

1 Xinying Valerian (SBN 254890)
Dan L. Gildor (SBN 223027)
2 VALERIAN LAW, P.C.
1530 Solano Ave.
3 Albany, CA 94707
Phone: 510.567.4630
4 xinying@valerian.law
dan@valerian.law
5

6 *Attorneys for Plaintiff, the Proposed Class,
and the Aggrieved Employees*
7
8

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 COUNTY OF SACRAMENTO
11

12 CHRISTINE FOWLER, individually and on
behalf of all others similarly situated,
13

14 Plaintiff,

15 v.

16 SACRAMENTO BEHAVIORAL
HEALTHCARE HOSPITAL, LLC;
17 SIGNATURE HEALTHCARE SERVICES,
LLC; VILLA OAKS, LLC dba VILLA OAKS –
18 SANTA ROSA, LLC; VILLA OAKS –
ANAHEIM, LLC; VILLA OAKS – AV, LLC;
19 VILLA OAKS – BAKERSFIELD, LLC;
GREEN RIVER MANAGEMENT, LLC;
20 KEBOK – RANCHO ARROYO GRANDE,
LLC; VISTA LIFE PROPERTIES, LLC;
21 RIVERSIDE LIFE PROPERTIES, LLC;
ROSEVILLE LIFE PROPERTIES, LLC; SAN
22 JOSE LIFE PROPERTIES, LLC; LIVERMORE
LIFE PROPERTIES, LLC; SOON KIM, and
23 DOES 1 through 100, inclusive,
24

25 Defendants.
26

27 Plaintiff CHRISTINE FOWLER, individually and on behalf of all others similarly situated,
alleges as follows:
28 //

ELECTRONICALLY FILED
Superior Court of California
County of Sacramento
03/26/2024
By: Sarah Woltmon Deputy

Case No. 24CV002866

**ASSIGNED FOR ALL PURPOSES TO
DEPT. 22- HON. JILL TALLEY**

**FIRST AMENDED CLASS ACTION AND
PRIVATE ATTORNEYS' GENERAL ACT
COMPLAINT**

FILED AS A MATTER OF RIGHT
(LAB. CODE § 2699.3(a)(2)(C))

Action filed: Feb. 16, 2024

1 **INTRODUCTION**

2 1. This is a class action and Labor Code Private Attorneys General Act (“PAGA”)
3 representative action against defendants Sacramento Behavioral Healthcare Hospital, LLC;
4 Signature Healthcare Services, LLC; Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC; Villa
5 Oaks – Anaheim, LLC; Villa Oaks – AV, LLC; Villa Oaks – Bakersfield, LLC; Green River
6 Management, LLC; Kebok – Rancho Arroyo Grande, LLC; Vista Life Properties, LLC; Riverside
7 Life Properties, LLC; Roseville Life Properties, LLC; San Jose Life Properties, LLC; Livermore
8 Life Properties, LLC; Soon Kim, and DOES 1 through 100, inclusive (collectively, “Defendants”),
9 on behalf of all employees at the Sacramento Behavioral Healthcare Hospital who regularly work
10 shifts longer than 8 hours a day (the “class” and “aggrieved employees”). This action is necessitated
11 by Defendants’ knowing and intentional refusal to provide their employees who regularly work
12 shifts longer than 8 hours a day the full amount of paid sick leave to which these employees are
13 entitled under the Healthy Workplaces, Healthy Families Act of 2014, and otherwise comply with
14 the Act as set forth below.

15 2. The Healthy Workplaces, Healthy Families Act of 2014 requires employers in
16 California to provide their employees with paid sick leave. (Lab. Code. § 245, *et seq.*) Though
17 workers continue to accrue paid sick leave for each hour they work, the Act allows employers to
18 limit an employee’s use of accrued paid sick days to 24 hours or three days in each year of
19 employment, calendar year, or 12-month period. (Former Lab. Code § 246, subd. (d), added by Stats.
20 2014, ch. 317, § 3, and amended by Stats. 2015, ch. 67, § 2 and Stats. 2016, ch. 4, § 2.) Senate Bill
21 616, which became effective on January 1, 2024, amended these limits to allow employees to take
22 more accrued paid sick days in each year of employment, calendar year, or 12-month period. (SB
23 616 (2023-2024 Reg. Sess.) § 2.) Employers now can only limit an employee’s use of accrued paid
24 sick days to 40 hours or five days in each year of employment, calendar year, or 12-month period.
25 (Lab. Code, § 246, subd. (d).)

26 3. Notwithstanding these plain requirements, Defendants have strictly limited Plaintiff,
27 the aggrieved employees, and members of the class to using no more than 24 hours of paid sick
28 leave per calendar year even though they work 12-hours shifts such that they would have been

1 entitled under the Healthy Workplaces, Healthy Families Act of 2014 to three days—or 36 hours—
2 of paid sick leave per calendar year before January 1, 2024, and now five days—or 60 hours—of
3 paid sick leave per calendar year. Under the Act, employers must use whichever limit results in the
4 greatest amount of paid sick leave to ensure that an employee loses no wages when they are sick.
5 Defendants have wrongfully denied requests by Plaintiff, the aggrieved employees, and members of
6 the class to use paid sick leave forcing Plaintiff, the aggrieved employees, and members of the class
7 to either go to work sick—risking themselves as well as the health of their coworkers and patients—
8 or take unpaid time off or vacation time instead.

9 4. The Healthy Workplaces, Healthy Families Act of 2014 requires employers to post in
10 a conspicuous location posters informing employees of the amount of sick leave to which they are
11 entitled under the law. Notwithstanding this straightforward requirement, Defendants have failed to
12 post posters in conspicuous locations informing Plaintiff, the aggrieved employees, and members of
13 the class the amount of sick leave to which they are entitled, in particular, the higher amounts
14 authorized by SB 616.

15 5. The Healthy Workplaces, Healthy Families Act of 2014 prohibits employers from
16 requiring employees to search for and identify replacement workers prior to being allowed to take
17 sick leave. Notwithstanding this straightforward requirement, Defendants have required—and
18 continue to require—that Plaintiff, the aggrieved employees, and members of the class search for
19 and identify replacement workers prior to granting a request for paid sick leave.

20 6. Finally, the Healthy Workplaces, Healthy Families Act of 2014 requires employers to
21 provide employees a written notice that sets forth the amount of paid sick leave available for use on
22 either the employee’s itemized wage statement described in Labor Code section 226 or in a separate
23 writing provided on the designated pay date with the employee’s payment of wages.
24 Notwithstanding this straightforward requirement, Defendants have failed to provide Plaintiff, the
25 aggrieved employees, and members of the class with accurate written notice of the rightful amount
26 of paid sick leave available.

27 7. Plaintiff seeks by way of this class action lawsuit to enjoin Defendants’ unlawful
28 practices and restore to Plaintiff and members of the class the sick leave and other wages they have

lost, as well as civil penalties on behalf of the aggrieved employees for violating Labor Code section 245, *et seq.*

PARTIES

8. Plaintiff CHRISTINE FOWLER is an individual residing in California. Plaintiff has worked for Defendants at the Sacramento Behavioral Healthcare Hospital facility located at 1400 Expo Parkway, Sacramento, CA, 95815 since November 2020. She has worked for Defendants at this facility for at least 30 days each year she has worked there.

9. Defendant SACRAMENTO BEHAVIORAL HEALTHCARE HOSPITAL (“SBHH”) is a California limited liability company located in Sacramento, California. It operates an acute psychiatric hospital in Sacramento that provides inpatient and outpatient mental health services. SBHH employees regularly work shifts longer than 8 hours. SBHH “is part of Signature Healthcare Services, LLC, which operates behavioral healthcare facilities throughout the United States.” (See <https://norcalbehavioral.com/sacramento-location/> [last visited February 13, 2024].)

10. Defendant SIGNATURE HEALTHCARE SERVICES, LLC (“SIGNATURE”) is a Michigan limited liability company with its principal place of business in California. SIGNATURE does business throughout the State of California and manages and operates a chain of hospitals from its “Central Business Office” at 2065 Compton Avenue, Corona, CA, 92881. SIGNATURE HEALTHCARE SERVICES, LLC is the parent company of SBHH and controls all its financial affairs. SIGNATURE “began as the parent company of two freestanding acute psychiatric care facilities located in Southern California. . . Today, Signature owns and operates 19 freestanding acute psychiatric hospitals throughout the United States, with hospitals located in Arizona, California, Massachusetts, Nevada, and Texas.” (See <https://signaturehc.com/about#company-history> [last visited February 13, 2024].)

11. Defendant SOON KIM (“KIM”) is an individual who resides in both California and Michigan. Dr. Kim, as he is known, owns and operates all SIGNATURE hospitals.

12. Defendants VILLA OAKS, LLC doing business as VILLA OAKS – SANTA ROSA, LLC; VILLA OAKS – ANAHEIM, LLC; VILLA OAKS – AV, LLC; VILLA OAKS – BAKERSFIELD, LLC; GREEN RIVER MANAGEMENT, LLC; KEBOK – RANCHO ARROYO

1 GRANDE, LLC; VISTA LIFE PROPERTIES, LLC; RIVERSIDE LIFE PROPERTIES, LLC;
2 ROSEVILLE LIFE PROPERTIES, LLC; SAN JOSE LIFE PROPERTIES, LLC; and LIVERMORE
3 LIFE PROPERTIES, LLC are California limited liability companies. Each entity is titleholder to the
4 real estate assets owned by KIM and managed by KIM and the employees of SIGNATURE.

5 13. Plaintiff is ignorant of the true names and capacities of defendants sued herein as
6 DOES 1 through 100, inclusive, and therefore sues these defendants by such fictitious names.
7 Plaintiff will amend this complaint to allege their true names and capacities when ascertained. Each
8 of the fictitiously named defendants is legally responsible in some manner for the wrongs and
9 injuries alleged herein.

10 **VENUE AND JURISDICTION**

11 14. Venue is proper in the Superior Court of Sacramento County under Code of Civil
12 Procedure § 395 because Defendant SBHH's principal place of business is in Sacramento County
13 and because Plaintiff, the aggrieved employees, and many putative class members work or worked in
14 Defendants' hospital in Sacramento County.

15 15. Jurisdiction is proper in this case in that the amount in controversy exceeds the
16 jurisdictional minimum of this court.

17 **GENERAL FACTUAL ALLEGATIONS**

18 16. Labor Code section 246, subdivision (a)(1), provides that "[a]n employee who, on or
19 after July 1, 2015, works in California for the same employer for 30 or more days within a year from
20 the commencement of employment is entitled to paid sick days as specified in this section."

21 17. Labor Code section 246, subdivision (d), provides that "an employer may limit an
22 employee's use of accrued paid sick days to 40 hours or five days in each year of employment,
23 calendar year, or 12-month period."

24 18. Prior to January 1, 2024, section 246 allowed employers to limit the use of paid sick
25 leave to 24 hours or 3 days.

26 19. An August 7, 2015, opinion letter by the Division of Labor Standards Enforcement
27 notes that employers should use whichever limit—hourly or daily—yields the greatest amount of
28 paid sick leave.

1 20. Starting at least four years prior to this action being filed, Defendants have been
2 employing the hourly limit rather than the daily limit. Consequently, Defendants have been denying
3 Plaintiff, the aggrieved employees, and members of the class a third day of paid sick leave prior to
4 January 1, 2024, and denying Plaintiff, the aggrieved employees, and members of the class 20 hours
5 or 1.75 days of paid sick leave thereafter.

6 21. Plaintiff has repeatedly complained to Defendants that their practice of limiting sick
7 leave based on the hourly limit is unlawful.

8 22. As a result of Defendants' unlawful practice of using the hourly limit, SBHH workers
9 whose regular shifts are longer than 8 hours, such as the workers who work 12-hour shifts, have
10 been provided with fewer days of paid sick leave than the number to which they are entitled.

11 23. The DLSE has told Defendants that their practice of limiting sick leave based on the
12 hourly limit is unlawful.

13 24. On February 5, 2024, Plaintiff's counsel requested that Defendants cease their
14 unlawful practice and provide back pay to employees who were denied paid sick leave and had to
15 take unpaid time off or use accrued vacation wages.

16 25. Notwithstanding Plaintiff's efforts to get Defendants to change their practice,
17 Defendants have stalwartly continued to implement their practice of employing only the hourly limit
18 on paid sick leave.

19 26. Defendants' practice of denying Plaintiff, the aggrieved employees, and members of
20 the class the paid sick leave to which they are entitled under the law jeopardizes the Legislature's
21 purpose to provide workers time off to attend to their own health care and the health care of family
22 members to ensure a healthier and more productive workforce in California, and safeguard the
23 welfare, health, safety, and prosperity of the people of and visitors to California. The Legislature
24 specifically determined that providing employees the full amount of sick leave will lessen their
25 recovery time and reduce the likelihood of spreading illness to other members of the workforce.
26 Defendants' practice puts Plaintiff, the aggrieved employees, members of the class, their coworkers,
27 as well as their patients, at great risk of spreading illness and disease, jeopardizing the health, safety,
28 and prosperity of the people of California.

27. Labor Code section 246, subdivision (i), provides that an employer must provide its employees a written notice that sets forth the amount of paid sick leave available for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages. Notwithstanding this prohibition, Defendants have provided Plaintiff, the aggrieved employees, and members of the class notices that do not reflect the accurate amount of paid sick leave available to them.

28. Labor Code section 246.5 prohibits an employer from requiring that the employee search for or find a replacement worker to cover their absence as a condition of using paid sick leave. Notwithstanding this prohibition, Defendants have required that Plaintiff, the aggrieved employees, and members of the class search for or find a replacement worker to cover their absence prior to granting a request for paid sick leave.

29. Labor Code section 247 requires that employers display posters in a conspicuous place that states the amount of sick leave provided for by the Healthy Workplaces, Healthy Families Act of 2014. Since at least four years prior to the filing of this action, Defendants have not placed posters identifying the full amount of sick leave to which employees are entitled. At most, Defendants' posters have only stated that employees are entitled to 24 hours of paid sick leave in violation of Labor Code section 247.

CLASS ACTION ALLEGATIONS

30. Pursuant to Code of Civil Procedure section 382, Plaintiff brings this action on behalf of the following class:

All employees at the Sacramento Behavioral Healthcare Hospital since four (4) years prior to the filing of this action who have worked there at least 30 days.

31. Plaintiff reserves the right to modify or amend the class definition before the Court determines whether certification is appropriate.

32. Class certification is appropriate because this action satisfies the applicable numerosity, commonality, typicality, adequacy, predominance, and superiority requirements.

33. Numerosity & Ascertainability: The potential members of each class are so numerous that joinder of all the members of the class is impracticable. There are over 100 class members

1 employed during the relevant time periods. The exact number and identity of the class members are
2 readily ascertainable through inspection of Defendants' records.

3 34. Commonality: There are questions of law and fact common to the class that
4 predominate over any individualized questions, including but not limited to: (i) What are and were
5 the policies, practices, programs, procedures, protocols and plans of Defendants regarding paid sick
6 leave; (ii) whether Defendants provided Plaintiff and members of the class the requisite amount of
7 paid sick leave as required by California law; (iii) whether Defendants required Plaintiff and
8 members of the class to search for and identify replacement workers prior to granting their request
9 for paid sick leave; (iv) whether Defendants failed to display in a conspicuous location posters that
10 inform Plaintiff and members of the class the amount of paid sick leave to which they are entitled;
11 (v) whether Defendants have provided Plaintiff and members of the class accurate notices advising
12 them of the amount of paid sick leave available; (vi) whether Defendants owe Plaintiff and members
13 of the class wages for any unpaid time taken in lieu of paid sick, and (vii) whether Defendants
14 should credit Plaintiff and members of the class vacation or paid time off that was taken in lieu of
15 paid sick leave, and (viii) whether Defendants engaged in unfair competition proscribed by the
16 Business and Professions Code by engaging in the conduct described herein.

17 35. Typicality: Plaintiff's claims are typical of the claims of the class members that she
18 seeks to represent. Defendants' conduct is common to each member of the class that has resulted in
19 injury to all members of the class. Plaintiff has suffered the harm alleged and has no interests
20 antagonistic to any other class member.

21 36. Adequacy: Plaintiff is a member of the class and will fairly and adequately represent
22 and protect the interests of the class. Plaintiff's interests do not conflict with the interests of other
23 class members.

24 37. Counsel for Plaintiff and the class are competent and experienced in employment
25 class and representative actions. Plaintiff's counsel will fairly and adequately protect and represent
26 the interests of the class.

27 38. Superiority: A class action is superior to other available means for the fair and
28 efficient adjudication of this controversy. Individual joinder of all class members is impracticable,

1 and questions of law and fact common to the class predominate over any questions affecting only
2 individual members of the class. Each member of the class is entitled to relief because of
3 Defendants' illegal policies and practices. Class treatment will allow those similarly situated persons
4 to litigate their claims in the manner that is most efficient and economical for the parties and the
5 judicial system.

6 39. Community of interest. Plaintiff and the members of the class all share a community
7 of interest in the outcome of this action and the enforcement of their rights under the California
8 Labor Code.

9 **Integrated Enterprise, Joint Employer, Alter Ego, and Agency Theories**

10 40. At all relevant times, Defendants collectively have been Plaintiff's and the class
11 members' joint employers. At all relevant times, Defendants have been participants in a single joint
12 or integrated enterprise and promulgated the same, centralized, and common employment policies.
13 Moreover, each Defendant is an agent, partner, joint venturer, alter ego, and aider and abettor of
14 each of their co-defendants, and, in committing the acts alleged herein, was acting within the course
15 and scope of said agency, employment, partnership, and/or joint venture, or were aiding and abetting
16 their co-defendants.

17 41. Each entity defendant was and is not a separate company. Defendants have such a
18 unity of interest and ownership that separate personalities do not in reality exist and the corporate
19 structure is such that each entity defendant is just a shield for the alter ego of the other. Inequity will
20 result if the acts in question are treated as those of one of these defendants over the others. All
21 defendants should be held collectively liable for the acts described herein.

22 42. There was and is a unity of interest and ownership between the entity defendants and
23 defendant KIM such that the separate personalities of the corporations and the shareholders do not in
24 reality exist. Each entity defendant is wholly owned by defendant KIM. As joint employers, alter
25 egos, and an integrated enterprise, the entity defendants employed common management.

26 43. In addition to identical equitable ownership in all the entity defendants, there has been
27 commingling of funds and other assets of the entities, the holding out by certain entities that they are
28

1 liable for the debts of the other, the use of the same offices and employees, and use of entities as
2 mere shells or conduits for the affairs of the other defendants.

3 44. Further, Defendants have inadequate capitalization, have disregarded corporate
4 formalities, have failed to segregate business records, and have identical officers and directors (to the
5 extent there are any directors at all).

6 45. At all relevant times, defendant KIM used the various LLCs owned and controlled by
7 him to enrich his various companies at the expense of each hospital and its workers. SBHH, the
8 Defendant LLC associated with the Sacramento hospital acts as the paystub employer nominally,
9 and pays monies for rent, management services, and operational technology (such as IT services) to
10 the other LLCs owned by KIM.

11 46. As a result of defendant KIM's structure of shell companies, defendant KIM can
12 direct all hospital and real estate profits to himself while making SBHH—and every other LLC that
13 is the paystub employer of the hospital workers—appear financially impoverished.

14 47. Defendants and each of the DOE Defendants are legally responsible for all the
15 unlawful conduct, policies, practices, acts and omissions as described in this complaint as Plaintiff's
16 and the class members' employer.

17 48. Defendant KIM caused all the unlawful conduct, policies, practices, acts and
18 omissions, and decisions described in this complaint, and he did so in his own personal capacity, as
19 owner of the entity defendants, and on behalf of the entity defendants.

20 49. In addition, SBHH's acts and omissions can be imputed to SIGNATURE
21 HEALTHCARE SERVICES, LLC because SBHH is merely a local affiliate performing essential
22 and representative functions for these other companies, which are parent companies.

23 50. Defendant KIM is an owner, director, and managing agent of SBHH and
24 SIGNATURE. Defendant KIM is liable through his maintenance of staffing policies affecting class
25 members at SBHH. Defendant KIM contributed to and caused the nonpayment of wages.

26 51. Defendants DOES 1 through 100 contributed to and caused the nonpayment of wages
27 by acting as managing agents with respect to their decision-making affecting class members' wage
28 and hour conditions.

1 **PRIVATE ATTORNEYS GENERAL ACT ALLEGATIONS**

2 52. Pursuant to Labor Code section 2699.3, subdivision (c), Plaintiff gave written notice
3 by certified mail to Defendants and online to the Labor & Workforce Development Agency
4 (“LWDA”) on February 13, 2024, of the factual and legal bases for the Labor Code violations
5 alleged in this Complaint. *See Exhibit 1.* Plaintiff incorporates the contents of Exhibit 1 by
6 reference.

7 53. The LWDA assigned case number LWDA-CM-1010873-24 and did not provide
8 notice of its intention to investigate Defendants’ alleged violations within the requisite period.

9 54. Defendants have not provided notice of an attempt to cure any violation that is
10 curable under PAGA. In addition, Plaintiff is informed and believes and thereupon alleges that the
11 Labor Code violations are in fact not cured and remain ongoing.

12 **FIRST CAUSE OF ACTION**
13 **Violation of Labor Code section 246**
14 **(On behalf of Plaintiff and the Aggrieved Employees)**

15 55. Plaintiff re-alleges and incorporates by reference the allegations set forth in the
16 preceding paragraphs as though fully set forth herein, and further alleges as follows:

17 56. Labor Code section 246, subdivision (d), authorizes employers to limit an employee’s
18 use of accrued paid sick leave to 40 hours or five days in each year of employment, calendar year, or
19 12-month period. Prior to January 1, 2024, employers could limit an employee’s use of accrued paid
20 sick leave to 24 hours or three days.

21 57. Notwithstanding Labor Code section 246, Defendants have limited Plaintiff’s and the
22 aggrieved employees’ use of accrued paid sick leave to 24 hours regardless of whether they work
23 shifts longer than eight hours.

24 58. Defendants’ unlawful acts have forced Plaintiff and the aggrieved employees to either
25 go to work sick—risking themselves as well as the health of their coworkers and patients—or take
26 unpaid time off or vacation time instead.

27 59. As a result of Defendants’ unlawful acts, Plaintiff and members of the class are
28 entitled to civil penalties pursuant to Labor Code section 248.5 and/or section 2699, subdivision (f).

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

3
4

5
6
7

8
9
10

11
1213
14

16

18
19
2022
2325
26

1 68. The acts and practices described above constitute unlawful, unfair, and fraudulent
2 business practices, and unfair competition, within the meaning of the UCL. Among other things, the
3 acts and practices have taken from Plaintiff and members of the class wages rightfully owed them,
4 while enabling Defendants to gain an unfair competitive advantage over law-abiding employers and
5 competitors.

6 69. Business and Professions Code section 17203 provides that a court may make such
7 orders or judgments as may be necessary to prevent the use or employment by any person of any
8 practice which constitutes unfair competition. Injunctive relief is necessary and appropriate to
9 prevent Defendants from continuing their unlawful, unfair and fraudulent business acts and practices
10 alleged above. If Defendants are not enjoined from this conduct, they will continue to engage in
11 these unlawful practices. Monetary compensation alone will not afford adequate and complete relief
12 to Plaintiff and members of the class because it is impossible to determine the amount of damages
13 that will compensate for Defendants' actions in the future if such actions are not enjoined now. Thus,
14 without injunctive relief, a multiplicity of actions will result from Defendants' continuing conduct.

15 70. As a direct and proximate result of the aforementioned acts and practices, Plaintiff
16 and members of the class have suffered a loss of money and property, in the form of unpaid wages
17 that are due and payable to them.

18 71. Business and Professions Code section 17203 provides that a court may restore to any
19 person in interest any money or property that may have been acquired by means of unfair
20 competition. Plaintiff and members of the class are entitled to restitution and disgorgement of profits
21 pursuant to Business and Professions Code section 17203 for all wages and payments unlawfully
22 withheld from employees and for all paid vacation time used to offset inadequate paid sick leave.
23 Plaintiff and members of the class have an ownership interest in any profits Defendants may have
24 gained through interest or earnings on the class members' money that Defendants wrongfully
25 obtained.

26 72. Business and Professions Code section 17202 provides that "[n]otwithstanding
27 Section 3369 of the Civil Code, specific or preventive relief may be granted to enforce a penalty,
28 forfeiture, or penal law in a case of unfair competition." Plaintiff and Class members are entitled to

1 enforce all applicable penalty provisions of the Labor Code pursuant to Business and Professions
2 Code section 17202.

3 73. Plaintiff requests that the Court issue a preliminary and permanent injunction
4 requiring Defendants to advise all members of the class of their rights pursuant to the California
5 Labor Code and Wage Orders, and to provide Plaintiff and members of the class all applicable
6 benefits afforded by California's Labor Code and Wage Orders.

7 74. Plaintiff's success in this action will enforce important rights affecting the public
8 interest. In that regard Plaintiff sues on behalf of herself as well as others similarly situated. Plaintiff
9 and members of the class seek and are entitled to unpaid wages, declaratory and injunctive relief,
10 and all other equitable remedies owing to them.

11 75. Plaintiff takes on enforcement of these laws as a private attorney general. There is a
12 financial burden involved in pursuing this action; the action is seeking to vindicate a public right,
13 and it would be against the interests of justice to penalize Plaintiff or the Class to pay attorneys' fees
14 from the recovery in this action. Attorneys' fees are appropriate pursuant to Code of Civil Procedure
15 § 1021.5, Labor Code section 248.5, subdivision (e), and otherwise.

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiff respectfully prays for relief as follows:

- 18 1. Declaratory relief as pled or as the Court may deem proper.
 - 19 2. Preliminary and permanent injunctive relief prohibiting Defendants, their officers,
20 agents and all those acting in concert with them, from committing in the future those
21 violations of law alleged herein.
 - 22 3. Equitable accounting to identify, locate and restore to all current and former
23 employees the wages they are due, with interest thereon.
 - 24 4. Award of civil penalties pursuant to Labor Code section 248.5 and/or 2699,
25 subdivision (f).
 - 26 5. Award of pre-judgment and post-judgment interest on all monetary amounts awarded
27 in this action, as provided by law.
- 28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

6. Award of reasonable attorneys' fees and costs as provided by Labor Code section 248.5, subdivision (e), Code of Civil Procedure section 1021.5, and all other applicable law.
7. For such other and further relief as this Court deems equitable, just, and proper.

Respectfully submitted,

Dated: March 26, 2024

VALERIAN LAW, P.C.

By: 

Dan L. Gildor
Xinying Valerian

Attorneys for Plaintiff CHRISTINE FOWLER and
the Proposed Class

Exhibit 1

VALERIAN LAW, PC

1530 Solano Avenue
Albany, CA 94707
www.valerian.law

Xinying Valerian
(510) 567-4630 Direct
xinying@valerian.law

February 13, 2024

VIA ONLINE FILING

Labor and Workforce Development Agency
Department of Industrial Relations

**Re: LABOR CODE VIOLATIONS COMMITTED BY SACRAMENTO
BEHAVIORAL HEALTHCARE HOSPITAL, et al.**

Dear Labor and Workforce Development Agency:

I write on behalf of my client, Christine Fowler, pursuant to the Private Attorney General Act, California Labor Code § 2698 *et seq.* (“PAGA”), to inform you about the ongoing violations of the Labor Code committed by Defendants Sacramento Behavioral Healthcare Hospital, LLC and Signature Healthcare Services, LLC (collectively, “SBHH”).

By way of background, the Sacramento Behavioral Healthcare Hospital is a 117-bed acute psychiatric hospital for adolescents and adults. The hospital is part of Signature Healthcare Services, LLC, which operates behavioral healthcare facilities throughout the United States and California. Sacramento Behavioral Healthcare Hospital and Signature Healthcare Services jointly employ licensed nurses and unlicensed mental health technicians/workers at the Sacramento hospital, some of whom work 12-hour shifts.

Dr. Soon Kim owns and operates all the hospitals operated by Signature Healthcare Services. Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC, Villa Oaks – Anaheim, LLC, Villa Oaks – AV, LLC, Villa Oaks – Bakersfield, LLC, Green River Management, LLC, Kebok – Rancho Arroyo Grande, LLC, Vista Life Properties, LLC, Riverside Life Properties, LLC, Roseville Life Properties, LLC, San Jose Life Properties, LLC, and Livermore Life Properties, LLC are California limited liability companies that function as real estate holding companies. Each entity is titleholder to the real estate assets owned and managed by Dr. Kim and the employees of Signature Healthcare Services.

Collectively, all the named entities are referred to below as “Defendants.”

At all relevant times, Defendants have been Plaintiff’s employers. At all relevant times, Defendants have been participants in a single joint or integrated enterprise and promulgated the same, centralized, and common employment policies. Moreover, all Defendants are agents, partners, joint venturers, alter egos, and aiders and abettors of one or more of their co-defendants, and, in committing the acts alleged herein, were acting within the course and scope of said agency, employment, partnership, and/or joint venture, or were aiding and abetting their co-defendants. Each entity is not a separate

company. Defendants have such a unity of interest and ownership that separate personalities do not in reality exist and the corporate structure is such that each entity defendant is just a shield for the alter ego of the other. There is a unity of interest and ownership between the entity defendants and Dr. Kim such that the separate personalities of the corporations and the sole shareholder do not in reality exist. Each entity defendant is wholly owned by Dr. Kim. As joint employers, alter egos, and an integrated enterprise, the entity defendants employed common management.

In addition to identical equitable ownership in all the entity defendants, there has been commingling of funds and other assets of the entities, the holding out by certain entities that they are liable for the debts of the other, the use of the same offices and employees, and use of entities as mere shells or conduits for the affairs of the other defendants. Further, Defendants have inadequate capitalization, have disregarded corporate formalities, have failed to segregate business records, and have identical officers and directors (to the extent there are any directors at all).

At all relevant times, Dr. Kim used the various LLCs owned and controlled by him to enrich his various companies at the expense of each hospital and its workers. SBHH, the Defendant LLC associated with the Sacramento hospital acts as the paystub employer nominally, and pays monies for rent, management services, and operational technology (such as IT services) to the other LLCs owned by Kim.

As a result of Kim's structure of shell companies, Kim can direct all hospital and real estate profits to himself while making SBHH—and every other LLC that is the paystub employer of the hospital workers—appear less profitable. Defendants are each legally responsible for all the unlawful conduct, policies, practices, acts, and omissions described below as Plaintiff's and the aggrieved employees' employer.

Labor Code Sections 245 et seq., Healthy Workplaces, Healthy Families Act of 2014

The Healthy Workplaces, Healthy Families Act of 2014, codified at Labor Code section 245 *et seq.*, requires employers in California to provide employees with a minimum amount of paid sick leave.

The original paid sick leave law provided for up to 24 hours or three days of sick leave; SB 616 (2023-2024) increased this “cap” to 40 hours or 5 days starting on January 1, 2024.

A 2015 Opinion Letter by the DLSE notes that the cap in sick hours or days should be construed to provide the greatest amount of sick leave, such that if an employee works a 12-hour shift, they would be entitled to three days or 36 hours of sick leave, not 24 hours prior to January 1, 2024, and five days or 60 hours of sick leave, not 40 hours after January 1, 2024. (DLSE Opinion Letter (August 7, 2015), p. 2 [“we interpret the language in section 246(d) as meaning that the employee must be able to use and be paid for the full three days at 10 hours per day”].).

SBHH has failed to comply with the original and amended law. To wit, SBHH has solely been applying the hourly—rather than the daily cap—for all employees, including those who work 12-hour shifts, thereby denying the 12-hour shift workers the legally mandated amount of paid sick time.

SBHH's violations have led workers like Ms. Fowler to use paid vacation hours, take unpaid leave, not take any leave at all and work while ill or leave a family member without the necessary care.

SBHH has faced wage claims by workers, including our client Ms. Fowler, based on SBHH's denial of paid sick leave. Yet, SBHH continues to take the position that California allows them to choose the hourly cap that results in less paid sick time for workers with regular shifts that are more than 8 hours.

SBHH's violations—particularly within the healthcare sector—jeopardize the Legislature's purpose to provide workers time off to attend to their own health care and the health care of family members to “ensure a healthier and more productive workforce in California,” and “[s]afeguard the welfare, health, safety, and prosperity of the people of and visitors to California.” In this connection, the Legislature determined that providing employees the full amount of sick leave will “lessen[] . . . their recovery time and reduc[e] the likelihood of spreading illness to other members of the workforce.”

The minimums established by the Legislature are exactly that—minimums that no employer can disregard. Yet that is exactly what SBHH continues to do: capping employees at 24 (and now 40) hours of sick leave irrespective of the length of their shift.

SBHH makes matters worse by:

- Requiring employees to search for and identify replacement workers prior to granting paid sick leave, in violation of Labor Code section 247;
- Intentionally failing to display posters in conspicuous places containing the information required to inform employees about the amount of paid sick leave to which they are entitled under California law, in violation of Labor Code section 247; and
- Intentionally failing to provide employees with accurate statements setting forth the correct amount of unused paid sick leave, in violation of Labor Code section 246, subdivision (i).

Based on the above, we believe SBHH has been in continuous violation of Sections 246, 246.5, and 247 of the Labor Code.

Accordingly, we ask the LWDA to investigate these alleged violations, assess civil penalties for the ongoing violations, and direct SBHH to comply with the law, and pay workers the sick leave that SBHH unlawfully denied and failed to pay.

Conclusion

As a result of the past, present, and ongoing violations alleged herein, Christine Fowler provides this notice to the LWDA and to the prospective Defendants pursuant to Labor Code section 2699.3. Ms. Fowler intends to recover civil penalties and attorneys' fees for all violations of the Labor Code alleged herein.

Regards,



Xinying Valerian, Esq.

Attorney for Christine Fowler

Service List:

Via Certified Mail:

Anthony C. Oceguela & Elaine McCormick
O'Hagan Meyer
1 Embarcadero Ctr., Suite 2100
San Francisco, CA 94111

Counsel for All Defendants

Northwest Registered Agent, Inc.
2108 N Street, Suite N
Sacramento, CA 95816-5712

Registered Agent for All Defendants

1 Xinying Valerian (SBN 254890)
Dan L. Gildor (SBN 223027)
2 VALERIAN LAW, P.C.
1530 Solano Ave.
3 Albany, CA 94707
Phone: 510.567.4630
4 xinying@valerian.law
dan@valerian.law
5

6 *Attorneys for Plaintiff, the Proposed Class,*
and the Aggrieved Employees
7
8

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 COUNTY OF SACRAMENTO
11

12 CHRISTINE FOWLER, individually and on
behalf of all others similarly situated,
13

14 Plaintiff,
15

16 v.
17

18 SACRAMENTO BEHAVIORAL
HEALTHCARE HOSPITAL, LLC;
19 SIGNATURE HEALTHCARE SERVICES,
LLC; VILLA OAKS, LLC dba VILLA OAKS –
20 SANTA ROSA, LLC; VILLA OAKS –
ANAHEIM, LLC; VILLA OAKS – AV, LLC;
21 VILLA OAKS – BAKERSFIELD, LLC;
GREEN RIVER MANAGEMENT, LLC;
22 KEBOK – RANCHO ARROYO GRANDE,
LLC; VISTA LIFE PROPERTIES, LLC;
23 RIVERSIDE LIFE PROPERTIES, LLC;
ROSEVILLE LIFE PROPERTIES, LLC; SAN
JOSE LIFE PROPERTIES, LLC; LIVERMORE
LIFE PROPERTIES, LLC; SOON KIM, and
DOES 1 through 100, inclusive,
24

25 Defendants.
26
27
28

Case No. 24CV002866

**ASSIGNED FOR ALL PURPOSES TO
DEPT. 22- HON. JILL TALLEY**

PROOF OF SERVICE

Action filed: Feb. 16, 2024

I am over the age of 18 years and not a party to this action. My business address is: Valerian Law, P.C., 1530 Solano Avenue, Albany, CA 94707 and my electronic service address is: christina@valerian.law.

On March 26, 2024, in the matter of *Christine Fowler v. Sacramento Behavioral Healthcare Hospital, LLC, et al.* I served true and correct copies of the following document(s):

• FIRST AMENDED CLASS ACTION AND PRIVATE ATTORNEYS' GENERAL ACT COMPLAINT

I served the document(s) by the following means:

☐ **By Electronic Mail** – I served the document(s) electronically by sending the document(s) via electronic mail without transmission error, at _____ a.m./p.m. to the email address(es) set forth below, pursuant to CCP § 1010.6(a).

☒ **By U.S. Mail** – By enclosing the documents in a sealed envelope or package and depositing the sealed envelopes with the United States Postal Service at Albany, California, with the postage fully prepaid, to the postal address(es) set forth below.

Sacramento Behavioral Healthcare Hospital, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Sacramento Behavioral Healthcare Hospital, LLC, et al.</i>
Signature Healthcare Services, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Signature Healthcare Services, LLC, et al.</i>
Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC, et al.</i>
Villa Oaks – Anaheim, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Villa Oaks – Anaheim, LLC, et al.</i>
Villa Oaks – AV, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Villa Oaks - AV, LLC, et al.</i>
Villa Oaks - Bakersfield, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Villa Oaks - Bakersfield, LLC, et al.</i>
Green River Management, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Green River Management, LLC, et. al.</i>
Kebok - Rancho Arroyo Grande, LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Kebok – Rancho Arroyo Grande, LLC, et al.</i>
Vista Life Properties, LLC c/o Northwest Registered Agents, Inc.	<i>Registered Agents for Defendant Vista Life Properties, LLC, et al.</i>

1	2108 N Street, Suite N Sacramento, CA 95816-5712	
2	Riverside Life Properties. LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Riverside Life Properties, LLC, et al.</i>
4	Roseville Life Properties. LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Roseville Life Properties, LLC, et al.</i>
6	San Jose Life Properties. LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant San Jose Life Properties, LLC, et al.</i>
8	Livermore Life Properties. LLC c/o Northwest Registered Agents, Inc. 2108 N Street, Suite N Sacramento, CA 95816-5712	<i>Registered Agents for Defendant Livermore Life Properties, LLC, et al.</i>
10	Soon Kim 2065 Compton Avenue Corona, CA 92881	

12 I declare under penalty of perjury under the laws of the State of California that the foregoing is true
13 and correct. Executed in Albany, California on March 26, 2024.

14 /s/ Christina McKenzie

Christina McKenzie