

SETAREH LAW GROUP

Wage-and-Hour and Consumer Class Actions and Complex Litigation

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July 2, 2026

BY ELECTRONIC SUBMISSION

PAGA Administrator
California Labor and Workforce Development Agency
1515 Clay Street, Suite 801
Oakland, California 94612

BY CERTIFIED MAIL

AmeriCare Health & Retirement, Inc.
c/o David Petree
140 Lomas Santa Fe Drive, Suite 103
Solana Beach, CA 92075

Re: JOSEPH REICHELTL v. AMERICARE HEALTH & RETIREMENT, INC.

To Whom It May Concern:

Pursuant to the Labor Code Private Attorneys General Act of 2004 (Lab. Code §§ 2698, *et seq.*), JOSEPH REICHELTL (“REICHELTL”) hereby provides notice on behalf of himself and on behalf of all other current and former non-exempt employees in California (the “aggrieved employees”) who were employed by AMERICARE HEALTH & RETIREMENT, INC. and/or OTHER DEFENDANTS directly or indirectly whether through any staffing agencies and/or any other third parties (collectively referred to as “Defendants”) who worked in hourly, non-exempt positions for alleged violations of Labor Code sections 204, 223, 226, 226.7, 1198, 1199 and 2802.

REICHELTL is an individual who has been employed by Defendants in an hourly, non-exempt position as a Front Desk Concierge since approximately July 1, 2025. At all relevant times, Defendants employed persons, conducted business in, and engaged in illegal labor and payroll practices and policies in California.

REICHELTL and aggrieved employees are “employees” within the meaning of Section 2 of the applicable Industrial Welfare Commission Wage Order (the “Wage Order”) and “aggrieved employees” within the meaning of Labor Code section 2699(c). At all relevant times,

REICHELT and aggrieved employees have been non-exempt employees entitled to the full protections of both the Labor Code and the Wage Order. REICHELT's representation of "aggrieved employees" is brought with the information and belief that the labor code violations discussed in this notice are systematic, ongoing, repeated, and will continue.

As set forth below, Defendants failed to comply with the Labor Code sections as described herein below. Accordingly, REICHELT now seeks civil penalties for Defendants' alleged violations of the Labor Code.

FAILURE TO PROVIDE REST PERIODS
(Lab. Code §§ 204, 223, 226.7 and 1198)

Labor Code section 204 provides that all wages (except as provided for under Labor Code sections 201 and 202) earned by any person in any employment become due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays, except that wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.
Labor Code section 223 states:

Where any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract.

Section 2 of the applicable Wage Order states:

"Hours worked" means the time during which an employee is subject to the control of the employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

Labor Code section 1198 states:

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

Section 12 of the applicable Wage Order states:

(A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than

three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

- (B) If an employer fails to provide an employee a rest period in accordance with the applicable provision of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided."

In addition, Labor Code section 226.7 states:

(b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

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

Defendants routinely failed to provide REICHELT and the aggrieved employees with rest periods due to understaffing and the workload Defendants imposed on them. As a Front Desk concierge, REICHELT is responsible for staffing the front desk; assisting residents with moving furniture and heavy boxes; and logging mail and deliveries. REICHELT frequently works through his rest periods to continue performing these duties.

Defendants' written policies failed to advise REICHELT and the aggrieved employees of their legal right to take rest periods in accordance with California law. Specifically, Defendants have a policy of requiring REICHELT and the aggrieved employees to continue working through their rest periods.

Accordingly, REICHELT and the aggrieved employees were not provided with legally mandated rest periods of at least ten minutes for every four hours worked or major fraction thereof.

As a result of these policies and practices, Defendants failed to provide REICHELT and the aggrieved employees with net rest periods of at least ten minutes for each four hour work period, or major fraction thereof, and have failed to pay them premium wages at their regular rates of pay on workdays they failed to provide them with required rest periods. Defendants' policies and practices lack adequate safeguards to ensure that employees are relieved of their duties for all required rest periods and are paid additional wages when rest periods are not provided.

Accordingly, REICHELT now seeks civil penalties for these Labor Code violations that Defendants have committed against him and aggrieved employees as follows:

- (1) For all initial violations of Labor Code section 204, \$100 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 210);
- (2) For all subsequent violations of Labor Code section 204, \$200 for each aggrieved employee, plus 25% of the amount unlawfully withheld from each aggrieved employee, per pay period for each violation (penalties set by Labor Code section 210);
- (3) For all initial violations of Labor Code section 223, that are deemed to be neither willful nor intentional, \$100 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 225.5);
- (4) For all initial violations of Labor Code section 223 that are deemed to be either willful or intentional, \$200 for each aggrieved employee, plus 25% of the amount unlawfully withheld from each aggrieved employee, per pay period for each violation (penalties set by Labor Code section 225.5);
- (5) For all subsequent violations of Labor Code section 223, regardless of whether the initial violation of Labor Code section 223 is deemed to be either willful or intentional, \$200 for each aggrieved employee, plus 25% of the amount unlawfully withheld from each aggrieved employee, per pay period for each violation (penalties set by Labor Code section 225.5);
- (6) For all initial violations of Labor Code sections 226.7 and 1198, \$100 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 2699(f)(2));
- (7) For all subsequent violations of Labor Code sections 226.7 and 1198, \$200 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 2699(f)(2)).

FAILURE TO REIMBURSE FOR EXPENSES
(Lab. Code § 2802)

Labor Code section 2802(a) states:

- (a) An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even

though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.

At all relevant times during the applicable limitations period, Defendants required REICHELT and the aggrieved employees to incur expenses which Defendants failed and/or refused to reimburse them for including, but not limited to, personal cell phone usage. Defendants required REICHELT and the aggrieved employees to use their personal cell phones in the course of performing job duties including, but not limited to, clocking in and out and communicating with upper management. The cell phone allowance provided by Defendants is insufficient to cover REICHELT's and the aggrieved employees' work-related cell phone usage and expenses.

Accordingly, REICHELT now seeks civil penalties for these Labor Code violations that Defendants committed against him and aggrieved employees as follows:

- (1) For all initial violations of Labor Code section 2802, \$100 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 2699(f)(2));
- (2) For all subsequent violations of Labor Code section 2802, \$200 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 2699(f)(2)).

FAILURE TO PROVIDE ACCURATE WRITTEN WAGE STATEMENTS
(Lab. Code § 226)

Labor Code section 226(a) states, in pertinent part:

- (a) An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning

July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment. The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, "copy" includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision.

At all relevant times during the applicable limitations period, Defendants failed to provide accurate itemized wage statements that show:

- (1) gross wages earned;
- (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission;
- (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis;
- (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item;
- (5) net wages earned;
- (6) the inclusive dates of the period for which the employee is paid;
- (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number;
- (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer;
- (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment.

By failing to pay employees rest period premiums in accordance with California law, and by failing to reimburse employees for all necessary business expenses, Defendants have failed to provide REICHELT and the aggrieved employees with written wage statements that comply with the requirements of Labor Code section 226(a). The wage statements of REICHELT and the aggrieved employees have not accurately reflected their applicable rates of pay, hours worked, and the amounts of their gross and net wages.

Accordingly, REICHELT now seeks civil penalties for Defendants' violations of the Labor Code as follows:

- (1) For all violations of Labor Code section 226(a) if a civil action filed in accordance with the procedures set forth in Labor Code section 2699.3 results in an initial citation or its equivalent, \$250 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 226.3);
- (2) For all violations of Labor Code section 226(a) if a civil action filed in accordance with the procedures set forth in Labor Code section 2699.3 results in a subsequent citation or its equivalent, \$1000 for each aggrieved employee per pay period for each violation (penalties set by Labor Code section 226.3).

VIOLATIONS OF LABOR CODE SECTION 1199

Labor Code section 1199 states:

Every employer or other person acting either individually or as an officer, agent, or employee of another person is guilty of a misdemeanor and is punishable by a fine of not less than one hundred dollars (\$100) or by imprisonment for not less than 30 days, or by both, who does any of the following:

- (a) Requires or causes any employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission.
- (b) Pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission.
- (c) Violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission.

By failing to timely furnish REICHELT and aggrieved employees with unpaid wages, including, but not limited to, all earned and unpaid hourly, overtime, vacation and/or premium wages at the regular rate of pay, Defendants criminal conduct has violated Labor Code section 1199.

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Accordingly, for all violations of Labor Code section 1199, Defendants are liable for a misdemeanor and are punishable by a fine of \$100 or by imprisonment for not less than thirty days or by both.

CONCLUSION

As noted above, this letter constitutes the required notice under the Private Attorneys General Act of 2004 (Lab. Code §§ 2698 *et seq.*). Insofar as this letter is directed to Defendants, please be advised that REICHELT will seek both reasonable attorneys' fees and costs under Labor Code section 2699(g)(1) in a civil action should the Labor and Workforce Development Agency decline to pursue this matter.

Very truly yours,

SETAREH LAW GROUP

A handwritten signature in black ink, appearing to read 'Th' followed by a stylized flourish.

Thomas Segal, Esq.