



April 30, 2024

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Jaime Becerra v. Paramount Logistics, et al.*

To Whom It May Concern:

Please be advised that this law firm represents Jaime Becerra (“Mr. Becerra”) in claims for Labor Code violations arising from his employment with Paramount Logistics, Inc.; and DOES 1 through 100 (collectively “Employers”). Mr. Becerra is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Employers’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Sections 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

For purposes of this letter, the “aggrieved employees” whom Mr. Becerra seeks to represent are the other aggrieved employees of Employers who performed work for Employers in California at any time during the one year preceding the date of this letter through the present.

Employers engage in the businesses of warehousing and transportation. Mr. Becerra began employment with Employers in the position of forklift driver on or about December 6, 2021. Throughout his employment, Mr. Becerra was responsible for loading and unloading company containers and for organizing the contents. Mr. Becerra worked for Employers through approximately October 6, 2022 after he complained that he was denied a raise that he was promised. Mr. Becerra received an hourly rate. Mr. Becerra generally worked Monday through Friday, and one to three times per month he worked on Saturdays. He was generally scheduled to work from 8:00 a.m. to 4:30 p.m. and usually worked until at least 6:00 p.m. and weekly on Fridays until at least 7:00 p.m. As discussed below, Mr. Becerra worked considerably more hours than he was credited for by Employers, who intentionally shaved hours worked off of the time records of Mr. Becerra and other aggrieved employees or instructed them not to report certain hours worked in their time records at all.

Throughout the duration of Mr. Becerra’s employment with Employers, Mr. Becerra and other aggrieved employees were not paid for all hours worked as their

supervisors intentionally acted to deprive them of compensation that they were duly entitled to through time shaving, instructions to write down that the work day ended earlier than it did and otherwise manipulating their hours to reflect that they worked fewer hours than they actually did. Mr. Becerra and other aggrieved employees usually wrote down their hours each day and then implemented them into the workplace computer approximately once per week. Upon information and belief, the time records maintained by Employers were not reflective of the actual number of hours that Mr. Becerra and other aggrieved employees actually worked. The warehouse supervisor was responsible for recording meal periods. Mr. Becerra complained to the warehouse supervisor several times after receiving that his checks were short and reflected less hours worked than he reported. This practice was pervasive throughout Mr. Becerra's employment and was the subject of frequent complaints from Mr. Becerra and other aggrieved employees. Employers failed to address Mr. Becerra's complaints. Mr. Becerra estimates that he was not paid for at least the last hour and a half of each day worked and he was not compensated for the hour he spent each Friday implementing his hours into the work computer. Therefore, Mr. Becerra estimates that he was not paid for at least 8.5 hours of work per week.

Furthermore, Mr. Becerra and other aggrieved employees worked overtime hours, based on the requirements of the Industrial Welfare Commission Wage Orders, but did not receive overtime compensation equal to one and one-half times their regular rates of pay for all overtime hours worked. Upon information and belief, Employers regularly shaved time from the time records of Mr. Becerra and other aggrieved employees and failed to pay Mr. Becerra and other aggrieved employees for part of their work performed beyond their scheduled end time of 4:30 p.m. Instead, Mr. Becerra and other aggrieved employees were simply not paid for these hours worked at all. As a result of Employers' policy/practice of manipulating the time records of Mr. Becerra and other aggrieved employees in a manner that served to intentionally undercompensate them, Employers failed to ensure that Mr. Becerra and other aggrieved employees were being paid at least the minimum wage for all hours actually worked, and failed to ensure that Mr. Becerra and other aggrieved employees received proper overtime wages for all overtime hours worked, in compliance with the Industrial Welfare Commission Wage Orders.

Mr. Becerra and other aggrieved employees were not authorized to take all legally required rest periods. Mr. Becerra and other aggrieved employees missed at least one rest period at least three times per week because they had to unload or load containers upon the container's arrival at the workplace. Mr. Becerra and other aggrieved employees were almost never relieved of all duty during their rest periods because they always had to be available to immediately unload or load a container. Despite Employers' failure to authorize and permit Mr. Becerra and other aggrieved employees to take all lawful paid rest periods, due to their uniform and unlawful practices, Employers did not provide Mr. Becerra and other aggrieved employees with an hour of pay at their regular rate for each rest period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the class period, Employers maintained no payroll code or another mechanism for the payment of rest period premiums in the event Mr. Becerra and other aggrieved employees were not authorized to take lawful rest periods.

Employers also did not provide Mr. Becerra and other aggrieved employees with a legally compliant first meal period when they worked shifts in excess of 6.0 hours. Mr. Becerra and other aggrieved employees were almost never entitled to exercise the use of a thirty-minute uninterrupted meal period despite almost always working at least 6.0 hours in a day. As with their rest periods, Mr. Becerra and other aggrieved employees were almost never relieved of all duty during their meal periods because Employers instructed them that they had to be available for the arrival of containers to load or unload at any time, including when Mr. Becerra and other aggrieved employees were in the middle of eating. Employers also failed to provide second meal periods when Mr. Becerra and other aggrieved employees worked shifts in excess of 10.0 hours. Mr. Becerra and other aggrieved employees worked shifts in excess of 10 hours at least once per week. Despite Employers' failure to provide Mr. Becerra and other aggrieved employees with all lawful meal periods due to their uniform and unlawful practices, Employers did not provide Mr. Becerra and other aggrieved employees with an hour of pay at their regular rate for each meal period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the class period, Employers maintained no payroll code or another mechanism for the payment of meal period premiums in the event Mr. Becerra and other aggrieved employees were not provided with all meal periods.

Furthermore, Employers failed to adequately reimburse Mr. Becerra for all reasonable and necessary work expenditures, including but not limited to, requiring Mr. Becerra to utilize his personal cellular phone in the performance of his work duties at the express direction of his supervisors for the purpose of i) communicating with his managers; ii) take photos of containers fully loaded or offloaded; and iii) taking photos of paperwork corresponding to specific containers loaded or unloaded. Nor was Mr. Becerra compensated for his mileage despite having to drive regularly between work locations at least twice per week. Despite Employers' requirement that Mr. Becerra and other aggrieved employees utilize their personal cellular phones in the performance of their job duties and drive their personal vehicles for work purposes, at no point were they ever provided any reimbursement for their necessary uses.

As a result of Employers' failure to accurately compensate Mr. Becerra and other aggrieved employees for all hours worked, failure to pay all minimum and overtime wages, and failures to provide all required meal periods and authorize all rest periods or pay premium pay in lieu thereof, Employers have maintained inaccurate payroll records, failed to timely pay all wages owed to employees, and issued inaccurate wage statements.

Finally, Employers failed to conform to the requirements of Labor Code § 2810.5 by failing to provide Mr. Becerra and other aggrieved employees written notices, in the language normally used to communicate employment related information to the employees, containing information regarding their: i) rate(s) of pay and the basis thereof; ii) allowances claimed as part of the minimum wage; iii) regular payday designated by the employer; iv) the legal name of the employer; v) the address of the legal entity that is the employer; vi) the telephone number of the employer; vii) identifying information for the

employer's workers' compensation insurance carrier; and viii) information informing the employee of their right to accrue and use paid sick leave. Despite maintaining an obligation to provide these disclosures to Mr. Becerra and other aggrieved employees, Employers failed to do so, in violation of Labor Code § 2810.5.

As described above, Employers committed the following violations of the Labor Code, and the Industrial Welfare Commission Wage Orders:

Minimum Wage Violations

Employers were required to pay Mr. Becerra and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. See Labor Code §§ 1182.12, 1194; 1194.2, 1197; and the Industrial Welfare Commission Wage Orders. As alleged above, Employers maintained and maintain timekeeping policies/practices that regularly, systematically, and impermissibly underreport the hours worked by Mr. Becerra and other aggrieved employees. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Becerra and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Employers were required to pay Mr. Becerra and other aggrieved employees overtime wages for all overtime hours worked. See Labor Code §§ 1194(a) and 1198; and the Industrial Welfare Commission Wage Orders. The Industrial Welfare Commission Wage Orders require an employer to pay overtime wages when an employee's hours worked cross certain thresholds or meet certain criteria set forth in the Industrial Welfare Commission Wage Orders. At all times relevant herein, Employers caused Mr. Becerra and other aggrieved employees to work overtime hours but did not compensate Mr. Becerra and other aggrieved employees at one and one-half times their regular rate of pay for such hours.

Meal Period Violations

As alleged above, Employers failed to provide Mr. Becerra and other aggrieved employees with all required and compliant meal periods due to Employers' meal period policies/practices that often fail to provide full, 30 minute off-duty first meal periods before the end of the fifth hour of work or a second meal period for shifts worked in excess of ten (10) hours. See Labor Code §§ 226.7 and 512; the Industrial Welfare Commission Wage Orders. As a result, Mr. Becerra and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. See Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... 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.").

Rest Period Violations

As alleged above, Employers also failed to authorize and permit Mr. Becerra and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; the Industrial Welfare Commission Wage Orders. As a result, Mr. Becerra and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required paid rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, 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 period is not provided.”)

Failure to Reimburse Necessary Business Expense

Employers were subject to Labor Code § 2802, which states that “an employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.” Employers were subject to Labor Code § 2804, which states that “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.” As alleged herein, due to Employers’ unlawful reimbursement practices, Employers failed to indemnify Mr. Becerra and other aggrieved employees for all necessary business expenses incurred, in the performance of their work duties, including but not limited to utilization of their personal cell phones and of their personal vehicles. Mr. Becerra and other aggrieved employees were not ever provided any reimbursement for this necessary use.

Wage Statement Violations

As described above, Employers were required to furnish Mr. Becerra and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); the Industrial Welfare Commission Wage Orders. As a result of Employers’ failure to pay all overtime wages, minimum wages, and failure to pay all required meal and rest period premium wages, Employers maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Becerra and other aggrieved employees in violation of Labor Code § 226.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Employers failed to timely pay Mr. Becerra and other aggrieved employees all of their final wages at the time of separation, which included all overtime and minimum wages, and all meal and rest period premium wages at the time of aggrieved employees' separation of employment. Pursuant to Labor Code § 203, Employers' failure to pay all final wages due to Mr. Becerra and other aggrieved employees was willful and, consequently, entitles Mr. Becerra and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Employers failed to pay their final wages after their separation from employment, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Becerra will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Becerra's own investigation, and on information and belief, Employers committed and continue to commit the following Labor Code violations:

- a. Employers violated Labor Code §§ 551-552, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Becerra and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Employers violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Becerra and other aggrieved employees all overtime compensation earned;
- c. Employers violated Labor Code §§ 226.7, 512, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Becerra and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Employers violated Labor Code §§ 226.7, 516, and 558 by failing to authorize and permit Mr. Becerra and other aggrieved employees to take all required paid rest periods, and/or failing to pay all rest period premiums to Mr. Becerra and other aggrieved employees at their respective regular rates of compensation;
- e. Employers violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Becerra and other aggrieved employees for all work-related expenses incurred;
- f. Employers violated Labor Code § 226 by failing to furnish Mr. Becerra and other aggrieved employees with accurate and compliant itemized wage statements;
- g. Employers violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due upon separation of employment to Mr. Becerra and other aggrieved employees;

- h. Employers violated Labor Code § 204 by failing to pay Mr. Becerra and other aggrieved employees all wages earned at least twice during each calendar month;
- i. Employers violated Labor Code § 205 by failing to pay Mr. Becerra and other aggrieved employees all wages earned up to and including the fourth day before the scheduled payday;
- j. Employers violated Labor Code § 245.5 by failing to permit and authorize Mr. Becerra and other aggrieved employees to exercise the use of their accrued paid sick leave days;
- k. Employers violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Becerra and other aggrieved employees;
- l. Employers violated Labor Code § 2810.5 by failing to provide legally mandated disclosures and/or written notices regarding the terms of employment of Mr. Becerra and other aggrieved employees; and
- m. Employers violated Labor Code §§ 204 and 221-223 by failing to pay Mr. Becerra and other aggrieved employees all agreed-upon wages including bonus wages accrued.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Employers if the LWDA intends to investigate the alleged violations of the Labor Code stated herein. Please contact me should you require additional information.

Very truly yours,
STANSBURY BROWN LAW, PC


Jessica Flores

cc: Paramount Logistics, Inc. (via certified mail)