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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO

CHRISTAL STEADMAN, on behalf of
herself, the State of California, and all
Aggrieved Employees,

Plaintiff,

vs.

NCI AFFILIATES, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 24CVP-0186

**REPRESENTATIVE ACTION
COMPLAINT:**

**(1) CIVIL PENALTIES UNDER THE
PRIVATE ATTORNEYS GENERAL
ACT (LABOR CODE § 2698, et seq.)**

UNLIMITED CIVIL CASE

1 Plaintiff Christal Steadman (“Plaintiff”), on behalf of herself, the State of California, and
2 other aggrieved employees, hereby brings this Representative Action Complaint (“Complaint”)
3 against Defendant NCI Affiliates, Inc. (“NCI”), a California corporation; and DOES 1 through
4 100, inclusive (collectively “Defendants”), and on information and belief alleges as follows:

5 **JURISDICTION**

6 1. Plaintiff, on behalf of herself, all other aggrieved employees, and the State of
7 California, hereby brings this Complaint for recovery of civil penalties under the Private
8 Attorneys General Act, Labor Code § 2698, *et seq.* (“PAGA”), and Industrial Welfare
9 Commission Wage Order 4 (“Wage Order 4”). The monetary damages that Plaintiff seeks exceed
10 this Court’s jurisdictional minimum.

11 **VENUE**

12 2. Venue is proper in this judicial district pursuant to Cal. Code of Civ. Proc. §§
13 395(a) and 395.5, as at least some of the acts and omissions complained of herein occurred in the
14 County of San Luis Obispo. Defendants own, maintain offices, transact business, have agent(s)
15 within the County of San Luis Obispo, and/or otherwise are found within the County of San Luis
16 Obispo, and Defendants are within the jurisdiction of this Court for purposes of service of process.

17 **PARTIES**

18 3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein,
19 Plaintiff was and currently is a California resident. Plaintiff was employed by Defendants within
20 the statute of limitations periods applicable to each cause of action pled herein.

21 4. Plaintiff is informed and believes, and based thereon alleges, that during the statute
22 of limitations periods applicable to this action through the present, Defendants did (and continue
23 to do) business and employed Plaintiff and other aggrieved employees within, among other
24 counties, San Luis Obispo County and the state of California and, therefore, were (and are) doing
25 business in San Luis Obispo County and the State of California.

26 5. Plaintiff does not know the true names or capacities, whether individual, partner,
27 or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said
28 defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to

1 amend this Complaint when such true names and capacities are discovered. Plaintiff is informed
2 and believes, and based thereon alleges, that each of said fictitious defendants, whether individual,
3 partners, or corporate, were responsible in some manner for the acts and omissions alleged herein,
4 and proximately caused Plaintiff and the other aggrieved employees to be subject to the unlawful
5 employment practices, wrongs, injuries and damages complained of herein.

6 6. Plaintiff is informed and believes, and thereon alleges, that at all times mentioned
7 herein, Defendants were and are the employers of Plaintiff and the other aggrieved employees.

8 7. At all times herein mentioned, each of said Defendants participated in the doing
9 of the acts hereinafter alleged to have been done by the named Defendants, and furthermore, the
10 Defendants, and each of them, were the agents, servants, and employees of each and every one of
11 the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned
12 were acting within the course and scope of said agency and employment. Defendants, and each
13 of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or
14 omissions complained of herein.

15 **REPRESENTATIVE ACTION ALLEGATIONS**

16 8. Defendants are in the business of providing vocational training and community
17 living services to adults with physical and intellectual disabilities. Plaintiff was employed by
18 Defendants as a non-exempt employee from approximately November 2021 until approximately
19 September 2023.

20 9. During her employment with Defendants, Plaintiff and other Aggrieved
21 Employees were required to use their personal cell phones without proper reimbursement.
22 “Aggrieved employees” refers to all of Defendants’ current and former non-exempt employees
23 who were employed by Defendants in the State of California at any time from March 25, 2023
24 until the date judgment is entered in this case or an alternative date agreed to by the parties and/or
25 approved by the Court. Specifically, Plaintiff and other Aggrieved Employees have frequently
26 been contacted by supervisors and others on their personal cell phones with work-related
27 instructions, questions, and other communications required to carrying out their job duties.
28 Defendants have also required Plaintiff and other Aggrieved Employees to download applications

1 on their personal cell phones to clock in/out and so that Defendants could track their movements
2 through their cell phones so that Defendants could be in compliance with state and federal
3 electronic visit verification (EVV) requirements. Despite requiring Plaintiff and other Aggrieved
4 Employees to use their personal cell phones for numerous, significant work-related purposes,
5 Defendants have failed to adequately reimburse Plaintiff and other Aggrieved Employees for such
6 expenses. Plaintiff was only paid fifty-eight cents (\$0.58) per pay period, or approximately \$1.25
7 per month, as a “cell phone stipend.” This is nowhere near a “reasonable” reimbursement pursuant
8 to *Cochran v. Schwan’s Home Services, Inc.*, 228 Cal.App.4th 1137 (2014). On information and
9 belief, other Aggrieved Employees received substantially similar “stipends,” which are not
10 adequate reimbursement.

11 10. Defendants have also failed to provide Plaintiff and other aggrieved employees
12 with all legally required paid rest breaks and duty-free meal periods. Plaintiff and other aggrieved
13 employees are scheduled with back-to-back patient appointments and/or were tasked with other
14 job duties that made it impossible to perform all of their job duties and still take uninterrupted,
15 paid ten-minute breaks for every four hours (or major fraction thereof) worked and/or
16 uninterrupted, off-duty 30-minute meal periods prior to the end of the fifth hour of work (and/or
17 a second meal period before the end of 10 hours of work on shifts over 10 hours). Even though
18 Defendants knew (or reasonably should have known) that Plaintiff and other aggrieved employees
19 were unable to take these breaks, they nevertheless required Plaintiff and other aggrieved
20 employees to clock out as if they had taken their unpaid meal periods. This in effect deprived
21 Plaintiff and other aggrieved employees of thirty minutes of pay even though they were not off-
22 duty and should have been paid for that time. This caused Plaintiff and other aggrieved employees
23 to be under-paid for their hours work, resulting in unpaid wages, unpaid minimum wages, and
24 unpaid overtime wages.

25 11. Defendants have also required Plaintiff and other aggrieved employees to sign
26 purported “on-duty meal period agreements.” However, these agreements were not legally
27 compliant as they required the employees to provide 3 days’ written notice to revoke the
28 agreement. Wage Order 4, Section 11(A) requires that, in order to be valid, any on-duty meal

period agreement must be revocable by the employee “at any time.” Additionally, these agreements demonstrate that Defendants were aware that its policies/practices made it impracticable, if not impossible, for their employees to have duty-free, uninterrupted rest breaks and meal periods.

12. Defendants have failed to provide all meal periods, failed to authorize and permit all rest periods, failed to pay all wages owed, and failed to reimburse all necessary business expenses. As a result, Defendants have also failed to issue accurate itemized wage statements and have failed to pay Plaintiff and all other aggrieved employees all earned and unpaid wages upon their separation from employment. Defendants have also failed to maintain accurate records, because, *inter alia*, Defendants required employees to clock out for purported meal periods even though they were actually working during that time, as described above.

FIRST CAUSE OF ACTION

PRIVATE ATTORNEY GENERAL ACT

(AGAINST ALL DEFENDANTS)

13. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

14. Defendants have committed several Labor Code violations against Plaintiff and other Aggrieved Employees. Plaintiff is an “aggrieved employee” within the meaning of Labor Code § 2698 *et seq.*, acting on behalf of herself and other Aggrieved Employees. Plaintiff brings this representative action against Defendants to recover the civil penalties due to Plaintiff, other Aggrieved Employees, and the State of California according to proof pursuant to Labor Code §§ 558 and 2699 (a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each initial violation of Labor Code § 226 and \$1,000.00 for each subsequent violation, pursuant to Labor Code § 226.3, per employee per pay

period; and/or (5) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided pursuant to Labor Code § 2699(f), based on the following Labor Code violations:

- a. Failing to keep and maintain accurate and complete records for Plaintiff and other Aggrieved Employees in violation of Labor Code §§ 558, 1174, 1198, 1199, and Wage Order 4, § 7;
- b. Failing to provide Plaintiff and other aggrieved employees with a paid, duty-free ten (10) minute rest period for each four (4) hours worked (or major fraction thereof), in violation of Labor Code §§ 226.7, 516, 558, 1198-1199, and IWC Wage Order 4, §12;
- c. Failing to provide Plaintiff and other aggrieved employees with off-duty meal periods, in violation of Labor Code §§ 226.7, 512, 558, 1198-1199, and IWC Wage Order 4, § 11;
- d. Failing to pay Plaintiff and other aggrieved employees all overtime wages due in violation of Labor Code §§ 510, 558, 558.1, 1194, 1198-1199, and IWC Wage Order 4, §3;
- e. Failing to pay Plaintiff and other aggrieved employees wages equal to the minimum wage for each hour worked, in violation of Labor Code §§ 558, 1182.12, 1194, 1194.2, 1197, 1198, and IWC Wage Order 4, § 4;
- f. Failing to reimburse Plaintiff and other aggrieved employees all necessary business expenditures in violation of Labor Code §§ 2802 and 2804;
- g. Failing to provide Plaintiffs and other aggrieved employees with complete, accurate, itemized wage statements in violation of Labor Code § 226;
- h. Failing to pay Plaintiff and aggrieved former employees all final wages due at the end of their employment in violation of Labor Code §§ 201-203;
- i. Employing workers under conditions of labor prohibited by the Wage Orders, in violation of Labor Code §§ 1198 and 1199; and

j. Failing to timely pay all earned wages to Plaintiff and other aggrieved employees in violation of Labor Code § 204.

15. On or about March 25, 2024, Plaintiff notified Defendants via certified mail, and notified the California Labor and Workforce Development Agency (“LWDA”) via its website, of Defendants’ violations of the California Labor Code and Plaintiff’s intent to bring a claim for civil penalties under California Labor Code § 2698 *et seq.* with respect to the violations of the California Labor Code identified in Paragraph 14 (a)-(f) above. Now that sixty-five days have passed from Plaintiff’s notifying Defendants and the LWDA of these violations, and the LWDA has not provided notice that it intends to investigate the violations, Plaintiff has exhausted her administrative requirements for bringing a claim under the Private Attorneys General Act with respect to these violations.

16. Based on the foregoing, Plaintiff seeks to represent herself, the State of California, and all aggrieved employees, as defined by Labor Code § 2699(c), which includes all current and former non-exempt employees who worked for Defendants in California at any time from March 25, 2023 until the date judgment is entered in this case or an alternative date agreed to by the parties and/or approved by the Court.

17. Plaintiff was compelled to retain the services of counsel to file this court action to protect her interest and the interests of other aggrieved employees, and to assess and collect the civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys’ fees and costs, which they are entitled to recover under California Labor Code § 2699(g).

PRAYER

WHEREFORE, Plaintiff prays for judgment for herself and for all others on whose behalf this suit is brought against Defendants, jointly and severally, as follows:

18. Upon the First Cause of Action, for civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code § 2699, including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully

1 withheld; (2) \$50.00 for each initial violation and \$100 for each subsequent violation pursuant to
2 Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00
3 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4)
4 \$250.00 for each initial violation of Labor Code § 226 and \$1,000.00 for each subsequent
5 violation, pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) \$100.00 for
6 each initial violation and \$200.00 for each subsequent violation per employee per pay period for
7 those violations of the Labor Code for which no civil penalty is specifically provided, pursuant to
8 Labor Code § 2699(f);

9 19. On all causes of action, for attorney's fees and costs as provided by Labor Code §
10 2699(g) and Code of Civil Procedure § 1021.5; and

11 20. For such other and further relief the Court may deem just and proper.

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13 Date: May 30, 2024

Respectfully submitted,

MARQUEE LAW GROUP, APC

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16 Tuvia Korobkin
17 Attorneys for Plaintiff Christal Steadman
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