

RICHARD LAW, P.C.

Diane E. Richard (State Bar No. 204897)
5060 N. Harbor Drive, Suite 265
San Diego, CA 92106
Telephone: (619) 880-5534; Facsimile: (619) 880-5459
diane@richardlawpc.com

Attorneys for Plaintiff
GABRIEL TORRES

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO – CENTRAL**

GABRIEL TORRES, on Behalf of Other
Current and Former Employees,

Plaintiff,

v.

PACIFIC DEBT, INC., and
DOES 1-10, Inclusive,

Defendants.

Case No. 37-2024-00003429-CU-OE-CTL

*[Assigned for all purposes to Hon. Marcella O
McLaughlin, Dept. C-72]*

ACTION FILED: JANUARY 23, 2024

ANSWER FILED: MARCH 22, 2024

TRIAL DATE: NOT SET

PAGA ACTION

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION FOR
APPROVAL OF PAGA SETTLEMENT**

Hearing:

Date: October 17, 2024

Time: 9:30 a.m.

Location: Dept.: C-72

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1 **I. INTRODUCTION**

2 Plaintiff Gabriel Torres (“Plaintiff”) submits this memorandum in support of his Motion for
3 approval of the \$175,500 PAGA Settlement entered into between Plaintiff and defendant Pacific Debt,
4 Inc. (“Defendant”).¹ The Settlement achieves a very good result for the contested claims, in which the
5 estimated average Individual PAGA Payment² to the approximate 66 Aggrieved Employees is \$351.51.
6 **This Motion is unopposed by Defendant.** This Motion is made pursuant to California Labor Code³
7 §2699(s)(2)⁴ which states “The superior court shall review and approve any settlement of any civil action
8 filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that
9 it is submitted to the court.” As detailed below and in the accompanying declarations, good cause exists
10 to grant Plaintiff’s Motion and to order approval of the proposed settlement reached through mediated
11 efforts with the assistance of the Hon. Steven R. Denton (Ret.) and now memorialized in the PAGA
12 Settlement Agreement. The Settlement (which has been submitted to the LWDA) is fair and reasonable
13 and meets the standards for approval. Accordingly, Plaintiff respectfully requests that the Court grant this
14 Motion and enter the proposed Order and proposed Judgment submitted concurrently with this Motion.

15 **II. SUMMARY OF THE PAGA LITIGATION**

16 Prior to the filing of the Plaintiff’s PAGA lawsuit, Plaintiff served a PAGA Notice dated November
17 14, 2023 on Pacific Debt and the LWDA, providing notice pursuant to Section 2699.3(a). After waiting a
18 statutory 65-day waiting period under the PAGA to expire, and hearing no response from the LWDA,
19 Plaintiff commenced this PAGA-only Action on January 23, 2024 against Defendant (the “Complaint”).
20 Richard Decl., ¶7. Through the Complaint, Plaintiff asserts claims and PAGA penalty remedies on behalf
21 of aggrieved employees, asserting that Defendant failed to: (1) reimburse employees’ expenses in violation

22 _____
23 ¹ Plaintiff and Defendant are herein referred to as the “Parties.”

24 ² All capitalized terms not otherwise defined herein shall have the same definitions as set forth in the
25 PAGA Settlement Agreement (“Agreement” or “Settlement Agreement”), which is incorporated by
26 reference as though set forth in full herein, and attached as **Exhibit 1** to the concurrently filed Declaration
27 of Diane E. Richard in Support of Plaintiff’s Unopposed Motion for Approval of PAGA Settlement
28 (“Richard Declaration” or “Richard Decl.”).

³ All references herein are to the California Labor Code unless otherwise specified, and will be referenced
hereinafter by only the section number.

⁴ Formerly §2699(l)(2). Due to a July 1, 2024 PAGA amendment, statutory references have changed.

1 of §2802; (2) pay overtime wages and at the appropriate rate in violation of §§510, and 1198; (3) pay sick
2 leave time at the appropriate rate, in violation of §246(l); (4) provide required meal periods and pay meal
3 period premiums at the appropriate rate, in violation of §§226.7(b),(c), 512 and 1198; (5) provide required
4 rest periods and pay rest period premiums at the appropriate rate, in violation of §§226.7(b), (c) and 1198;
5 (6) pay all commission wages due and payable and unlawfully collected wages in violation of §§221, 223,
6 224, 1187.12, 1194 and 1198; (7) provide accurate and fully compliant itemized wage statements in
7 violation of §226(a); (8) timely pay wages in violation of §204; and (9) provide wages when due and for
8 waiting time penalties in violation of §§201, 202 and 203. Defendant denies the allegations in the
9 Complaint, denies any failure to comply with the laws identified in in the Complaint and denies any and all
10 liability for the causes of action alleged. *Id.*, ¶¶8-9; Agreement, ¶2.1. In its Answer, Defendant alleges thirty
11 affirmative defenses; among them are: arbitration agreements, reduction of penalties, lack of willfulness,
12 correct rate of pay, waiver of meal periods, provision of meal periods, time alleged not time worked, breaks
13 and time not recorded properly. Richard Decl., ¶¶9.

14 Following Defendant's receipt of the PAGA Notice, counsel for the Parties discussed mediation as
15 an option and ultimately mediation was agreed to. On May 15, 2024, the Parties participated in an all-day
16 mediation with Hon. Steven R. Denton (Ret.), former judge for the San Diego County Superior Court and
17 a respected mediator of wage and hour PAGA, representative and class actions. Through the mediation,
18 each side, represented by its respective counsel, were able to agree to settle the Action.⁵ The Parties
19 thereafter, through arm's-length bargaining negotiated terms of the Agreement, the proposed Order and
20 proposed Judgment. Richard Decl., ¶¶11-12. Prior to attending mediation, the Parties performed significant
21 work, exchanging data, documents (including applicable policy and procedure documents, data points, and
22 an approximate fifteen percent sampling of the Aggrieved Employees, including redacted timekeeping and
23 payroll data, commission documents, and paystubs) and factual and legal positions with each other. It was
24 only after PAGA Counsel's thorough analysis of significant discovery and differing legal positions, and
25 substantial arm's-length bargaining, the Parties agreed to settle the Action. *Id.*, ¶¶10-16.

26 ⁵ Plaintiff's individual non-PAGA claims filed with the California Labor Commissioner and with the
27 California Civil Rights Department were also settled at the mediation, but were settled completely separate
28 and apart from settlement of the PAGA Action, and therefore are subject to and memorialized in a separate
individual settlement and release agreement between Plaintiff and Defendant. Richard Decl., fn 2.

1 **III. SUMMARY OF SETTLEMENT**

2 **A. Aggrieved Employees and PAGA Pay Periods**

3 Aggrieved Employees are “all individuals who are or previously were employed by Defendant in
4 California who worked at Pacific Debt, Inc. at any time during the PAGA Period” of November 14, 2022
5 to May 15, 2024. Agreement, ¶¶1.4, 1.19. Based on a review of its records, Defendant estimates there are
6 66 Aggrieved Employees who worked a total of 1,950 PAGA Pay Periods⁶ Agreement, ¶¶1.18, 4.1, 8.

7 **B. Settlement Administrator**

8 The Settlement seeks appointment of ILYM as the Administrator. Agreement, ¶¶1.2, 7.1. ILYM is
9 a third-party administrator experienced in PAGA settlement administration. The Mullins Declaration⁷
10 provides: (i) a statement of experience (Mullins Decl., ¶2, Ex. A), (ii) a security summary protocol (*Id.*, ¶2,
11 Ex. B), (iii) a no-conflict statement (*Id.*, ¶3); and (iv) a \$2,950 not-to-exceed quote with summary of work
12 (*Id.*, ¶¶4-7, Ex. C). The Parties and their counsel represent that they have no interest or relationship with the
13 Administrator (other than professional dealings from prior settlement administrations). Agreement, ¶7.1.

14 **C. The Settlement Amount and Distributions**

15 Defendants will pay a \$175,500 fixed common-fund, non-reversionary amount, (the “Gross
16 Settlement Amount” or “GSA”). The GSA is inclusive of all payments to be distributed under the
17 Settlement and, subject to Court approval, will be used to pay the following from the \$175,500 GSA⁸:

- 18 • Individual PAGA Payments to the approximate 66 Aggrieved Employees for their 25%
19 share of the PAGA penalty payment (\$23,199.71),
- 20 • LWDA PAGA Payment for its 75% share of the PAGA penalty payment (\$69,599.14),
- 21 • Administrator’s Expenses Payment (\$2,950.00),

22
23 ⁶ PAGA Pay Period is defined as any pay period during which an Aggrieved Employee worked for
24 Defendant for at least one day during the PAGA Period. Agreement, ¶1.18.

25 ⁷ “Mullins Declaration” or “Mullins Decl.” refers to the concurrently filed Declaration of Lisa of ILYM
26 Group re PAGA Settlement Administration, inclusive of its exhibits.

27 ⁸ While the Parties expect the GSA to be \$175,500, Section 8 of the Agreement contains an Escalator
28 clause which requires an additional pro-rata increase to the GSA if the number of PAGA Pay Periods
exceeds 2,047. Based on Defendant’s representation on September 23, 2023, the number of PAGA Pay
Periods is 1,950 and therefore this Escalator clause is not expected to be triggered. Richard Decl., ¶15.

- Plaintiff Release Payment (\$2,500),
- PAGA Counsel Fees Payment (\$70,200), and the PAGA Counsel Litigation Expenses Payment (\$7,051.15).

Agreement, ¶¶1.10, 3.1, 3.2. Each Individual PAGA Payment will be calculated by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$23,199.71) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period (estimated to be 1,950) and (b) multiplying the result by each Aggrieved Employee's Pay Periods. The Administrator will report the Individual PAGA Payment on 1099-Misc Forms, Box 3.⁹ *Id.*, 3.2.3.1, 3.2.3.2. Based on Defendant's records, showing 66 Aggrieved Employees with 1,950 Pay Periods, should the Settlement receive full and final approval, the average Individual PAGA Payment is estimated to be \$351.51. Richard Decl., ¶20.

Within fourteen days after the Effective Date,¹⁰ Defendant will transmit Aggrieved Employee Data to the Administrator, and fully fund the GSA, and within fourteen days after funding, the Administrator will make all required distributions including mailing checks for Individual PAGA Payments. Before mailing checks, the Administrator will update addresses using the NOCA Database. Individual PAGA Payments will be accompanied by a cover notice (template attached as Exhibit A to the Agreement) and mailed via First Class U.S. Mail, postage prepaid. The face of each check will state a 180-day check void date. Within seven days of receiving a returned check, the Administrator must re-mail checks to the forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator will transmit funds represented by checks uncashed and voided after the void date to the Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. Agreement, ¶¶4.2 - 4.4.

D. Release of Claims

In consideration for the Individual PAGA Payment, each Aggrieved Employee enters into a release of certain PAGA claims (referred to as "Released PAGA Claims") against Released Parties. The Released PAGA Claims for Aggrieved Employee is very narrowly tailored to claims for PAGA penalties and

⁹ 100% of Individual PAGA Payments is allocated as penalties due to the penalty (not wage) nature of the PAGA Settlement, and therefore no employer taxes are owed on any portion of the GSA.

¹⁰ The "Effective Date" is defined as the date by when both of the following have occurred: (a) the Court enters a Judgment on the PAGA Approval Order and (b) the Judgment is final. The Judgment is final on the day the Court enters Judgment. Agreement, ¶1.9.

1 attorney's fees and costs under the PAGA in connection with PAGA penalties released that were alleged,
2 or reasonably could have been alleged, based on the PAGA Period facts stated in the PAGA Complaint and
3 the PAGA Notice. In other words, this release does not release anything other than certain PAGA claim,
4 and it does not include a California Civil Code §1542 waiver ("1542"). Agreement, ¶¶1.25, 1.26, 5.2.

5 Plaintiff, on the other hand, releases Released Parties from all claims under the PAGA (except for
6 workers compensation claims) including claims based on transactions, occurrences and facts not contained
7 in the PAGA Complaint and the PAGA Notice, and claims that are outside of the PAGA Period ("Plaintiff's
8 Release"). Plaintiff's Release is a general release of PAGA claims and therefore is a much broader release
9 than that given by Aggrieved Employees. A 1542 waiver applies to Plaintiff's Release; Plaintiff is the only
10 person entering into a 1542 waiver. Agreement, ¶¶5.1, 5.1.1. As consideration is necessary for Plaintiff's
11 Release, a Plaintiff Release Payment of \$2,500.00 is provided in exchange of the release. *Id.*, 3.2.1b.¹¹

12 **E. Attorney's Fees and Costs**

13 PAGA Counsel seeks \$70,200 in fees, and costs which are currently \$7,051.14. These amounts were
14 agreed to after all of the substantive terms of PAGA Settlement were reached. Richard Decl., ¶¶27-39 39.

15 **IV. THE PAGA SETTLEMENT IS FAIR, REASONABLE AND ADEQUATE AND** 16 **WARRANTS COURT APPROVAL**

17 **A. Standards for PAGA Approval**

18 The PAGA requires the Court to review and approve of any settlement under the PAGA.
19 Specifically, Section 2699(s)(2) provides that "[t]he superior court shall review and approve any settlement
20 of any civil action filed pursuant to this part." Further, PAGA requires that "[t]he proposed settlement shall
21 be submitted to the agency at the same time that it is submitted to the court." While these are the only two
22 enumerated statutory requirements under the PAGA for settlement review and approval, trial courts should
23 evaluate whether the settlement is fair, reasonable and adequate in view of PAGA's purpose. See e.g. *Moniz*

24 _____
25 ¹¹ As noted in footnote 5, Plaintiff entered into a settlement agreement as to individual-non PAGA claims
26 separate and apart from the PAGA Settlement. Under that individual settlement, the total settlement
27 amount is \$37,500 in which Plaintiff receives \$32,500 (prior to withholdings) and Plaintiff's attorney for
28 the individual settlement receives \$5,000.00. Plaintiff entered into a release of claims with respect to that
individual settlement, but that release of claims did not include a release of PAGA claims (nor workers
compensation claims). Richard Decl., ¶¶25-26, fn 3. The Court does not need to take action with respect
to this individual settlement; it is only disclosed to the Court in full disclosure of this individual settlement.

1 *v. Adecco USA, Inc.*, 72 Cal.App.5th 56, 77 (2021) (“[A] trial court shall evaluate a PAGA settlement to
2 determine whether it is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present
3 labor law violations, deter future ones, and to maximize enforcement of state labor laws.”). Here, the
4 requirement that the proposed settlement be submitted to the LWDA at the same time as it is submitted to
5 the Court is satisfied. As detailed in the Richard Declaration, the PAGA Settlement was submitted online
6 to the LWDA on September 24, 2024. Richard Decl., ¶13.

7 Further, the PAGA Settlement is fair, adequate and reasonable, advancing PAGA’s purposes. The
8 legislature, in enacting PAGA stated that “the only meaningful deterrent to unlawful conduct is the vigorous
9 assessment and collection of civil penalties as provided in the Labor Code.” Stats. 2003 chapter 906, Section
10 1(b). The \$175,500 GSA serves not only as a meaningful deterrent but also a meaningful assessment and
11 collection under the PAGA, solidifying that the Settlement advances PAGA’s purposes.

12 **B. The Settlement is Fair, Adequate and Reasonable**

13 As detailed in the Richard Declaration and herein, the Settlement is fair, adequate and reasonable.
14 Richard Decl., ¶¶14-22. First, the Settlement is a result of arms-length negotiations after sufficient
15 investigation occurred. Here, subsequent to significant investigation, the Parties engaged in a full-day
16 mediation with the assistance of the highly experienced Hon. Denton. Only after significant discovery was
17 analyzed and serious, arm’s-length negotiations, did the Parties agree to settle. The discussions were based
18 on both sides’ understanding of the legal battle facing them if litigation were to continue, and in light of all
19 of the facts and circumstances present in this matter. The investigation was sufficient to assess reliably the
20 merits of the respective Parties’ positions and to compromise the issues on a fair and equitable basis.
21 Because this Settlement comes before the Court only after Action was thoroughly investigated and
22 evaluated by counsel experienced in similar litigation and was negotiated at arm’s-length through a
23 respected mediator, a presumption of fairness should apply. *Id.*

24 Second, the release given by Aggrieved Employees through the “Released PAGA Claims” is fair
25 and reasonable given that the release is very narrowly tailored to claims under the PAGA in connection
26 with PAGA penalties released that were alleged, or reasonably could have been alleged, based on the PAGA
27 Period facts stated in the PAGA Complaint and the PAGA Notice. Agreement, ¶¶1.25, 1.26, 5.2.

28 Third, the settlement consideration is fair and reasonable and certainly within the range of

1 reasonableness for the payment of PAGA penalties. The Individual PAGA Payments to the approximate 66
2 Aggrieved Employees (for their 25% share of the penalty payment) totals \$23,199.71, and the LWDA
3 PAGA Payment (for its 75% share of the penalty payment) totals \$69,599.14. The average Individual
4 PAGA Payment to each of the 66 Aggrieved Employees is estimated to be \$351.51. This is a very good
5 result. Although the potential exposure in this case exceeds the amount ultimately settled for, there were
6 significant risks associated with the proceeding to trial. These risks include, but are not limited to: (i) an
7 adverse ruling on an anticipated summary judgment motion; (ii) an unfavorable verdict; (iii) the novelty of
8 some of the issues; (iv) a judgment that ultimately could not be paid by Defendant; and (v) an adverse court
9 decision on any of the claims. Although PAGA Counsel is confident the claims are legally sound, the claims
10 at issue were not uncontested. In fact, if the settlement had not occurred, Defendant would have put up a
11 vigorous defense. Given the risk and delay associated with further prosecution, PAGA Counsel believes
12 the Settlement is well within the range of reasonableness. PAGA Counsel is knowledgeable in the matters
13 in this litigation, and agrees that the Settlement is fair and reasonable. Richard Decl., ¶¶14-22.

14 **V. APPOINTMENT OF ADMINISTRATOR IS WARRANTED AND THE ADMINISTRATION**
15 **EXPENSES PAYMENT ARE FAIR, REASONABLE AND ADEQUATE AND ALSO**
16 **WARRANT COURT APPROVAL**

17 ILYM is a third-party administrator experienced in PAGA settlement administration. *See generally*,
18 Mullins Declaration. PAGA Counsel has utilized ILYM in other settlement administrations and has
19 received good services. Further, ILYM's quote is fair and reasonable. PAGA Counsel obtained bids from
20 four administrators and ILYM was the lowest. Richard Decl., ¶¶23-24.

21 **VI. THE PLAINTIFF RELEASE PAYMENT PROVIDES CONSIDERATION FOR**
22 **PLAINTIFF'S RELEASE, IS FAIR AND REASONABLE, AND SHOULD BE APPROVED**

23 The PAGA Settlement contains a general release of PAGA claims for Plaintiff only ("Plaintiff's
24 Release"). Plaintiff's Release is a much broader release than that given by Aggrieved Employees. A 1542
25 waiver applies to Plaintiff's Release; no other person is entering into a 1542 waiver. Agreement, ¶¶5.1,
26 5.1.1. Consideration is necessary for Plaintiff's Release; without consideration, Plaintiff's Release would
27 not be valid. The \$2,500 Plaintiff Release Payment is provided in exchange of Plaintiff's Release. *Id.*,
28 3.2.1b. This amount (which is a very small portion of the GSA) was agreed to only after the substantive
terms of the Settlement were agreed to; it is fair and reasonable and needed to provide consideration for the
release. Richard Decl., ¶¶25-26, fn 3. Accordingly, the Plaintiff Release Payment warrants Court approval.

1 **VII. THE ATTORNEY'S FEES AND COSTS ARE AS FAIR AND REASONABLE AND**
2 **SHOULD BE APPROVED**

3 Attorney fees and costs are authorized by various statutes including under the PAGA (Section
4 2699(k)(1) (formerly 2699(g)(1)) and Code of Civil Procedure section 1021.5. After all of the substantive
5 terms of the PAGA Settlement were reached, the Parties agreed that PAGA Counsel may seek \$70,200
6 for attorney's fees, and costs which are anticipated to be \$7,051.15 through the October 17, 2024 PAGA
7 approval hearing. Richard Decl., ¶¶27, 38. As detailed in paragraphs 28-37 (PAGA Counsel's work and
8 attorney's fees) and paragraphs 38-39 (PAGA Counsel's costs) of the Richard Declaration, the requested
9 attorney's fees are fair and reasonable under both the common fund doctrine and a lodestar/multiplier
10 approach, and the requested costs are fair and reasonable for this type of action. Both the fees and cost
11 request warrant approval.

12 **A. Costs**

13 PAGA Counsel seeks a cost award of \$7,051.15. The reasonably incurred costs include court fees,
14 LWDA fees, mediation fees, costs for service, PAGA filing fees, online research, copying, scanning and
15 printing fees, and litigation support service fees. Details of these costs are included in the Richard
16 Declaration and a cost report has been attached as an exhibit to that declaration. Richard Decl., ¶39, Ex.
17 7. Such costs are appropriate and routinely approved for reimbursement in these types of cases. *See, e.g.,*
18 *In re United Energy Corp. Solar Power Modules Tax Shelter Inv. Sec. Litig.*, MDL No. 726, 1989 WL
19 73211, at *6 (C.D. Cal. Mar. 9, 1989); *Trustees of Const. Industry & Laborers Health and Welfare Trust*
20 *v. Redlands Ins. Co.*, 460 F. 3d 1253, 1258-59 (9th Circ. 2006) (costs for legal research reimbursable).
21 Further, all costs were necessary to the effective representation in the Action and within the range of costs
22 awarded in similar cases. Accordingly, PAGA Counsel respectfully submits that the \$7,051.15 cost
23 request is reasonable, and should be approved.

24 **B. Attorney's Fees**

25 An award of reasonable attorney's fees is authorized here by statute and serves the public policy
26 of attracting competent counsel to provide representation. The requested \$70,200 in fees is fair and
27 reasonable under both the common fund doctrine and under a lodestar/multiplier approach. As detailed in
28 paragraphs 28-37 of the Richard Declaration, the fees request is fair and reasonable in light of the
substantial risks, efforts and benefits achieved through the Action and resulting Settlement.

At the outset, it is noted that the attorney's fees request results in a *negative* multiplier because PAGA Counsel's lodestar is expected to exceed \$84,027.50. The delta between \$84,027.50 and the \$70,200 fees request is approximately \$13,827.50 – resulting in an approximate *negative* multiplier of (-1.20). In other words, PAGA Counsel's fees are approximately 20% more than what PAGA Counsel agreed to request. This is important to note because attorney fee awards routinely are granted with the addition of a positive multiplier but, here (even though factors militate granting a positive multiplier), because the case is relatively “small,” the requested fee award results in a negative multiplier. Courts recognize that a higher fee award (such as 40%) in smaller cases is warranted to ensure fair fees to attorneys handling smaller cases. Attorneys' fee awards of 40% are established by California law and practice and recognize that higher percentages are warranted in smaller cases. *See e.g., Van Vranken v. Atl. Richfield Co.*, 901 F. Supp. 294, 297 (N.D. Cal. 1995) (class counsel fee awards of 30-50% are more typical where the common fund is less than \$10 million); *Williams v. Costco Wholesale Corp.*, 02-cv-2003 IEG, 2010 WL 2721452 at *6 (S.D. Cal. July 7, 2010 (courts awarded between 33.33% and 40% in wage hour class actions); *Cicero v. DirectTV, Inc.*, No. EDCV 07-1182, 2010 WL 2991486 at *7 (C.D. Cal. July 27, 2010) (observing that “30-50% [is] commonly awarded in cases in which the common fund is relatively small” and that in California “courts usually award attorneys' fees in the 30-40% range). Here, given the small size of the common fund, the fee request (which represents 40% of the common fund) is fair and reasonable including in light of awards in California.

The requested fees is also fair and reasonable under the lodestar/multiplier approach. PAGA Counsel is requesting approximately 20% less of the fees that have been incurred, as confirmed by a lodestar cross-check. Under the lodestar cross-check/multiplier method,¹² the Court first determines a lodestar value for the fees by multiplying the time reasonably spent by PAGA Counsel on the case by a reasonable hourly rate. *In re Consumer Privacy Cases*, 175 Cal. App. 4th 545, 556-557 (2009). Here, PAGA Counsel's hours spent on the matter are reasonable. Richard Decl., ¶31; Ex. 5. Further, PAGA Counsel's hourly rate is comparable to (and often less than) those charged by PAGA action attorneys. *Id.*,

¹² The Richard Declaration provides information supporting attorney experience, status, and hourly rate, as well as the number of hours expended on the action. A lodestar/multiplier crosscheck confirms the reasonableness of the attorneys' fees request.

¶32; Ex. 6. The lodestar then may be enhanced or reduced by applying a multiplier to take into account the contingent nature and risk associated with the action, delayed payment, and other factors such as the degree of skill required, and success achieved. *Ketchum v. Moses*, 24 Cal. 4th 1122, 1132 (2001). Here, PAGA Counsel’s lodestar is approximately 20% more than the requested award, resulting in a *negative* multiplier. *Id.*, ¶28. Although positive multipliers of 2.5 and higher are routinely awarded in both California state and federal courts, PAGA Counsel is not seeking a multiplier here. *See, e.g., Vizcaino v Microsoft Corp.*, 290 F.3d 1043, 1051 (9th Cir. 2002) (3.65 multiplier applied after analyzing most commonly applied multipliers); *Chavez v. Netflix, Inc.*, 162 Cal. App. 4th 43, 66 (2008) (2.5 multiplier); *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 255 (2001) (“Multipliers can range from 2 to 4 or even higher.”). Accordingly, a lodestar/multiplier confirms the reasonableness of the fee request.

Finally, the requested fee award recognizes PAGA Counsel’s work and the resulting Settlement with an excellent cash result. Indeed while the size of the GSA is relatively small due to there being only 66 Aggrieved Employee, the settlement amount is quite large in comparison with many other PAGA settlements. Often times, PAGA settlements will result in average aggrieved employee penalty payments in an amount less than \$10 or even \$100. Here, in contrast the average Aggrieved Employee penalty payment is more than \$350. Based on 1,950 PAGA Pay Periods, the \$175,500 GSA results in each pay period being worth \$90. This amount is an excellent result of this Action and a testament to PAGA Counsel’s work and experience. Richard Decl., ¶¶33. The attorney’s fee request being fair and reasonable, PAGA Counsel should be awarded the \$70,200.00 in fees.

VIII. CONCLUSION

Plaintiff submits that the Settlement is a very good result for Aggrieved Employees and the State of California, and meets all requirements for approval. Accordingly, Plaintiff respectfully requests that this Court fully approve the PAGA Settlement including all distributions, appoint ILYM as the Administrator and enter the submitted [Proposed] Order and [Proposed] Judgment.

Respectfully submitted,

RICHARD LAW, P.C.

September 24, 2024

By: Diane Richard
DIANE E. RICHARD
Attorney for Plaintiff
Gabriel Torres

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PROOF OF SERVICE

Gabriel Torres v. Pacific Debt, Inc. (37-2024-00003429-CU-OE-CTL)

1. At the time of service, I was a United States citizen, a resident of the County of San Diego, over 18 years of age, and not a party to or interest in this action.
2. My business address is 5060 N. Harbor Drive, Suite 265, San Diego, CA 92106.
3. On September 24, 2024 I served the following document(s), including all exhibits thereto:

**• MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION FOR APPROVAL OF PAGA
SETTLEMENT**

4. I served the document(s) on the following:

Guillermo A. Escobedo
Constangy, Brooks, Smith & Prophete LLP.
501 W. Broadway, Suite 800
San Diego, California 92101
Telephone: 619.605.5734
Electronic Service Addresses: gescobedo@constangy.com

5. The document(s) were served by the following means:

☒ **BY ELECTRONIC SERVICE** –Based on a court order, court rule, or an agreement of the parties to accept electronic service, I caused such document(s) to be delivered to the person(s) at the electronic service address set forth above. Said document(s) was/were served electronically and the transmission was reported as complete and without error.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **September 24, 2024** at San Diego, California.

Diane Richard
Name

/s/ Diane Richard
Signature