 2025, Plaintiff was
21 required to work shifts starting as early as 3:00 a.m. or 4:00 a.m., often exceeding twelve (12)
22 hours, for which Defendants failed to pay the proper double-time premium.

23 59. Additionally, During the Relevant Time Period, Plaintiff and Aggrieved
24 Employees received non-discretionary bonuses. However, Defendants did not include in the
25 regular rate of pay non-discretionary bonuses for purposes of calculating Plaintiff and Aggrieved
26 Employees' overtime rate of pay. Plaintiff believes and thereon alleges that, Defendants' failure
27 to include both the shift differential and the non-discretionary bonuses also works to deprive
28 Plaintiff and Aggrieved Employees for the on-duty meal periods, and missed meal and rest period

1 penalties, because Plaintiff and Aggrieved Employees were not paid at the correct regular rate as
2 is required by Labor Code section 226.7. Defendants failed to include all remuneration required
3 when calculating the regular rate for overtime and premium pay purposes for Plaintiff and
4 Aggrieved Employees.

5 60. Plaintiff and Aggrieved Employees are entitled to penalties, attorneys' fees, and
6 costs pursuant to Labor Code sections 2699, subdivision (g)(1) and prejudgment interest.

7 **SECOND CAUSE OF ACTION**

8 **Failure to Provide Meal Periods or Premium Compensation in Lieu thereof**

9 **(Plaintiff as a Private Attorney General against Defendants)**

10 61. Plaintiff realleges and incorporates by reference all preceding paragraphs as if
11 fully set forth herein.

12 62. Labor Code sections 226.7 and 512 and IWC Wage Order 1-2001, Sect. 11 provide
13 that no employer shall employ any person for a work period of more than five (5) hours without
14 providing a meal period uninterrupted by work duties of not less than thirty (30) minutes or
15 employ any person for a work period of more than ten (10) hours without a second meal period
16 of not less than thirty (30) minutes.

17 63. Labor Code section 226.7 provides that if an employer fails to provide an
18 employee a meal period in accordance with this section, the employer shall pay the employee one
19 (1) hour of pay at the employee's regular rate of compensation for each workday that the meal
20 period is not provided in accordance with this section.

21 64. Plaintiff alleges Defendants failed to provide legally compliant meal periods in
22 addition to impeding, discouraging, dissuading and/or not relieving employees from all work
23 duties during meal periods. Specifically, due to chronic understaffing in the West and East wings,
24 supervisors and leads, including Tamica Hartsfield, regularly instructed Plaintiff and Aggrieved
25 Employees to take their first meal period after their sixth (6th) hour of work or to forego them
26 entirely to address patient needs.

27 65. Defendant further maintained a policy and practice of requiring Plaintiff and
28 Aggrieved Employees to clock out for their breaks while continuing to work. Defendants

1 monitored break status via the "Epic" application yet continued to assign location-based tasks and
2 direct orders through the app or via personal cell phone, effectively converting these breaks into
3 "on duty" periods. Defendants would then clock Plaintiff and Aggrieved Employees back in,
4 regardless of whether they were able to take their full uninterrupted meal break

5 66. At all relevant times, Plaintiff and Aggrieved Employees have worked shifts of
6 more than five (5) hours in a workday. Furthermore, during State Audits from May 2025 to August
7 2025, Plaintiff and Aggrieved Employees regularly worked shifts exceeding ten (10) hours
8 without being provided a legally mandated second 30-minute meal period.

9 67. Pursuant to Labor Code section 226.7, Plaintiff and Aggrieved Employees are
10 entitled to damages equal to one (1) hour of wages at their regular rate of pay for each missed
11 meal break, in an amount according to proof.

12 68. At varying times relevant hereto, Plaintiff and Aggrieved Employees have worked
13 shifts of more than ten (10) hours in a workday.

14 69. Plaintiff and Aggrieved Employees are entitled to penalties, attorneys' fees, and
15 costs pursuant to Labor Code sections 2699, subdivision (g)(1) and prejudgment interest.

16 **THIRD CAUSE OF ACTION**

17 **Failure to Provide Rest Periods or Premium Compensation in Lieu Thereof**

18 **(Plaintiff as a Private Attorney General against Defendants)**

19 70. Plaintiff realleges and incorporates by reference all preceding paragraphs as if
20 fully set forth herein.

21 71. Labor Code section 226.7 provides that employers authorize and permit all
22 employees to take rest periods at the rate of ten (10) minutes rest time per four (4) work hours, or
23 major fraction thereof.

24 72. Labor Code section 226.7, subdivision (b) provides that if an employer fails to
25 provide and employee rest periods in accordance with this section, the employer shall pay the
26 employee one (1) hour of pay at the employees' regular rate of compensation for each workday
27 that the rest period is not provided.

28 73. Plaintiff and Aggrieved Employees consistently worked over four (4) hours per

1 shift with no rest breaks due to Defendant's uniform policies and practices. Specifically, due to
2 frequent "no coverage" call-outs and excessive workloads, Plaintiff and Aggrieved Employees
3 were burdened with tasks that prevented them from taking any rest breaks during their eight (8)
4 or twelve (12) hour shifts.

5 74. Plaintiff alleges that during the Relevant Time Period, Defendants did not permit
6 or authorize Plaintiff and Aggrieved Employees to take timely or compliant rest periods.
7 Defendants failed to adequately staffing employees to allow Plaintiff and Aggrieved Employees
8 an opportunity to be provided timely, lawful duty-free rest periods for every four (4) hours of
9 their shift or major fraction thereof.

10 75. Defendant failed to reasonably make available rest breaks and failed to relieve
11 employees from all work duties. To the extent any rest period was initiated, it was often
12 interrupted by mandatory work-related communications on personal cellular phones or task
13 updates via the Epic application.

14 76. Defendants failed to reasonably make available rest breaks to Plaintiff and
15 Aggrieved Employees during the Relevant Time Period.

16 77. Plaintiff and Aggrieved Employees did not voluntarily or willfully waive rest
17 periods.

18 78. By failing to keep adequate records as required by sections 226 and 1174,
19 subdivision (d) of the Labor Code, Defendants have injured Plaintiff and Aggrieved Employees
20 and made it difficult to calculate the unpaid rest period compensation (including wages, interest,
21 and penalties thereon) due and owing to Plaintiff and Aggrieved Employees.

22 79. By virtue of the Defendant's unlawful failure to provide rest periods to Plaintiff
23 and Aggrieved Employees, they have been deprived of compliant rest periods and/or premium
24 wages in lieu thereof in amounts to be determined at trial and are entitled to recovery of such
25 amounts, plus interest and penalties thereon, attorneys fees, costs, to the fullest extent permissible
26 under the Labor Code 226.7, applicable IWC Wage Orders, Code of Civil Procedure section
27 1021.5.

28 80. Plaintiff and Aggrieved Employees are entitled to penalties, attorneys' fees, and

costs pursuant to Labor Code sections 2699, subdivision (g)(1) and prejudgment interest.

FOURTH CAUSE OF ACTION

Failure to Provide Accurate Itemized Wage Statements and Maintain Records

(Plaintiff as a Private Attorney General against Defendants)

81. Plaintiff realleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

82. Labor Code sections 226, 226.3, 1174, and 1174.5, and all applicable IWC Wage Orders, provide that employers must keep records and provide employees with itemized wage statements showing all hours worked and each applicable rate of pay in effect during the pay period with the corresponding number of hours worked at each hourly rate.

83. Labor Code section 1174, subdivision (d) requires employers to keep at a central location in California or at the plant or establishment at which the employees are employed, payroll records showing the hours worked daily, and the wages paid to, each employee.

84. Labor Code section 226, subdivision (a) requires employers to provide employees – either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash – an accurate itemized wage statement in writing including specified information, including but not limited to: (1) gross wages earned; (2) total hours worked by the employee . . . ; (3) the number of piece-rate units earned . . . ; (4) all deductions . . . ; (5) net wages; (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 other than a social security 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 corresponding number of hours worked at each hourly rate by the employee...”

85. Labor Code section 226, subdivision (e) provides that if an employer knowingly and intentionally fails to provide a statement itemizing, *inter alia*, the gross and net wages earned, the total hours worked by the employee and the applicable hourly overtime rates, causing the employee injury, then the employee is entitled to recover the greater of all actual damages or fifty

dollars (\$50.00) for the initial violation and one hundred dollars (\$100.00) for each subsequent violation, up to four thousand dollars (\$4,000.00). Plaintiff is informed and believes that Defendants willfully failed to make or keep accurate records for Plaintiff and Aggrieved Employees.

86. IWC Wage Orders require that every employer shall keep accurate information with respect to each employee, including time records showing when each employee begins and ends each work periods, the total daily hours worked by each employee and the total hours worked in each payroll period, and applicable rates of pay. Plaintiff is informed and believes that Defendants willfully and intentionally failed to keep records which accurately reflect the hours worked. Specifically, Defendant's records do not reflect the unpaid time spent in the basement clock-out line, where employees were forced to wait up to twenty (20) minutes daily, nor the pre-shift work performed via the Epic app and supply gathering.

87. An employee is deemed to suffer injury if the employer fails to provide a wage statement containing all of the required information set forth in Labor Code section 226, subdivision (a). (Lab. Code § 226, subd. (e)(2).) In particular, Defendants failed to provide accurate wage statements by failing to record all hours worked, failing to include premium pay for missed meal and rest periods, and failing to include double-time compensation for shifts exceeding twelve (12) hours worked during State Audits from May 2025 to August 2025.

88. Defendant's policy resulted in Defendants failing to keep accurate records showing all hours Plaintiff and Aggrieved Employees worked, Defendants' failure is in violation of Labor Code sections 226, 226.3, 1174, and 1174.5, and all applicable IWC Wage Orders.

89. For each employee suffering an injury as a result of Defendants' knowing and intentional failure to provide an accurate, itemized wage statement the employee is entitled to recover the greater of actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurs and one hundred dollars (\$100.00) per employee for each violation in a subsequent pay period.

90. Plaintiff is informed and believes that Defendants' failure to keep accurate payroll records, as described above, violated Labor Code sections 1174, subdivision (d) and 226,

subdivision (a), and the applicable Wage Order. Plaintiff intends to seek penalties under Labor Code section 2699, subdivision (f)(2). Plaintiffs and Aggrieved Employees are entitled to penalties of \$100.00 for the initial violation, and \$200.00 for each subsequent violation for every pay period during which these records and information were not kept by Defendants.

91. Plaintiff and Aggrieved Employees are entitled to penalties, attorneys' fees, and costs pursuant to Labor Code sections 2699, subdivision (g)(1) and prejudgment interest.

FIFTH CAUSE OF ACTION

Failure to Pay Wages Due upon Termination of Employment (Plaintiff as a Private Attorney General against Defendants)

92. Plaintiff realleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

93. Plaintiff is informed and believes, and based thereon alleges, that as part of Defendants' ongoing unfair business practices, Defendants failed to pay all employees all wages earned during their employment at the time of their separation in violation of Labor Code sections 201, 202, and 203.

94. Labor Code section 201 provides that employers are required to pay an employee whose employment is terminated by the employer all wages earned throughout their employment and unpaid immediately upon termination.

95. Labor Code section 202 requires employers to pay an employee who quits his or her employment all wages earned and unpaid no later than 72 hours thereafter.

96. Labor Code section 203 provides that when an employer who fails to pay all wages earned and due to an employee who is discharged or quits within the appropriate timeframes set forth in sections 201 and 202, the wages of the employee shall continue as a penalty at the employee's regular rate of daily pay for each day the full amount of unpaid wages is not paid, up to 30 days.

97. At the cessation of employment for Plaintiff and Aggrieved Employees, Defendants failed to compensate them for all hours worked, including unpaid overtime from State Audits (May 2025 through August 2025), unpaid pre-shift work performed on the Epic app, and

1 time spent under employer control during the basement clock-out bottleneck. Defendants also
2 failed to pay earned meal and rest period premiums due at the time of separation

3 98. Plaintiff and Aggrieved Employees are entitled to penalties, attorneys' fees, and
4 costs pursuant to Labor Code sections 2699, subdivision (g)(1) and prejudgment interest.

5 **SIXTH CAUSE OF ACTION**

6 **Failure to Reimburse Necessary Business Expenses**

7 **(Plaintiff as a Private Attorney General against Defendants)**

8 99. Plaintiff realleges and incorporates by reference the allegations in the preceding
9 paragraphs.

10 100. Labor Code section 2802 states that "An employer shall indemnify his or her
11 employee for all necessary expenditures or losses incurred by the employee in direct consequence
12 of the discharge of his or her duties..."

13 101. Defendant failed to reimburse its employees for necessary expenditures as a direct
14 consequence of the discharge of their duties.

15 102. Defendant knowingly, willingly, and intentionally attempted to offset the cost of
16 doing business on its employees in violation of the California Labor Code.

17 103. Defendant has a corporate practice and policy of controlling the appearance of
18 Plaintiff and Aggrieved Employees by requiring a distinctive uniform (scrubs) during their shifts,
19 marked with the MSCS and Sutter Health company logos. Because these uniforms were subject
20 to hazardous fluids, biohazards, and sewer contaminants in the "Waste Relief Tech" role, they
21 required specialized maintenance and laundering that Defendants failed to provide or reimburse.

22 104. Defendant further failed to reimburse or provide necessary Personal Protective
23 Equipment (PPE), including goggles and aprons, for hazardous waste tasks, despite specific
24 requests made to supervisors.

25 105. Plaintiff and Aggrieved Employees were required to regularly use their personal
26 cellphones to carry out their work-related duties, including, without limitation, communicate with
27 supervisors, team leads, provide status reports, retrieve wage statements as well as send/receive
28 text messages regarding scheduling or work tasks. However, despite the foregoing, Defendants

1 failed to reimburse Plaintiff and Aggrieved Employees with a reasonable percentage of their
2 cellular phone bills.

3 106. Plaintiff acting as a Private Attorney General pursuant to the Private Attorney
4 General Act (2004), and more specifically, Labor Code section 2698, will and does seek to
5 recover any and all penalties for each and every violation shown to exist or to have occurred
6 during the Relevant Time Period, in an amount according to proof, as to those penalties that are
7 otherwise only available to public agency enforcement actions. Funds recovered will be
8 distributed in accordance with the PAGA.

9 107. Accordingly, Plaintiff entitled to attorneys' fees and costs pursuant to Labor Code
10 section 2699, subdivision (g)(1), and prejudgment interest.

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1. For penalties in an amount according to proof;
2. For reasonably attorney's fees and costs, pursuant to the PAGA; and
3. For such other and further relief as this Court may deem just and proper.

MAHONEY LAW GROUP, APC

Kevin Mahoney, Esq.
Berkeh Alemzadeh, Esq.
Cedric Joseph, Esq.
Attorneys for Plaintiff RENARD GALLOWAY

EXHIBIT A



Berkeh Alemzadeh, Esq.
Phone : (424) 355-8535
Facsimile : (213) 784-0032
balem@mahoney-law.net

December 10, 2025

Via Certified Electronic Mail

LABOR AND WORKFORCE DEVELOPMENT AGENCY
PAGAFilings@dir.ca.gov

VIA U.S. MAIL & CERTIFIED MAIL# 9589 0710 5270 2375 6251 06

Return Receipt Requested

SUTTER HEALTH

c/o 1505 Corporation A Corporation Service Company which will do business in California as
CSC- Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150
Sacramento, CA 95833

VIA U.S. MAIL & CERTIFIED MAIL# 9589 0710 5270 2375 6250 90

Return Receipt Requested

SUTTER VALLEY HOSPITALS

c/o 1505 Corporation A Corporation Service Company which will do business in California as
CSC- Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150
Sacramento, CA 95833

Re: Renard Galloway v. Sutter Health; Sutter Valley Hospitals

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

To: California Labor and Workforce Development Agency; Sutter Health; Sutter Valley Hospitals.

From: Renard Galloway, on behalf of himself and other aggrieved employees who were subject to the Employer's wage and hour policies as set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents the interests of Mr.

Renard Galloway (“Mr. Galloway” or “Employee”), who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code sections 2698 *et seq.* (“PAGA”), on behalf of himself and all other aggrieved employees.

Employers

Sutter Health, a California corporation (hereinafter “Sutter Health”) that provides a wide range of medical services through its hospitals, clinics and other care centers throughout the state of California, including Sacramento County. Sutter Valley Hospitals, a California corporation (hereinafter “SVH”) which provides a wide range of medical services, including primary care, specialty care, emergency and urgent care along with women’s health, throughout the state of California, including Sacramento County. SVH and Sutter Health are hereinafter collectively referred as “Employers”.

Theories of Labor Code Violations and Remedies

Mr. Galloway began his employment with Employers on or around June 2024, as an hourly, non-exempt employee. Mr. Galloway alleges Employers violated various sections of the Labor Code, including sections 201, 202, 203, 204, 226, 226.7, 227.3, 510, 512, 1174, 1194, 1197.5, 1198, and 2802 by failing to provide Mr. Galloway and all other aggrieved employees with meal and rest periods or premium pay, failing to pay all wages owed, including minimum wage and overtime, failing to provide accurate wage statements and maintain accurate payroll records, failing to provide all wages earned at end of employment, and for failing to reimburse for necessary business expenditures. Mr. Galloway and similarly aggrieved employees consist of identifiable, current, and/or former similarly situated persons who worked for Employers in non-exempt positions in California during the Liability Period of one (1) year plus sixty-five (65) days prior to the filing of a complaint alleging a PAGA cause of action.

A. Employers Failed to Provide Mr. Galloway and Other Aggrieved Employees with Meal and Rest Periods, or Premium Compensation in Lieu Thereof, in Violation of California Law

Mr. Galloway alleges that he and other aggrieved employees were often precluded from taking timely and uninterrupted meal and rest breaks in accordance with California law due to the nature of their shifts, demanding tasks and deadlines set by Employers, and understaffing by Employers. Mr. Galloway and other aggrieved employees allege that they did not always receive at least one duty-free, uninterrupted meal period within the first five (5) hours worked, and a second meal period before the start of the 11th hour of work. (*Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1041-42.) When employees failed to receive their meal break, they did not always receive premium pay as compensation for the missed meal break.

Moreover, Employers utilized an auto-deduct policy for meal periods regardless of whether Mr. Galloway and other aggrieved employees actually took a meal period, or received a late or missed meal period. Such a policy failed to accurately and precisely illustrate the true record of Mr. Galloway and other aggrieved employees' meal breaks. Furthermore, in some instances, Employer failed to keep actual and accurate time records for which Mr. Galloway and other aggrieved employees spent taking their meal periods. Instead, Employers routinely unutilized a rounding policy to round punches for Mr. Galloways and other aggrieved employee's meal periods. For example, Employers would round the time punches to the nearest ten (10) increments. In these instances, even though the actual meal period taken by Mr. Galloway and other aggrieved employees were substantially less than thirty (30) minutes. Due to Employers' rounding policy, Mr. Galloway and other aggrieved employees did not receive proper premiums for meal periods that were shortened or delayed.

Mr. Galloway further alleges that he and other aggrieved employees often did not receive at least one duty-free, uninterrupted rest period for every four (4) hours worked, or major fraction thereof, as required by the Labor Code. Mr. Galloway and other aggrieved employees were generally precluded from taking rest periods due to Employers' failure to sufficiently staff shifts to provide relief and thereby allow Mr. Galloway and other aggrieved employees the opportunity to take rest breaks. When employees were prevented from taking rest breaks, they did not receive premium pay for the missed rest break.

Employers' conduct is actionable under PAGA as violations of Labor Code sections 226.7 and 512, and Wage Order 5.

B. Employers Failed to Pay Mr. Galloway and Other Aggrieved Employees for all Hours Worked, Including Minimum Wage and Overtime, in Violation of California Law

Employers failed to pay Mr. Galloway and other aggrieved employees at the legally mandated wage rates for all hours worked in violation of California law. As can be seen from Mr. Galloway's wage statements, Employers rounded the hours worked by Mr. Galloway and other aggrieved employees to a factor of fifteen (15) minutes. Mr. Galloway alleges that on average, this rounding favored Employers and therefore resulted in lost wages to Mr. Galloway and other aggrieved employees. As a result, Employers failed to provide compensation at least at a minimum wage rate for all hours worked as required by the Labor Code. Employers' failure to provide Mr. Galloway and other aggrieved employees pay for all hours worked is a violation of California's minimum wage laws, as Mr. Galloway and other aggrieved employees should have been provided at least the applicable minimum wage for all hours worked.

Further, to the extent that Mr. Galloway and other aggrieved employees worked shifts of at least eight (8) hours per day, or forty (40) hours per week, all unpaid wages described above in excess of the hours specified herein were required to be compensated at a rate of at least one-and-a-half times each employee's base rate of pay. To the extent such hours exceeded twelve (12) in one day or eight (8) on the seventh consecutive day worked, such hours were required to be compensated at a rate of at least two times each employee's base rate of pay.

During the Liability Period, Mr. Galloway and other aggrieved employees received non-discretionary bonuses. However, Employers failed to include in the regular rate of pay the non-discretionary bonuses for purposes of calculating Mr. Galloway's and other aggrieved employees' overtime rate of pay. The Employers failed to include Mr. Galloway and other aggrieved employees earned shift differentials in the calculation of their regular rate of pay for purposes of paying overtime wages. As a result, Mr. Galloway and other aggrieved employees were paid overtime based solely on their base hourly rate rather than the legally required regular rate inclusive of all nondiscretionary compensation. The incorrect overtime rate resulted in lost wages to Mr. Galloway and other aggrieved employees.

Employers' failure conduct is actionable under PAGA as a violation of Labor Code sections 227.3, 510 and 1194, and Wage Order 5.

C. Employers Failed to Provide Mr. Galloway and Other Aggrieved Employees with Compliant Wage Statements, and Failed to Timely Pay All Wages Owed Upon Severance of Employment, in Violation of California Law

By failing to include on Mr. Galloway's and other aggrieved employees' pay stubs all meal and rest break premium wages and full compensation for all regular hours and overtime hours worked, Employers failed to keep accurate payroll records and failed to provide Mr. Galloway and other aggrieved employees with complete and accurate wage statements. This conduct is in violation of Labor Code sections 226 and 1174, and Wage Order 5, and is actionable under PAGA.

As a further result of Employers' failure to pay all wages owed as described herein, Employers also violated Labor Code sections 201, 202, 203, and 204, and Wage Order 5, due to its uniform policy, practice, and procedure of failing to pay all wages earned to former employees at the time their employment ended.

D. Employers Failed to compensate Mr. Galloway and Other Aggrieved Employees for All Necessary Business Expenditures Incurred During their Employment

Pursuant to Labor Code section 2802(a) "[a]n employer shall indemnify his or her employee for all necessary business 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..." The purpose of this statute is to "prevent employers from passing their operating expenses on to their employee," *Gattuso v. Harte-Hanks Shoopers, Inc.*, 42 Cal 4th 554, 562 (2007) (quoting legislative history from the 2000 amendment to the statute). Under Labor Code section 2802, "necessary" is defined to include all "reasonable" expenses.

The employer's obligation to reimburse business related expense arises when the employer "knew or should have known: that its employees have incurred business related expenses. *Stuart v. RadioShack Corp.*, 641 F. Supp. 2d 901, 903 (N.D. Cal. 2009) (Hon. Edward Chen); *Wilson v. Kiewit Pacific Co.*, 2010 WL 5059522 (N.D. Cl Dec. 6, 2010) (Hon. Susan Illston) (adopting the "knew or should have known standard" standard from RadioShack.)

i. Employers Failed to Reimburse Mr. Galloway and Other Aggrieved Employees for Using Their Personal Cellphones

Under Labor Code section 2802, employers must reimburse employees for required work-related use of personal cellphones – regardless of whether they incur any additional out of pocket expense from that work-related use. *See, Cochran v. Schwan's Home Service, Inc.* 228 Cal App. 4th 1137 (August 12, 2014) (reversing denial of class certification in cell phone reimbursement class action). *Cochran* held that “[i]f an employee is required to use personal cellphone to carry out work related duties, then he or she is incurring an expense for the purpose of section 2802. It does not matter whether the phone bill is paid for by a third person, or at all...it is irrelevant whether the employee changed plans to accommodate work related cellphone usage...To show liability under section 2802, an employee need only show that he or she was required to use a personal cellphone to carry out work related duties, and he or she was no reimbursed.” *Id.* At 1144-45 (emphasis added.)

Mr. Galloway and other aggrieved employees were required to regularly use their personal cellphones to carry out their work-related duties, including, without limitation, communicate with supervisors, team leads, provide status reports, retrieve wage statements as well as send/receive text messages regarding scheduling or work tasks. However, despite the foregoing, Employers failed to reimburse Mr. Galloway and Aggrieved Employees with a reasonable percentage of their cellular phone bills.

ii. Employers Failed to Reimburse Mr. Galloway and Other Aggrieved Employees for Maintaining Their Uniforms/Scrubs

Mr. Galloway and other aggrieved employees worked in environments involving heavy soil conditions, including exposure to bodily fluids, biohazardous materials, chemical agents, contaminated linens, and other substances inherent to hospital operations.

Employers required Mr. Galloway and other aggrieved employees to shoulder the burden of doing business. More specifically, Mr. Galloway and other aggrieved employees were required to wear uniforms/scrubs marked with Employers’ logos during their shifts but failed to maintain, launder, or replace those uniforms/scrubs, despite full knowledge that the uniforms/scrubs were subject to heavy soil and contamination beyond what an employee could safely or reasonably clean at home. Despite the foregoing, Mr. Galloway and other aggrieved employees were left to personally wash, maintain, unsanitary, or unsafe to wear, shifting the Employers’ legal obligations onto low-wage workers such as Mr. Galloway and other aggrieved employees. Mr. Galloway and other aggrieved employees were not reimbursed for reasonable cost of having to maintain their mandatory uniforms.

Employers’ failure to provide complete compensate for all necessary business expenditures incurred by Mr. Galloway and other aggrieved employees in direct consequence of their duties to Employer is actionable under PAGA as a violation of Labor Code section 2802, and Wage Order 5.

E. Reservation of Rights

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Mr. Galloway becomes aware of additional compensation owed or losses incurred by Mr. Galloway or by any other aggrieved employee of the Employer, Mr. Galloway expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please provide notice via certified mail to:

MAHONEY LAW GROUP, APC

Berkeh Alemzadeh, Esq
249 E. Ocean Blvd. Suite 814
Telephone: (562) 590-5550
Facsimile: (562) 590-8400
Email: balem@mahoney-law.net

Sincerely,

A handwritten signature in black ink, appearing to be 'Berkeh Alemzadeh', with a stylized flourish at the end.

Berkeh Alemzadeh, Esq.
MAHONEY LAW GROUP, APC