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May 30, 2025

**VIA ELECTRONIC SUBMISSION**

California Labor and Workforce  
Development Agency  
Attn: PAGA Administrator  
800 Capitol Mall, Suite 5000  
Sacramento, CA 95814

**VIA CERTIFIED MAIL**

Aya Healthcare, Inc. and Aya Healthcare Services, Inc.  
5930 Cornerstone Court West Suite 300  
San Diego, CA 92121

**Re: PAGA Notice Pursuant to California Labor Code § 2699.3**

Dear PAGA Administrator,

The law firms Stueve Siegel Hanson, LLP and Hartley LLP represent Crystal Gardner (“Claimant”), who worked as a travel nurse in California for Aya Healthcare, Inc. and Aya Healthcare Services, Inc. (“Employer”). Pursuant to California Labor Code § 2699.3(a) and (c), this letter shall serve as notice of Employer’s violations of the California Labor Code and related regulations arising out of Employer’s unlawful conduct with respect to its employment of Claimants and other aggrieved employees. These violations give rise to civil penalties under California Labor Code § 2698 *et seq.*

The Labor and Workforce Development Agency (“LWDA”) may pursue legal redress, including civil and statutory penalties, against Employer for its violations of California’s labor laws. If the LWDA elects not to pursue its own action, Claimant, on behalf of herself and other aggrieved employees, may seek redress against Employer under the California Private Attorneys General Act of 2004 (“PAGA”). Claimant respectfully requests that the LWDA notify undersigned counsel as to whether it intends to investigate Employer’s alleged violations so that they can include the LWDA’s findings in their action should the Agency decline to proceed.

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## **FACTS, THEORIES, AND ALLEGED VIOLATIONS**

### **Crystal Gardner**

On or about December 30, 2024, Employer offered Ms. Gardner a travel nursing assignment at Long Beach Memorial Medical Center in Long Beach, California. The offer included an hourly base rate of \$23.00, an overtime rate of \$34.50, and weekly stipends of \$529.00 for meals and \$793.00 for housing. Relying on these terms, Ms. Gardner accepted the assignment, secured temporary housing, and declined other job opportunities. She worked the assignment from February 24, 2025 until May 10, 2025.

Ms. Gardner was previously offered an assignment with Employer as a travel nurse at Providence Saint Mary Medical Center in Apple Valley, California. The offer was from November 4, 2024 to February 1, 2025, and included an hourly base rate of \$23.00, an overtime rate of \$34.50, and weekly stipends of \$602.00 for meals and \$868.00 for housing. Prior to this assignment, she received an offer from Employer to work at Memorial Medical Center in Modesto, California. The offer was from June 24, 2024 to August, 2024, and included an hourly base rate of \$27.50, an overtime rate of \$41.25 per hour, and weekly stipends of \$413.00 for meals and \$749.00 for housing.

Additionally, Ms. Gardner formerly worked for Employer from approximately 2020 to 2022, under separate contracts as a travel nurse employee in California and New Mexico.

During this employment, Employer failed to lawfully calculate and pay overtime wages, failed to compensate premiums for missed breaks at the correct rate, failed to properly pay for pre-assignment trainings, failed to properly reimburse business expenses, and issued wage statements that were inaccurate and misleading. These unlawful practices affected not only Ms. Gardner, but also other similarly situated aggrieved employees.

### **Failure to Pay Overtime Premium at the Correct Rate in Violation of California Labor Code §§ 510, 1194**

Claimant and other aggrieved employees regularly worked in excess of 8 and 12 hours per day, more than 40 hours per week, and on the seventh consecutive day of a workweek. Under California law, they were entitled to overtime and double-time pay based on the “regular rate of pay.” Employer, however, calculated overtime using only employees’ base hourly wage, unlawfully excluding nondiscretionary forms of compensation, including but not limited to wages Employer labeled as “stipends,” “allowances,” “shift bonuses,” and “retention bonuses” that were tied to hours worked. By omitting these forms of compensation from the regular rate calculation, Employer systematically underpaid employees for overtime in violation of California law. *See Clarke v. AMN Servs., LLC*, 987 F.3d 848 (9th Cir. 2021).

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As a result, Claimant and other employees were systematically underpaid for overtime hours worked. Employer's failure to properly calculate and pay these wages was willful and lacked any reasonable good faith basis.

**Failure to Provide Meal and Rest Period Premiums at the Correct Rate  
In Violation of Labor Code §§ 226.7, 512**

California law entitles employees to meal and rest breaks based on the number of hours worked per day. If an employer fails to provide a required break, it must compensate the employee with one additional hour of pay at the employee's regular rate of compensation. *See* Labor Code § 226.7(c).

Employer violated this requirement by either failing to pay Claimant and other employees for missed breaks altogether or by underpaying the required premiums. Specifically, Employer calculated break premiums using an unlawfully low regular rate that excluded nondiscretionary compensation, including but not limited to wages Employer labeled as "stipends," "allowances," "shift bonuses," and "retention bonuses" that were tied to hours worked. By omitting these forms of compensation from the regular rate calculation, Employer systematically underpaid employees for meal and rest break premiums in violation of California law.

**Failure to Properly Reimburse Employee Business Expenses  
in Violation of California Labor Code § 2802,  
and IWC Wage Order NO. 4-2001, § 9**

Claimant and other aggrieved employees paid for necessary business expenses, as a direct consequence of employment with Employer, and were not properly reimbursed for those expenses. Employer failed to properly reimburse for all travel costs, uniforms, licensing, and other legally reimbursable business expenses.

Under California Labor Code § 2802, Employer must reimburse employees for "necessary expenditures and losses incurred as a direct consequence of the discharge of his or her duties..." In particular, Section 9 of the applicable Wage Order states that when uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer. The term "uniform" includes wearing apparel and accessories of distinctive design or color. IWC Wage Order NO. 4-2001, § 9(A). Employer failed to properly reimburse Claimant and other aggrieved employees for necessary expense incurred in the discharge of their duties for Employer.

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**Unlawful Failure to Make Timely Payment of All Wages Due Upon Termination  
In Violation of California Labor Code §§ 201, 202, 203, and/or 204**

Employer's failure to pay Claimants and other aggrieved employees for every hour worked at the agreed-upon hourly rate stated in their written employment contracts resulted in Employer failing to make timely payment of the wages aggrieved employees earned on regular paydays, in violation of California Labor Code § 204, and timely payment of the wages aggrieved employees earned when they stopped working for Employer due to discharge, layoff or resignation, in violation of California Labor Code §§ 201, 202, and/or 203. These violations give rise to civil penalties pursuant to California Labor Code § 2698 *et seq.*

**Failure to Furnish Accurate Wage Statements and Maintain Required Payroll Records  
In Violation of California Labor Code §§ 226, 1174, 1175, and  
IWC Wage Order No. 4-2001, § 7**

Claimant and other aggrieved employees did not receive accurate, itemized wage statements as required under California Labor Code § 226. Specifically, the wage statements failed to include: (1) compensation for time spent completing pre-assignment online training; (2) correct regular rates of pay that accounted for nondiscretionary compensation such as stipends, shift bonuses, and retention bonuses; (3) accurate totals of gross and net wages earned; (4) all applicable hourly rates and corresponding hours worked at each rate.

These omissions obscured underpayments and prevented employees from readily ascertaining whether they were properly compensated. As a result, employees were required to expend additional time and effort to understand and verify their earnings, resulting in actionable injury under the statute.

Additionally, Employer failed to comply with its recordkeeping obligations under Labor Code §§ 1174 and 1175, and IWC Wage Order No. 4-2001, § 7, by failing to maintain accurate records of all hours worked and applicable rates of pay. This includes time spent on required pre-assignment training and break periods for which premiums were due. Consequently, Claimant and other aggrieved employees suffered harm as a result of Employer's failure to furnish and maintain accurate payroll information, in violation of the California Labor Code and applicable wage orders. Employer's conduct was willful and lacked any reasonable good faith basis.

**Conclusion**

We respectfully request that the LWDA investigate these claims. Should the LWDA decline to do so within the time allowed by law, Claimant intends to pursue penalties on behalf of the State of California and all aggrieved employees. Please contact the undersigned with any questions or requests for additional information.



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Very truly yours,

A handwritten signature in blue ink, appearing to read "Jason S. Hartley", written in a cursive style.

Jason S. Hartley