NOTICE OF LABOR CODE §2699, ET SEQ. (“PAGA”) VIOLATIONS

Via Online Filing
Labor and Workforce Development Agency
Attn: PAGA Administrator

Claimant
Steve Weissmann

Respondents
Smart Homes LLC

R2L Homes LLC

Tim Wilkens, individually and in his capacity as owner, officer, director, and managing agent of the above entities

and any affiliated entities, agents, officers, directors, or persons exercising control over wages, payroll administration, employment conditions, or business operations.

NOTICE

Pursuant to California Labor Code §2699.3, this letter provides notice to the Labor and Workforce Development Agency (“LWDA”) and the above-named Respondents that Claimant intends to pursue civil penalties under the Private Attorneys General Act (“PAGA”) for violations of the California Labor Code should the LWDA decline to investigate the violations described herein.

PATTERN AND PRACTICE OF VIOLATIONS

The violations described herein were not isolated incidents. Rather, they were the result of Respondents’ payroll practices, compensation policies, and employment practices affecting Claimant and other employees.

These violations occurred across multiple pay periods and arose from Respondents’ operational practices governing wage payments, payroll administration, employee classification, reimbursement of expenses, recordkeeping, and employment conditions.

Upon information and belief, these practices were implemented, directed, authorized, or knowingly permitted by Respondents’ ownership, officers, and managing agents, including Respondent Tim Wilkens.

The unlawful practices described herein therefore give rise to civil penalties for each affected employee and for each pay period during which these violations occurred pursuant to Labor Code §2699(f).

UNIFORM POLICIES AND PRACTICES

Respondents maintained and implemented payroll and employment practices that resulted in repeated violations of the California Labor Code.

These practices included, but were not limited to:

1. failure to timely pay earned wages
2. failure to timely pay all wages owed upon separation from employment
3. failure to maintain accurate payroll and wage records
4. failure to provide accurate and compliant wage statements
5. failure to reimburse employees for necessary business expenses
6. failure to properly account for and pay commissions owed under written commission agreements
7. misclassification of employees as independent contractors
8. inconsistent or improper payroll reporting practices
9. failures relating to meal and rest break compliance
10. retaliation against employees who raised concerns regarding compliance with wage and employment laws

Upon information and belief, these policies and practices affected multiple employees.

FACTUAL BASIS

Claimant was employed by Smart Homes LLC from April 21, 2025 through December 11, 2025 and worked in a sales and business development capacity for Respondents' manufactured housing operations.

During employment, Claimant was paid by Smart Homes LLC and performed services under the direction and control of Smart Homes LLC.

After Claimant's termination, Respondents asserted for the first time that Claimant had been employed by or working under R2L Homes LLC. Claimant disputes this characterization and maintains that Smart Homes LLC was Claimant's employer during the relevant period.

Following termination, Respondents issued tax reporting documents from R2L Homes LLC and/or reported portions of Claimant's compensation through different entities, classifications, or inconsistent tax treatment. These post-termination reporting inconsistencies are referenced here to the extent they may relate to the identity of the employer(s) and the entities responsible for wage and employment compliance.

To the extent Respondents contend that R2L Homes LLC or any affiliated entity was involved in Claimant’s employment, such entities are included in this notice as potentially responsible parties for the violations described herein.

During employment, Claimant experienced delayed wage payments, inconsistent payroll reporting, uncertainty regarding commission compensation, missing or inaccurate wage statements, unreimbursed business expenses, and adverse employment actions after raising compliance concerns.

These violations occurred across multiple pay periods and reflected Respondents’ operational practices governing payroll administration, compensation, employee classification, and employment conditions.

PAYROLL AND WAGE PRACTICES

Respondents repeatedly failed to timely pay wages earned during employment as required by California law.

Employees experienced delays in receiving earned wages and uncertainty regarding payroll processing. Wage payments were not consistently made within the time periods required under California Labor Code §204.

Respondents also failed to timely pay all wages owed upon separation from employment, including unpaid wages and commissions earned during employment.

Respondents further failed to maintain accurate payroll records reflecting wage calculations, commissions owed, and other compensation owed to employees.

COMMISSION COMPENSATION

Respondents maintained written commission agreements with employees but failed to properly account for or timely pay commissions earned.

Employees were not consistently provided with documentation sufficient to verify commission calculations, sales attribution, or commission payments owed.

Upon information and belief, Respondents failed to maintain accurate records reflecting commissions earned and failed to timely pay all commission wages owed.

PAYROLL REPORTING AND CLASSIFICATION PRACTICES

Respondents engaged in inconsistent payroll reporting and employee classification practices, including the treatment of employees as independent contractors despite the nature of the work performed.

Respondents also issued inconsistent or inaccurate payroll and tax reporting documents through related entities involved in payroll administration and employment practices.

These practices reflect failures to properly classify employees and failures to maintain accurate payroll and employment records as required under California law.

WAGE STATEMENTS AND RECORDKEEPING

Respondents failed to consistently provide employees with accurate and compliant wage statements reflecting all information required under Labor Code §226.

Payroll records reflecting wages earned, hours worked, commissions owed, and other compensation were not consistently maintained or provided.

These practices prevented employees from verifying the accuracy of wages paid and compensation owed.

MEAL AND REST BREAK COMPLIANCE

Respondents failed to consistently provide legally compliant meal and rest breaks as required under California law.

Upon information and belief, these violations resulted from Respondents' operational practices and failure to maintain compliant policies governing meal and rest periods.

BUSINESS EXPENSE REIMBURSEMENT

Employees incurred ordinary and necessary business expenses in the course of performing their job duties.

Respondents failed to fully reimburse these necessary business expenses as required under California Labor Code §2802.

RETALIATION AND ADVERSE EMPLOYMENT ACTIONS

Employees who raised concerns regarding payroll compliance, employee classification, regulatory compliance, or other workplace issues experienced adverse employment actions including discipline, suspension, termination, and/or continued withholding of wages.

Such conduct constitutes unlawful retaliation in violation of California law.

ADDITIONAL AFFECTED WORKERS

Upon information and belief, the unlawful payroll, wage, and employment practices described herein affected additional employees beyond Claimant.

Respondents' policies and practices governing payroll administration, employee classification, compensation, reimbursement of expenses, and wage reporting were applied broadly across Respondents' workforce.

SUMMARY OF VIOLATIONS

Respondents' payroll and employment practices resulted in violations of multiple provisions of the California Labor Code, including but not limited to:

1. Failure to timely pay wages during employment
2. Failure to timely pay final wages upon separation
3. Unlawful withholding of wages and commissions
4. Failure to maintain accurate payroll and wage records
5. Failure to provide compliant wage statements
6. Failure to reimburse necessary business expenses
7. Misclassification of employees as independent contractors
8. Meal and rest break violations
9. Commission agreement and commission payment violations
10. Workers' compensation compliance failures
11. Retaliation against employees who raised compliance concerns

LABOR CODE VIOLATIONS

Respondents’ conduct violated multiple provisions of the California Labor Code including but not limited to:

Late and Unpaid Wages
Labor Code §§204, 210

Final Pay Violations
Labor Code §§201, 202, 203

Unlawful Withholding of Wages / Commissions
Labor Code §§221, 224

Commission Agreement Violations
Labor Code §2751

Wage Statement Violations
Labor Code §§226(a), 226(b), 226(d), 226.3

Recordkeeping Violations
Labor Code §1174(d)

Employee Misclassification
Labor Code §§226.8, 2750.3

Meal and Rest Break Violations
Labor Code §§226.7, 512

Expense Reimbursement Violations
Labor Code §2802

Minimum Wage / Overtime Violations
Labor Code §§1194, 1197, 1198

Workers’ Compensation Compliance
Labor Code §§3550, 3700, 3706, 5401

Retaliation and Whistleblower Violations
Labor Code §§98.6, 1102.5

Civil Penalties
Labor Code §§558, 558.1
Labor Code §2699(f)(1)-(2)

AGGRIEVED EMPLOYEES

Claimant brings this notice on behalf of himself and all other current and former employees who were subjected to the same or similar unlawful payroll, wage, commission, reimbursement, classification, recordkeeping, and retaliation practices described herein.

NOTICE OF INTENT TO PURSUE PAGA CLAIM

If the LWDA does not elect to investigate the violations described in this notice within the statutory period, Claimant intends to pursue a civil action under the Private Attorneys General Act (Labor Code §2699 et seq.) to recover civil penalties on behalf of the State of California and all aggrieved employees.

Submitted by
Steve Weissmann
285 Pickett Street, Sonoma, CA 95476
steveweissmann@gmail.com
(707) 292-0103

Date: April 9, 20206