

Nazo Koulloukian, SBN 263809
nazo@koullaw.com
KOUL LAW FIRM, APC
3435 Wilshire Blvd., Suite 1710
Los Angeles, CA 90010
Telephone: (213) 761-5484
Facsimile: (818) 561-3938

Sahag Majarian, Esq. SBN 146621
sahagii@aol.com
Garen Majarian, Esq. SBN 334104
garen@majarianlawgroup.com
MAJARIAN LAW GROUP, APC
18250 Ventura Blvd.
Tarzana, CA 91356
Telephone: (818) 609-0807
Facsimile: (818) 609-0892

Attorneys for Plaintiff,
CARLOS VELAZQUEZ on behalf of
himself, all aggrieved employees, and the State
of California as a Private Attorneys General

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

CARLOS VELAZQUEZ, an individual, on
behalf of himself, all aggrieved employees, and
the State of California as a Private Attorneys
General,

Plaintiff,

vs.

STERICYCLE, INC., a Delaware corporation,
and DOES 1-50, inclusive,

Defendant.

Case No.: **24STCV10960**

REPRESENTATIVE ACTION

**Violation of the Private Attorneys General
Act of 2004, Cal. Labor Code §2698 et seq.**

1 Plaintiff CARLOS VELAZQUEZ brings this PAGA representative action complaint on
2 behalf of himself, all aggrieved employees, and the State of California as a Private Attorneys
3 General, and alleges as follows:

4 **NATURE OF THE ACTION**

5 1. Plaintiff CARLOS VELAZQUEZ worked as an employee for Defendant
6 STERICYCLE, INC., and Does 1-50 (collectively “Defendant”). Defendant is a waste
7 management company. Plaintiff CARLOS VELAZQUEZ is an employee at Defendant’s Vernon,
8 California, location whose job includes operating an autoclave oven for the disposal of waste,
9 including hospital and hazardous waste. Plaintiff brings this action pursuant to the Private
10 Attorneys General Act of 2004 (“PAGA”), Cal. Labor Code §2698 *et seq.*, on a representative
11 basis. All current and former hourly, nonexempt employees of Defendant within one year of
12 serving notice on the LWDA to the present are aggrieved employees.

13 2. Defendant failed to comply with California Labor Code requirements due to erroneous,
14 willful and intentional employment practices and policies. Plaintiff brings this representative
15 action on behalf of himself, all other similarly situated aggrieved employees, and the State of
16 California, based upon the claims articulated below. Plaintiff provided notice of his claims
17 pursuant to §2698 *et. seq.*, to the Labor and Workforce and Development Agency (“LWDA”) as
18 illustrated by the attached Exhibit, the content of which is expressly incorporated herein. The
19 LWDA has not provided any notice to Plaintiff following the exhaustion of the 65-day notice
20 period required by 2699.3(a)(2)(B). Accordingly, Plaintiff now brings this Complaint for civil
21 penalties under the Private Attorneys General Act (“PAGA”), Labor Code §2698 *et seq.*

22 3. Defendant has had a consistent policy and/or practice of: (1) failing to pay for all hours
23 worked, including overtime hours worked; (2) failing to pay minimum wage; (3) failing to provide
24 rest breaks and cool-down rest periods; (4) failing to provide uninterrupted meal breaks and second
25 meal breaks; (5) failing to provide safe working conditions; (6) failing to reimburse for required
26 business expenses; (7) failing to pay wages due upon termination; (8) failing to provide accurate
27 itemized wage statements. Defendant is therefore liable for civil penalties under the Cal. Labor
28

1 Code, including the Private Attorney General Act (“PAGA”), Labor Code §2698 *et seq.*, as
2 described more fully herein.

3 **THE PARTIES**

4 4. Plaintiff CARLOS VELAZQUEZ is a resident of the State of California and is an
5 employee of Defendant whose job involves operating an autoclave oven for the disposal of waste,
6 including hospital and hazardous waste.

7 5. Defendant STERICYCLE, INC. is a Delaware corporation authorized to do business
8 and doing business in California with the capacity to sue and to be sued, and doing business, in the
9 county of Los Angeles, State of California.

10 6. Plaintiff is unaware of the true names, capacities, relationships, and extent of
11 participation in the conduct alleged herein, of the Defendant sued as DOES 1 through 50, but is
12 informed and believes and thereon alleges that said Defendant is legally responsible for the
13 wrongful conduct alleged herein and therefore sues Defendant by such fictitious names, Plaintiff
14 will amend this complaint when their true names and capabilities are ascertained.

15 7. Plaintiff is informed and believes and thereon alleges that each Defendant, directly or
16 indirectly, or through agents or other persons, employed Plaintiff and other aggrieved employees
17 of the representative class, and exercised control over their wages, hours, and working conditions.
18 Plaintiff is informed and believes and thereon allege that each Defendant acted in all respects
19 pertinent to this action as the agent of the other Defendants, carried out a joint scheme, business
20 plan or policy in all respects pertinent hereto, and the acts of each Defendant is legally attributable
21 to the other Defendants.

22 **JURISDICTION AND VENUE**

23 8. Venue is proper in this judicial district because Defendant conducts business in this
24 county and each Defendant has legal obligations to Plaintiff and many of the aggrieved employees
25 in this case that arose in this county.

26 9. The statutory penalties sought by Plaintiff exceed the minimal jurisdictional limits of
27 the Superior Court and will be established according to proof at trial. Based on information,
28 investigation and analysis, Plaintiff alleges that the amount in controversy, including claims for

monetary damages, penalties and attorney's fees is more than twenty-five thousand dollars (\$25,000).

10. The California Superior Court has jurisdiction in this matter because Plaintiff is a resident of California and Defendant is qualified to do business in California and regularly conduct business in California. Further, there is no federal question at issue as the claims herein are based solely on California law.

PAGA REPRESENTATIVE ACTION ALLEGATIONS

11. During the relevant time period, Defendant committed various violations of the California Labor Code as alleged below in more detail. Defendant enforces multiple policies that violate state law, which are intended to increase profits to the detriment of aggrieved employees.

12. This representative action represents over one hundred current and former aggrieved employees.

13. For at least one (1) year prior to the date of service notice on the LWDA, and continuing to the present, Defendant engaged in unlawful employment practices that resulted in violations of numerous Labor Code sections, as set forth more fully below.

14. Plaintiff and all current and former hourly, nonexempt employees within one year of filing this action to the present are aggrieved employees within the meaning of Labor Code 2699, *et seq.* (See Labor code §2699(c).)

15. Defendant, and each of them, have committed the following violations of the California Labor Code:

Failure to Pay For All Hours Worked, Including Overtime Hours Worked

(Cal. Labor Code §§200, 204, 206, 206.5, 210, 216, 218, 218.6, 221, 223, 510, 511, 558, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, Wage Order 1, 4, 5)

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

17. Section 2(K) of Wage Orders 1, 4 and 5 define "hours worked" as "the time during which an employee is subject to the control of an including all the time the employee is suffered or permitted to work, whether or not required to do so." Defendant has been engaged in many

1 unlawful employment practices which resulted in underpayment for hours worked each pay period,
2 including suffering or permitting employees to work while off the clock and clocked out for lunch,
3 Defendant also failed to pay overtime and penalty wages at the required regular rate of pay during
4 pay periods when employees earned remuneration and nondiscretionary bonuses and payments in
5 addition to their regular hourly rate. Plaintiff and aggrieved employees also had time
6 rounded/shaved from their timecards.

7 18. Off-the-Clock Hours Worked. Plaintiff and aggrieved employees frequently worked
8 off the clock and were routinely subjected to periods wherein they were under the Defendant's
9 control but not compensated for their time. Numerous employees came on shift at the same time
10 which resulted in many employees waiting in required lines to clock in for work. This time spent
11 waiting in these required lines was required by Defendant prior to each shift and when clocking
12 back in for lunch, and was essential and required before employees could begin and/or resume
13 working on the clock.

14 19. Plaintiff and aggrieved employees were required to put on and take off safety apparel,
15 wash hands, and walk to and from the break area while off the clock. Although employees work
16 with hazardous waste and the washing-up process is critical to their personal safety and the
17 effectiveness of Defendant's processes, Defendant requires employees to wash-up off the clock,
18 refusing to pay them for that time. Defendant has violated Labor Code §§510 1194, 1198, 1199
19 and the Wage Orders. Defendant is liable for civil penalties pursuant to Labor Code §§558 and
20 2698 *et seq.*

21 20. Defendant's conduct described herein violates Labor Code §§ 200, 223, 226, 500, 1197
22 and 1198, and the Applicable Wage Orders. Therefore, pursuant to Labor Code §§ 203, 218.5,
23 226, 558, 1194 and 1194.2, Plaintiff and other Aggrieved Employees are entitled to recover
24 damages for the nonpayment of wages of all their worked hours in addition to penalties, attorneys'
25 fees, expenses, and costs of suit. As a result of these ongoing violations, Defendant is liable for,
26 among other things, civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

27 21. Failure to Pay All Wages Owed Twice Per Month. Defendant was required to pay
28 Plaintiff and aggrieved employees all wages earned twice during each calendar month pursuant to

1 Labor Code §204(a). Defendant failed to pay all wages earned to employees as a result of the
2 unlawful employment policies and practices discussed herein. As a result of these practices,
3 Plaintiff and other Aggrieved Employees were underpaid for hours worked, including overtime
4 and penalty wages, and this underpayment resulted in a failure to pay all wages owed twice per
5 month. Due to this failure, Defendant is liable under Labor Code §210 for failure to pay wages as
6 required by law

7 **Failure to Pay Minimum Wage**

8 (Cal. Lab. Code §§2200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*)

9 22. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
10 incorporates said paragraphs herein by reference.

11 23. Pursuant to Labor Code sections 1194, 1194.2 and 1197, it is unlawful for an employer
12 to suffer or permit a California employee to work without paying wages at the proper minimum
13 wage for all time worked as required by the applicable IWC Wage Order.

14 24. Defendant failed to pay Plaintiff and aggrieved employees for all hours worked as a
15 result of Defendant's practices described above, in addition to failure to pay meal and rest period
16 penalty wages. Based on Defendant's unlawful conduct described above, and because Plaintiff and
17 the aggrieved employees were paid at or near minimum wage, employer's failure to pay for all
18 hours worked, including overtime, resulted in a payment of less than the minimum wage for all
19 hours worked, in violation of Labor Code §1197, 1197.1, 1199 and Wage Orders. Defendant is
20 liable for civil penalties pursuant to Labor Code §§558 and 2699 *et seq.*

21 **Failure to Provide Rest Breaks and Cool-Down Rest Periods**

22 (Cal. Lab. Code §§226, 226.7, 512, 558, 1198, 2698 *et seq.*)

23 25. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
24 incorporates said paragraphs herein by reference.

25 26. Defendant has failed to maintain a compliant rest period policy and practice that
26 provides its employees with off-duty rest periods as required by California law. Plaintiff reports
27 that there were many occasions wherein he and aggrieved employees did not receive required rest
28 breaks. They also were not permitted to take required cool-down breaks as discussed below.

1 27. Rest periods were often either less than ten minutes, not provided, interrupted or late,
2 “on duty”, or not scheduled before and after a meal period for shifts greater than six hours, as
3 prescribed by California law because Defendant: (1) did not account for all hours worked that were
4 unaccounted for on their timecard; (2) did not adequately inform and train employees about their
5 rights to rest breaks and premium payments for non-compliant rest breaks; (3) did not adequately
6 inform and train employees about when, where and how to take timely and uninterrupted ten-
7 minute rest breaks; (4) because Defendant did not staff enough people to schedule all timely and
8 uninterrupted ten-minute rest breaks; and/or (5) because management at various levels, affecting
9 all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant rest
10 break policy.

11 28. Labor Code section 226.7, subdivision (c) provides that:

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

19 29. Defendant required Plaintiff and aggrieved employees to consistently work in
20 temperatures far exceeding eighty (80) degrees Fahrenheit and did not provide adequate cool-down
21 opportunities. Areas in the facility would get unsafely hot and employees were required to wait
22 until their scheduled break or meal period in order to get relief from the heat. Aggrieved employees
23 were exposed to a high risk of suffering heat illness so that their life, safety, and health were
24 jeopardized by Defendant's conduct, violating California Code of Regulation, Title, section 3395
25 and Labor Code sections 226.7 and 1198.

26 30. Defendant did not authorize or permit all of its hourly employees to take at least a ten
27 minute rest period in which they were relieved of all duties, for every 4 hours of work, or major
28 fraction thereof, as required by Cal. Lab. Code §226.7, §512 and Wage Order 4-2001 11(A). When

breaks were missed Defendant failed to pay the 1-hour penalty, as required. Because Defendant violated the Wage Order, Defendant is liable under Labor Code §1198. As a result of these violations, Defendant is liable for civil penalties pursuant to Cal. Labor Code §2698 et. seq.

Failure to Provide Uninterrupted Meal Breaks & Second Meal Breaks

(Cal. Lab. Code §§226, 226.7, 512, 558, 1198, 2699 *et seq.*)

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

32. During Plaintiff's employment, Defendant failed to maintain a compliant meal period policy and practice. Defendant failed to provide all of its hourly employees with their right to take an off-duty unpaid 30-minute meal period. Labor Code §512 provides, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes..." Labor Code §226.7(a) provides, "[n]o employer shall require an employee to work during any meal... period mandated by an applicable order of the Industrial Welfare Commission." Paragraph 11(A) of the Wage Orders provides, in pertinent part, "[u]nless an employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an 'on duty' meal period and counted as time worked." Labor Code 1198 states that any violation of a wage order is a violation of the Labor Code.

33. Plaintiff and aggrieved employees often had meal periods shortened because they had to wait in lines to clock in and out for lunch along with their co-workers who were on the same shift and schedule. They also had to walk to and from the break room. Full, uninterrupted, off-duty, thirty-minute meal periods were not provided because Defendant: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to meal periods and premium payments for non-compliant meal periods; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted thirty-minute meal periods; (4) because Defendant did not staff enough people to schedule all timely and uninterrupted thirty-minute meal periods; and/or (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant meal period policy. Plaintiff and other Aggrieved

1 Employees were not paid a premium payment, paid as an hour's wage when meal periods were
2 not given to them in compliance with California law. As a result of these violations, Defendant is
3 liable for civil penalties pursuant to Cal. Labor Code §2698 et. seq

4 **Failure to Provide Safe Working Conditions**

5 (Cal. Lab. Code §§1198, Wage Orders)

6 34. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
7 incorporates said paragraphs herein by reference.

8 35. Defendant's workplaces would get unsafely hot. Plaintiff and aggrieved employees
9 were forced to work in incredibly hot and under-ventilated rooms reaching temperatures of over
10 80 degrees without air conditioning.

11 36. Wage Orders at ¶15 require:

12 (A) The temperature maintained in each work area shall provide reasonable comfort
13 consistent with industry-wide standards for the nature of the process and the work
14 performed.

15 (B) If excessive heat or humidity is created by the work process, the employer shall
16 take all feasible means to reduce such excessive heat or humidity to a degree providing
17 reasonable comfort.

18 37. Labor Code 1198 makes it unlawful to employ employee in conditions prohibited by
19 the wage order. By violating the Wage Orders, Defendant is liable for civil penalties pursuant to
20 §2698 et. seq

21 **Failure to Reimburse for Required Business Expenses**

22 (Cal. Labor Code §§ 1198, 2802, 2699 *et seq.*)

23 38. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
24 incorporates said paragraphs herein by reference.

25 39. Labor Code §2802 requires employers to indemnify employees for necessary
26 expenditures or losses incurred by employees in direct consequence of the discharge of duties.
27 Plaintiff and aggrieved employees are required to use their personal cell phones for work related
28 communications and were further required to download and use the ADP app. Defendant did not

1 reimburse them for this required use of their personal phones. Accordingly, Defendant is liable for
2 civil penalties under PAGA §2699 et seq.

3 **Failure to Provide Pay Wages Due Upon Termination**

4 (Cal. Labor Code §§201, 202, 203, 256 and 2698 *et seq.*)

5 40. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
6 incorporates said paragraphs herein by reference.

7 41. As set forth above, Defendant knowingly and willfully failed to pay all compensation
8 due and owing, including payment for all hours worked, and penalty pay, to aggrieved employees
9 at the time employment terminated. Defendant willfully failed to pay aggrieved employees who
10 are no longer employed by it all compensation due upon termination of employment as required
11 by Cal. Lab. Code §§201 and 202. Pursuant to §§203, separated aggrieved employees are now also
12 entitled to recover up to thirty (30) days of wages due to Defendant's "willful" failure to comply
13 with the statutory requirements of §§201 and 202 of the Labor Code. Moreover, because Defendant
14 violated §§201, 202 and 203, Defendant is liable for civil penalties pursuant to Cal. Lab. Code §
15 2698 et. Seq.

16 **Failure to Provide Accurate Itemized Wage Statements & Violation of Record Keeping**
17 **Requirements**

18 (Cal. Labor Code §§ 226, 1174, 1174.5, 2699 *et seq*)

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

21 43. Defendant knowingly and intentionally failed to provide timely, accurate, itemized
22 wage statements to Plaintiff and the aggrieved employees in accordance with Labor Code §§ 226
23 and keep accurate records as required by §1174(d). The statements provided to Plaintiff and
24 aggrieved employees, and the records maintained by Defendant, have not accurately reflected
25 actual gross wages earned, including pay for all hours worked, and overtime pay, and pay for meal
26 and rest period penalty wages. Wage statements further fail to state total hours worked and or
27 provide an address within the State of California.

28 44. §226 (a) requires:

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

18 45. Such failures caused injury to Plaintiff and others, by, among other things, impeding
19 them from knowing the total hours worked and the amount of wages to which they are and were
20 entitled. Plaintiff and other Aggrieved Employees were also not advised of the true legal address
21 of their employer. Defendant knowingly and intentionally failed to accurately itemize the gross
22 wages earned, net wages earned, and total hours worked. Defendant is liable for civil penalties
23 pursuant to Labor Code § 2698 *et seq.*

24 46. Finally, Defendant has violated Labor Code §432.5 for forcing Plaintiff and aggrieved
25 employees to sign employment-related contracts and documents that contained unlawful terms of
26 employment.
27
28

1 **FIRST CAUSE OF ACTION**

2 **Against Defendant for Violation of the Private Attorneys General Act (“PAGA”)**

3 **(California Labor Code §2698 *et seq.*)**

4 47. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
5 incorporates said paragraphs herein by reference.

6 48. Plaintiff is an “aggrieved employee” under PAGA, as he was employed by Defendant
7 during the applicable statutory period and suffered one or more of the Labor Code violations set
8 forth herein. Accordingly, Plaintiff seeks to recover on behalf of himself and all other current and
9 former aggrieved employees of Defendant, the civil penalties provided by PAGA, plus reasonable
10 attorneys’ fees and costs.

11 49. Plaintiff seeks to recover the PAGA civil penalties through a representative action
12 permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal.
13 4th 969. Therefore, class certification of the PAGA claims brought herein is not required.

14 50. Plaintiff seeks civil penalties pursuant to PAGA for violations of the following Labor
15 Code provisions:

- 16 a. Failure to Pay For All Hours Worked, Including Overtime Hours Worked (Cal.
17 Labor Code §§200, 204, 206, 206.5, 210, 216, 218, 218.6, 221, 223, 510, 511, 558,
18 1194, 1197, 1197.1, 1198, 2698 *et seq.*, Wage Order 1, 4, 5);
- 19 b. Failure to Pay Minimum Wage (Cal. Lab. Code §§200, 218.5, 226, 558, 1194,
20 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*);
- 21 c. Failure to Provide Rest Breaks and Cool-Down Rest Periods (Cal. Labor Code
22 §§226, 226.7, 512, 558, 1198, 2698 *et seq.*);
- 23 d. Failure to Provide Uninterrupted Meal Breaks & Second Meal Breaks (Cal. Labor
24 Code §§226, 226.7, 512, 558, 1198, 2699 *et seq.*);
- 25 e. Failure to Provide Safe Working Conditions (Cal. Labor Code §§ 1198 and Wage
26 Orders)
- 27 f. Failure to Reimburse for Required Business Expenses (Cal. Labor Code §§ 1198,
28 2802 and 2699 *et seq.*)

1 g. Failure to Pay Wages Due Upon Termination (Cal. Labor Code §§ 201, 202, 203,
2 256 and 2698 *et seq.*)

3 h. Failure to Provide Accurate Itemized Wage Statements (Cal. Labor Code §§ 226,
4 1174, 1174.5, 269 *et seq.*).

5 51. With respect to violations of Labor Code §226(a), Labor Code §226.3 imposes a civil
6 penalty in addition to any other penalty provided by law of two hundred fifty dollars (\$250) per
7 aggrieved employee for the first violation, and one thousand dollars (\$1,000) per aggrieved
8 employee for each subsequent violation of Labor Code §226(a).

9 52. With respect to violations of Labor Code §512, Labor Code §558 imposes a civil
10 penalty in addition to any other penalty provided by law of fifty dollars (\$50) for initial violations
11 for each underpaid employee for each pay period for which the employee was underpaid, and one
12 hundred dollars (\$100) for subsequent violations for each underpaid employee for each pay period
13 for which the employee was underpaid.

14 53. Labor Code §2698 *et seq.* imposes a civil penalty of one hundred dollars (\$100) per
15 pay period, per aggrieved employee for initial violations, and two hundred dollars (\$200) per pay
16 period, per aggrieved employee for subsequent violations for all Labor Code provisions for which
17 a civil penalty is not specifically provided.

18 54. Plaintiff and the other current and former employees of Defendant are aggrieved
19 employees. They were or are employed by Defendant, and each of them, and the violations alleged
20 herein were committed against them. Plaintiff brings this action on behalf of himself and all other
21 current and former aggrieved employees.

22 55. At the time of each violation, Defendant employed one or more employees.

23 56. As a result of the aforesaid wrongful and illegal conduct of Defendant, and each of
24 them, Plaintiff and aggrieved employees are entitled to civil penalties in an amount to be
25 determined at trial, pre-judgment interest, costs and attorneys' fees.

26 57. Plaintiff has complied with all procedural requirements of Labor Code §2699.3 prior
27 to filing this Complaint. By the Notice attached as Exhibit 1, submitted online to the Labor and
28 Workforce Development Agency ("LWDA") and served by certified mail upon Defendant,

1 Plaintiff through counsel notified the LWDA and Defendant of the specific Labor Code provisions
2 that Defendant has violated. The LWDA did not respond to Plaintiff's Notice within the statutory
3 timeframe, and Plaintiff has therefore exhausted administrative remedies. Pursuant to Labor Code
4 §2699.3, Plaintiff may now pursue their PAGA claims in this action on behalf of aggrieved
5 employees and the State of California.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Plaintiff, individually and on behalf of the aggrieved employees, prays for
8 judgement against Defendant as follows:

- 9 1. An award of civil penalties pursuant to PAGA and the Cal. Labor Code in an amount to be
10 determined at trial, but at least the jurisdictional amount of this Court;
- 11 2. An award of reasonable attorneys' fees and costs pursuant to California Labor Code §2699(g)
12 and/or other applicable law;
- 13 3. For civil penalties as provided under Labor Code §§226.3 and 558, and/or other applicable
14 law;
- 15 4. Pre-judgement and post-judgement interest as provided by law; and
- 16 5. Such other and further relief that the Court may deem just and proper.

17
18 DATED: May 1 2024

KOUL LAW FIRM, APC

19
20
21 

22 BY: Nazo Koulloukian, Esq.
23 Attorneys for Plaintiff CARLOS VELAZQUEZ,
24 and all aggrieved employees
25
26
27
28

EXHIBIT 1



Nazo@Koullaw.com

P (213) 761 – 5484

F (818) 561 – 3938

3435 WILSHIRE BLVD

SUITE 1710

LOS ANGELES, CA 90010

www.koullaw.com

February 23, 2024

Via E-filing:

California Labor & Workforce
Development Agency
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Via Certified U.S. Mail:

Stericycle, Inc.
2355 Waukegan Road
Bannockburn, IL 60015

Stericycle, Inc.
c/o CT Corporation System
330 N. Brand Blvd.
Glendale, CA 91203

Re: PAGA Notice Pursuant to California Labor Code §2699
Claimant: Carlos Velazquez
Employer: Stericycle, Inc.

Dear Sir or Madam:

Claimant and aggrieved employee Carlos Velazquez has retained Nazo Koulloukian, Esq. of the Koul Law Firm, APC, and Sahag Majarian, II, and Garen Majarian of Majarian Law Group, APC, to represent him, and all other aggrieved employees, for wage and hour claims against his former employer, Stericycle, Inc. (hereafter referred to as “Employer”). Employer hired, assigned, and paid Claimant and aggrieved employees to work at their facilities in California. Claimant is a current employee whose job involves operating an autoclave oven for the disposal of waste, including hospital and hazardous waste.

Employer violated, and/or has caused to be violated, several Labor Code provisions and is therefore liable for civil penalties under Labor Code § 2698 *et seq.* We request that your agency investigate the claims alleged below or permit Claimant to seek civil penalties under the Private Attorney General Act (“PAGA”), Labor Code § 2698 *et seq.*, on behalf of the Labor and Workforce and development Agency (“LWDA”) and the State of California in a representative action. This letter will serve as notice of these allegations pursuant to Labor Code § 2699.3. Based on information and belief, Employer continues to commit all the violations alleged herein.

Claimant alleges herein the specific provisions of California law that Employer has violated, requiring this Notice, including but not limited to: California Labor Code sections 201-203, 204, 208, 210, 216, 221-223, 226, 226.2, 226.7, 245-248.6, 432, 432.5, 432.6, 432.7, 510,

512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and all applicable Wage Orders.

As alleged below, Claimant personally suffered some of the Labor Code violations committed by Employer, while other violations, though not personally suffered by him, were suffered by other Aggrieved Employees. As held in *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 758, "[b]y the plain language of the statute, an aggrieved employee need only suffer one of the Labor Code violations alleged against his or her employer to be able to bring a PAGA claim on behalf of himself or herself and current or former employees who suffered any Labor Code violation at the hands of the employer. Plaintiff need not have actually suffered all of the Labor Code violations that he alleges to have taken place for purposes of seeking PAGA penalties." (citation omitted). Accordingly, Claimant plans to pursue penalties for all the violations committed by Employer against the Aggrieved Employees, including those he did not personally suffer.

Failure to Pay For All Hours Worked, Including Overtime Hours Worked

(Cal. Labor Code §§200, 204, 206, 206.5, 210, 216, 218, 218.6, 221, 223, 510, 511, 558, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, Wage Order 1, 4, 5)

Section 2(K) of Wage Orders 1, 4 and 5 define "hours worked" as "the time during which an employee is subject to the control of an including all the time the employee is suffered or permitted to work, whether or not required to do so." Employer has been engaged in many unlawful employment practices which resulted in underpayment for hours worked each pay period, including suffering or permitting employees to work while off the clock and clocked out for lunch, Employer also failed to pay overtime and penalty wages at the required regular rate of pay during pay periods when employees earned remuneration and nondiscretionary bonuses and payments in addition to their regular hourly rate. Employees also had time rounded/shaved from their timecards.

Off-the-Clock Hours Worked

Claimant and aggrieved employees frequently worked off the clock and were routinely subjected to periods wherein they were under the Employer's control but not compensated for their time. Numerous employees came on shift at the same time which resulted in many employees waiting in required lines to clock in for work. This time spent waiting in these required lines was required by Employer prior to each shift and when clocking back in for lunch, and was essential and required before employees could begin and/or resume working on the clock.

Claimant and aggrieved employees were required to put on and take off safety apparel, wash hands, and walk to and from the break area while off the clock. Although employees work with hazardous waste and the washing-up process is critical to their personal safety and the effectiveness of Employer's processes, Employer requires employees to wash-up off the clock, refusing to pay them for that time. Employer has violated Labor Code §§510 1194, 1198, 1199

and Wage Order 1. Employer is liable for civil penalties pursuant to Labor Code §§558 and 2698 *et seq.*

Employer's conduct described herein violates Labor Code §§ 200, 223, 226, 500, 1197 and 1198, and the Applicable Wage Orders. Therefore, pursuant to Labor Code §§ 203, 218.5, 226, 558, 1194 and 1194.2, Claimant and other Aggrieved Employees are entitled to recover damages for the nonpayment of wages of all their worked hours in addition to penalties, attorneys' fees, expenses, and costs of suit. As a result of these ongoing violations, Employer is liable for, among other things, civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

Failure to Pay All Wages Owed Twice Per Month

Employer was required to pay Claimant and aggrieved employees all wages earned twice during each calendar month pursuant to Labor Code §204(a). Employer failed to pay all wages earned to employees as a result of the unlawful employment policies and practices discussed herein. As a result of these practices, Employees were underpaid for hours worked, including overtime and penalty wages, and this underpayment resulted in a failure to pay all wages owed twice per month. Due to this failure, Employer is liable under Labor Code §210 for failure to pay wages as required by law.

Failure to Pay Minimum Wage

(Cal. Labor Code §§ 200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*)

Pursuant to Labor Code sections 1194, 1194.2 and 1197, it is unlawful for an employer to suffer or permit a California employee to work without paying wages at the proper minimum wage for all time worked as required by the applicable IWC Wage Order.

Employer failed to pay Claimant and aggrieved employees for all hours worked as a result of Employer's practices described above, in addition to failure to pay meal and rest period penalty wages. Based on Employer's unlawful conduct described above, and because Claimant and the aggrieved employees were paid at or near minimum wage, employer's failure to pay for all hours worked, including overtime, resulted in a payment of less than the minimum wage for all hours worked, in violation of Labor Code §1197, 1197.1, 1199 and Wage Order 1-2001 4(B). Employer is liable for civil penalties pursuant to Labor Code §§558 and 2699 *et seq.*

Failure to Provide Rest Breaks and Cool-Down Rest Periods

Cal. Labor Code §§226, 226.7, 512, 558, 1198, 2698 et seq.

Employer has failed to maintain a compliant rest period policy and practice that provides its employees with off-duty rest periods as required by California law. Claimant reports that there were many occasions wherein he and aggrieved employees did not receive required rest breaks. They also were not permitted to take required cool-down breaks as discussed below.

Rest periods were often either less than ten minutes, not provided, interrupted or late, “on duty”, or not scheduled before and after a meal period for shifts greater than six hours, as prescribed by California law because Employer: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to rest breaks and premium payments for non-compliant rest breaks; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted ten-minute rest breaks; (4) because Employer did not staff enough people to schedule all timely and uninterrupted ten-minute rest breaks; and/or (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant rest break policy.

Labor Code section 226.7, subdivision (c) provides that:

If an employer fails to provide an employee a... recovery period in accordance with a state ., law, including, but not limited to an applicable statute or applicable regulation, standard, or order of 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.

Employer required Claimant and aggrieved employees to consistently work in temperatures far exceeding eighty (80) degrees Fahrenheit and did not provide adequate cool-down opportunities. Areas in the facility would get unsafely hot and employees were required to wait until their scheduled break or meal period in order to get relief from the heat. Aggrieved employees were exposed to a high risk of suffering heat illness so that their life, safety, and health were jeopardized by Employer’s conduct, violating California Code of Regulation, Title, section 3395 and Labor Code sections 226.7 and 1198.

Employer did not authorize or permit all of its hourly employees to take at least a ten minute rest period in which they were relieved of all duties, for every 4 hours of work, or major fraction thereof, as required by Cal. Lab. Code §226.7, §512 and Wage Order 4-2001 11(A). When breaks were missed Employer failed to pay the 1-hour penalty, as required. Because Employer violated

the Wage Order, Employer is liable under Labor Code §1198. As a result of these violations, Employer is liable for civil penalties pursuant to Cal. Labor Code §2698 *et. seq.*

Failure to Provide Uninterrupted Meal Breaks & Second Meal Breaks

Cal. Labor Code §§226, 226.7, 512, 558, 1198, 2699 *et seq.*

During Claimant's employment, Employer failed to maintain a compliant meal period policy and practice. Employer failed to provide all of its hourly employees with their right to take an off-duty unpaid 30-minute meal period. Labor Code §512 provides, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes..." Labor Code §226.7(a) provides, "[n]o employer shall require an employee to work during any meal... period mandated by an applicable order of the Industrial Welfare Commission." Paragraph 11(A) of the Wage Orders provides, in pertinent part, "[u]nless an employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an 'on duty' meal period and counted as time worked." Labor Code 1198 states that any violation of a wage order is a violation of the Labor Code.

Claimant and aggrieved employees often had meal periods shortened because they had to wait in lines to clock in and out for lunch along with their co-workers who were on the same shift and schedule. They also had walk to and from the break room. Full, uninterrupted, off-duty, thirty-minute meal periods were not provided because Employer: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to meal periods and premium payments for non-compliant meal periods; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted thirty-minute meal periods; (4) because Employer did not staff enough people to schedule all timely and uninterrupted thirty-minute meal periods; and/or (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant meal period policy. Employees were not paid a premium payment, paid as an hour's wage when meal periods were not given to them in compliance with California law. As a result of these violations, Employer is liable for civil penalties pursuant to Cal. Labor Code §2698 *et. seq.*

Failure to Provide Safe Working Conditions **(Cal. Labor Code §1198, Wage Order 1)**

Employer's workplaces would get unsafely hot. Claimant and aggrieved employees were forced to work in incredibly hot and under-ventilated rooms reaching temperatures of over 80 degrees without air conditioning.

Wage Order 1 ¶15 requires:

(A) The temperature maintained in each work area shall provide reasonable comfort consistent with industry-wide standards for the nature of the process and the work performed.

(B) If excessive heat or humidity is created by the work process, the employer shall take all feasible means to reduce such excessive heat or humidity to a degree providing reasonable comfort.

Labor Code 1198 makes it unlawful to employ employee in conditions prohibited by the wage order. By violating the wage order, Employer is liable for civil penalties pursuant to §2698 *et. seq.*

Failure to Reimburse for Required Business Expenses

(Cal. Labor Code §§1198, 2802, 2699 *et seq.*)

Labor Code §2802 requires employers to indemnify employees for necessary expenditures or losses incurred by employees in direct consequence of the discharge of duties. Claimant and aggrieved employees are required to use their personal cell phones for work related communications, and were further required to download and use the ADP app. Employer did not reimburse them for this required use of their personal phones. Accordingly, Employers are liable for civil penalties under PAGA §2699 *et seq.*

Failure to Pay Wages Due Upon Termination

(Cal. Lab. Code §§201, 202, 203, 256 and 2698 *et seq.*)

As set forth above, Employer knowingly and willfully failed to pay all compensation due and owing, including payment for all hours worked, and penalty pay, to aggrieved employees at the time employment terminated. Employer willfully failed to pay aggrieved employees who are no longer employed by it all compensation due upon termination of employment as required by Cal. Lab. Code §§201 and 202. Pursuant to §§203, separated aggrieved employees are now also entitled to recover up to thirty (30) days of wages due to Employer's "willful" failure to comply with the statutory requirements of §§201 and 202 of the Labor Code. Moreover, because Employer violated §§201, 202 and 203, Employer is liable for civil penalties pursuant to Cal. Lab. Code § 2698 *et. seq.*

Failure to Provide Accurate Itemized Wage Statements & Violation of Record Keeping Requirements

(Cal. Labor Code §§ 226, 1174, 1174.5, 2699 *et seq*)

Employer knowingly and intentionally failed to provide timely, accurate, itemized wage statements to Claimant and the aggrieved employees in accordance with Labor Code §§ 226 and keep accurate records as required by §1174(d). The statements provided to Claimant and aggrieved employees, and the records maintained by Employer, have not accurately reflected actual gross wages earned, including pay for all hours worked, and overtime pay, and pay for meal and rest period penalty wages. Wage statements further fail to state total hours worked and or provide an address within the State of California.

§226 (a) requires:

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...

Such failures caused injury to Claimant and others, by, among other things, impeding them from knowing the total hours worked and the amount of wages to which they are and were entitled. Employees were also not advised of the true legal address of their employer. Employer knowingly and intentionally failed to accurately itemize the gross wages earned, net wages earned, and total hours worked. Employer is liable for civil penalties pursuant to Labor Code § 2698 *et seq*.

Finally, Employer has violated Labor Code §432.5 for forcing Claimant and aggrieved employees to sign employment related contracts and documents that contained unlawful terms of employment.

Conclusion

Employer has violated a number of California wage and hour laws. Claimant respectfully requests that the agency investigate the above allegations and hereby provides notice of the allegations pursuant to PAGA's provisions. Alternatively, Claimant requests that the agency inform him if it does not intend to investigate these violations so that he may pursue his claims as a representative action in civil court.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nazo Koulloukian', with a horizontal line extending from the end of the signature.

Nazo Koulloukian, Esq.
Attorneys for Claimant