PROPOSED TENTATIVE

On January 17, 2024, plaintiff Guillermo Vazquez-Sanchez, on behalf the State of California and other "aggrieved employees," filed this action under the Private Attorney General Act (Lab. Code,[1] § 2698, et seq.) (called a representative action because the lawsuit is on behalf of the state) (PAGA) against defendants Acquistapace Farms, Inc., and James Acquistapace (hereafter, defendants), seeking civil penalties for violations of unpaid hours worked, meal and rest period requirements, split-shift premium violations, derivate wage statement violations, and derivative waiting time penalties. (Lab. Code, §§ 201 [payment of wages upon immediate discharge]; 202 [immediate payment of wages upon resignation]; 203 [failure to make payments within required time]; 204 [wages earned are due and payable twice during each calendar month]; 226.3 [civil penalties for failure to provide itemized wage statements]; 226.7 [meal and rest periods]; 512 [meal period requirements]; 558 [calculation of civil penalties for violations of chapter]; and 1197.1 [civil penalties for payment of less than minimum wages]. (See, e.g., *Galarsa v. Dolgen California, LLC* (2023) 88 Cal.App.5th 639, 646 [PAGA civil penalties available for violations of Labor Code, §§ 201, 202, 203, 204, 206, 226.7, 512, 1197.1]; *Gunther v. Alaska Airlines, Inc.* (2021) 72 Cal.App.5th 334, 348 [civil penalties for violations of Labor Code, § 226.3(a)].) Plaintiff was hired as an agricultural laborer in June 2014, and left defendant's employ on April 27, 2023. On August 24, 2023, plaintiff sent written notice to the Labor Workforce and Development Agency (LWDA) regarding claims for civil penalties, which did not respond or otherwise provide notice that it intended to investigate. Defendants have not answered.

On June 24, 2024, plaintiff filed a "Notice of Settlement Of Entire Case," with a conditional request for dismissal on or by December 31, 2024. On October 25, 2024, plaintiff on behalf of aggrieved employees, filed a motion for approval of the PAGA settlement of $45,000 (hereafter, gross settlement). The representative class of "aggrieved employees" is defined as "all current and former nonexempt employees who worked for Acquistapace Farms, Inc. in California at any during the PAGA period." The "PAGA period" is defined as the time period between August 2022, through the date of the signed order by the court. The settlement amount was agreed upon following a day-long mediation with the Honorable Patrick J. O'Hara (Ret.), and covers all violations involving the Labor Code provisions identified above. Plaintiff asks the court to approve attorney's fees of $15,000 (.3333) of the overall settlement amount; to award litigation costs of up to $3,600; to approve ILYM Group, Inc, as the third party administration and to approve third-party administrative costs of $4,000; and to approve a service enhancement to the named plaintiff of $1,000. This leaves a net settlement amount of $21,400,[2] split 75% to the state ($16,050) and 25% to the aggrieved employee ($5,350) According to plaintiff, there

[1] All undesignated statutory references are to the Labor Code.

[2] Plaintiff contends the net settlement amount is $22,800. (See P. 5 of Motion). That calculation is erroneous. ($45,000 -$15,000- $3,600 -$4,000 - $1,000 = $21,400.)

are 100 employees at issue with 5,000 workweeks, amounting to "an average payment of $9 per workweek."

A) *Legal Background*

California's Labor Code contains a number of provisions designed to protect the health, safety, and compensation of workers, and employers who violate these statutes may be sued by employees for civil penalities, generally paid to the state. Under the PAGA, pursuant to section 2699, subdivision (a), any "aggrived employee" may pursue civil penalties on the state's behalf, with 75% going to the LWDA, leaving 25% for "aggrieved employees." (*Kim v. Reins International California, Inc.* (2020) 9 Cal.5th 73, 81.)

Because the plaintiff represents the same legal rights and interests as state labor law enforcement agencies, the California Superme Court has found that "a judgment in an employee's action under the act binds not only that employee but also the state labor enforcement agencies." (*Arias v. Superior Court* (2009) 46 Cal.4th 969, 986.) That is, the judgment binds all those who would be bound by an action brought by the government, *including* nonparty employees. (*Ibid*.) There are two requirements for PAGA standing. The plaintiff must be an aggrieved employee, that is, someone "who was employed by the alleged violator" and against whom one or more of the alleged violations was committed. (*Id*. at p. 84; see *Shaw v. Superior Court of Contra Costa County* (2022) 78 Cal.App.5th 245, 254-255 [detailing the general background of the PAGA stautory scheme].) It appears these requirements have been satisifed.

That being said, "section 2699, subdivision (l)(2) [now (s)(2)] requires the trial court to review and approve any PAGA settlement," and in so doing, the court must "ensure that any negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.) A trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of the PAGA's purpose to remediate present labor law violations, prevent future ones, and to maximize enforcement of state labor laws. (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76, disapproved on another ground in *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 664, 710-711.) Because many of the factors used to evaluate class action settlements bear on a settlement's fairness – including the strength of the plaintiff's case, the risk, the state of the proceeding, the complexity and likely duration of further litigation, and the settlement amount – these factors can be useful evaluating the fairness of a PAGA settlement. (*Moniz, supra*, at p. 76.) "Given PAGA's purpose to protect the public interest, we also agree with the LWDA and federal district courts that have found it appropriate to review a PAGA settlement to ascertain whether a settlement is fair in view of PAGA's purposes and policies." (*Ibid*.) "We therefore hold that a trial court should evaluate the PAGA settlement to determine whether it is fair, reasonable and adequate in view of a PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (*Ibid.*)

B) Merits

The court will make some preliminary comments on the quality of the submissions. It will then address each of the enumerated categories listed above will be explored to determine whether the PAGA-only settlement is fair, reasonable, and adequate.

i) Quality of Briefing

The court would appreciate for future purposes that plaintiff's counsel double check the mathematical calculations presented in their application. For example, plaintiff claims in briefing that the net settlement amount is $22,850, minus all requested fee/costs. (See p. 5 of Motion [stating Net Settlement Amount is $22,850)].) This number is erroneous. The Net Settlement Amount is $21,400 ($45,000 – $15,000 (fees) - $3,600 (litigation costs) - $4,000 (third party administer cost - $1,000 (service enhancement). Plaintiff compounds these errors at times by citing to paragraphs of attorney Mathew Haulk's declaration *that simply do not exist.* (Motion, p. 5, citing to ¶ 35 of Mathew Haulk – Mr. Haulk's declaration only has 32 paragraphs). Finally, plaintiff's counsel apparently has to be reminded that attorneys cannot cite to unpublished California Superior Court orders to support propositions advanced in briefing. (See P. 8 [citing to Alameda and Los County Superior Court orders]; see Cal. Rules of Court, rule 8.1115(a); *Rittiman v. Public Utilities Com.* (2022) 80 Cal.App.5th 1018, 1043, fn. 18 [petitioner improperly cites to, inter alia, "two superior court cases"; these citations "are patently improperly and we disregard them," citing to Cal. Rules of Court, rule 8.1115].)

ii) LWDA's Presence/Any Objections

"The proposed settlement shall be submitted to the [LWDA] at the same time that it is submitted to the court." (§ 2699, subd. (s)(2).) Attorney Haulk declares in paragraph 11 of his declaration that "On October 24, 2024, Plaintiff submitted the proposed Settlement Agreement to the LWDA via online submission pursuant to Labor Code [section] 2699, subdivision (s)(2)." The LWDA has not appeared or objected to the settlement. The court does not see a copy of the online confirmation of this submission to the LWDA attached to plaintiff's evidentiary proffer. ***Counsel is directed to submit a copy of this online confirmation to the court at or before the December 17, 2024, hearing***.

iii) *Strength of Plaintiff's Case*

Section 558, subdivision (a) provides that any employer who violates a wage and hour provision will be required to pay $50 for any initial violation, and $100 for any subsequent

violation. Plaintiff's counsel have identified approximately 100 aggrieved employees, with violations occurring during 5,000 pay periods. Plaintiff's counsel, attorney Mathew Haulk, declares that a number of Labor Code violations have been alleged as the bases for civil penalties under PAGA. Through informal discovery and investigation, including telephone conferences, inspection and analysis of documents and other information, as well as research of applicable law and assembling data for damages, including payroll, timekeeping, and other data, plaintiff's counsel prepared a damage analysis. The settlement agreement identified three general categories for compensation: 1) unpaid wages (i.e., employees worked off the clock); 2) break premium violations; and 3) wage statement/waiting time penalties. Plaintiff's counsel additionally declares that in its view defendant's maximum liability exposure for unpaid wages was $250,000, based on a $50 penalty for 5,000 pay periods; $250,000 for break premiums, based on a $50 penalty for $5,000 pay periods; and $500,000 for wage statements and waiting time penalties, calculated based on a $100 subsequent penalty violation for 5,000 pay periods, meaning defendant's maximum exposure was $1 million if plaintiff's prevailed on every claim. According to plaintiff's counsel, however, there were substantial risks that defendants would prevail on a number of claims, including claims that defendants properly compensated aggrieved employees for all hours worked based on a policy that off-the-clock work is not permitted; the inability to establish liability for missed meal and rest periods; a facially valid timekeeping policy requiring employees sign and verify timecards; and the very real risk that payments would be precluded by protracted appellate litigation, all considered and part of the arm's length mediation settlement. Counsel declares that he "carefully considered the risks created by all these . . . factors," and calculated that the maximum amounts would be significant reduced, meaning the $45,000 settlement, under the circumstances, was fair, reasonable, and appropriate. Attorney Haulk underscores these assessment by pointing to the arm's length mediation; and the fact he is an experienced wage and hour plaintiff's attorney, having been lead counsel in numerous state and federal cases. (Mr. Haulk's Dec., ¶¶ 22 to 25.)

The court finds these explanations and attestations persuasive. While it may be true that the $45,000 is only 4% of the maximum liability of $1 million, Mr. Haulk persuasively argues that the maximum liability exposure had to be significantly reduced in order to account for the real defendants could prevail on a number of significant issues. This realistic reassessment, coupled with the arms-length negotiation following mediation, supports the settlement amount. (See, e.g., *Haralson v. U.S. Aviation Services Corp.* (N.D. Cal. 2019) 383 F.Supp.3d 959, 972–973 [in this district, courts have raised concerns about settlements of less than 1% of the total value of a PAGA claim]; *Jennings v. Open Door Mktg., LLC*, No. 15-CV-04080-KAW, 2018 WL 4773057, at *9 (N.D. Cal. Oct. 3, 2018); *see also Cotter*, 176 F. Supp. 3d at 940 [finding problematic, among other things, the "seemingly arbitrary reduction of [the PAGA] penalty to a miniscule portion of the settlement amount – $ 122,250, which is less than one percent of the total"]; *cf. McLeod v. Bank of Am., N.A.*, No. 16-CV-03294-EMC, 2018 WL 5982863, at *4 (N.D. Cal. Nov. 14, 2018) [finding $ 50,000 PAGA allocation for claims estimated at $ 4.7

million – approximately 1.1 percent – adequate].) The court's conclusion is bolstered by counsel's experience, and the fact there is no evidence of collusion.

Nevertheless, the court requires plaintiff's counsel to provide further elaboration on one critical point at the December 17, 2024, hearing. Counsel emphasizes in its motion ***that the gross settlement amount*** of $45,000 "provides for $9 per relevant pay period . . . " (motion, p. 8), with the actual amount calculated based on a pro rata share of the net settlement amount based on the number of pay periods worked during the PAGA period). Counsel, however, does not tell the court what the average number of pay periods would be for the 100 aggrieved employees; further, the court is concerned with the average payout as to the net settlement, not the gross settlement. The court directs counsel to explain what the $9 average pay-out will translate into based on the average number of pay periods worked for the 100 aggrieved employees. At this time, the net settlement amount for the aggrieved employees will be $5,350. Counsel must answer the following question: What is the average payout for each aggrieved employee, based on the $9 average and the average number of pay periods, using the net (not the gross) settlement amount? Is this figure different than simply dividing $5,350 by 100 (the number of aggrieved employees), for an average payout of $53.50? The briefing is silent on this and it should be addressed at the hearing to the court's satisfaction.

If counsel's explanations are satisfactory, the court will determine that the $45,000 PAGA settlement is fair, reasonable, and adequate.

iv) Whether Relief is Genuine, Meaningful, and Consistent with the Statutory Purposes of PAGA to Benefit the Public

The standard this court must apply when assessing PAGA settlements was made crystal clear in *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76, disapproved on another ground in *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 664, 710-711.) "We therefore ***hold*** that a trial court should evaluate the PAGA settlement to determine whether it is fair, reasonable and adequate ***in view of a PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws.***" (*Ibid. emphasis added.*)

Plaintiff does not cite *Moniz* in his briefing. Nor does plaintiff acknowledge that this court must examine the fairness, reasonableness, and adequacy of the PAGA settlement in view of the PAGA "purpose[] to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." This omission has practical consequences under the circumstances. Plaintiff fails to address the import of Paragraphs 38 and 39 in the settlement agreement, as the former is a confidentiality provision, while the latter is a disclaimer that defendant has committed any wrongdoing. These paragraphs (ether singularly or collectively) do not suggest defendant will be deterred from any future violations of California's wage and hour

laws. The point is reinforced in the notice to be sent to the aggrieved employees, which provides that defendant "denies that it has done anything wrong. [Defendant] denies all allegations made against in in the Action, maintains its policies and practices were lawful, and maintains that all employees are and were provided with all wages and working conditions in conformance with applicable law at all times . . . ." Can this settlement agreement, with this language, be seen to maximize enforcement of state labor laws as result? Nor does the settlement agreement contemplate any nonmonetary relief, a factor identified by federal district courts cases as relevant in PAGA settlement calculus. (*Manuel Perez and Macario Perez, plaintiffs, v. All AG, Inc., a California corporation; et al., Defendants. Additional Party Names: Gold Coast Farms, LLC, Means Nursery, Inc.* (E.D. Cal., July 23, 2021, No. 118CV00927 DADEPG) 2021 WL 3129602, at *3 ["in light of the substantial amount of penalties to be paid under the PAGA fund distribution, *the inclusion of non-monetary relief in the PAGA Agreement*, the lack of objection from the LWDA despite being provided timely notice of the terms of this proposed settlement, and the fact that the individual PAGA group members are not precluded from bringing actions against defendants to seek recovery, . . . the court concludes the parties PAGA agreement is [] fair, reasonable, and adequate in view of the PAGA's public policy goals"].)

An argument can be made that the ***aggregate*** settlement value of $45,000 may be sufficiently "robust" that it ***alone*** satisfies the public benefits requirement for approval of a PAGA settlement. That is, it can be argued that the $45,000 amount seems adequate by itself to deter future violations by defendant, as there is no indication that the civil penalties were inherently or fundamentally undervalued. And there has been no objection from LWDA. But even with this, the court is mindful that PAGA claims are intended to serve a decidedly different purpose than class actions – namely to protect the public rather than for the benefit of the private parties. (*Arias, supra*, 46 Cal.4th at p. 986.) Plaintiff's showing fails to address why the PAGA settlement, in terms expressly identified by *Moniz,* can be seen to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws. The court cannot craft this showing for plaintiff. Counsel is therefore directed at the hearing to address the standards articulated in *Moniz* and progeny. If counsel's explanations do not adequately address these concerns, counsel runs a very real risk that the motion will be denied.

v) Whether Attorney's Fees and Costs (both Litigation Costs and Third-Party Settlement Costs) are Reasonable

Section 2699, subdivision (k)(1) provides in relevant part that any "employee who prevails in any [PAGA] action shall be entitled to an award of reasonable attorney's fees and costs, including any filing fees . . . ." (*Attempa v. Redrazzani* (2018) 27 Cal.App.5th 809, 814, 829 [because the statute provides that a prevailing employee "shall be entitled" to recover attorney fees, such an award is a matter of right].) Further, successful PAGA plaintiffs are entitled to an award of reasonable costs. (*Id.* at p. 829; *Villacres, supra,* 189 Cal.App.4th at p.

578 ["If an employee prevails in a PAGA action, he or she is entitled to an award of reasonable attorney fees and costs."]; *Harrington v. Payroll Entertainment Services, Inc.* (2008) 160 Cal.App.4th 589, 594 [describing § 2699, subd. (k) as providing that "an employee whose action results in the payment of civil penalties 'shall be entitled to an award of reasonable attorney's fees and costs' "].) There really can be little doubt that plaintiff prevailed on the PAGA claims, and he is therefore entitled to reasonable fees and costs.

There nevertheless is little published California case law exploring the standards courts must apply in this context. What published California case law does exist provides that PAGA has its roots in the private attorney general doctrine per Code of Civil Procedure section 1021.5, which incorporates common fund principles for attorney-fee determinations. (See, e.g., *Hawkins v. City of Los Angeles* (2019) 40 Cal.App.5th 384, 397 [recognizing attorney's fees are authorized pursuant to § 2699(k)(1)), and determining fees were appropriately awarded on Code Civ. Proc. § 1021.5].) Further, the California Supreme Court has clarified, at least in the context of class action settlements, that trial courts may use a percentage method to calculate attorney's fees. (*Laffite v. Robert Hale Internat. Inc*. (2016) 1 Cal.5th 480, 503.) The *Lafitte* court permitted a trial court to "double check" the reasonableness of the amount reached by use of the lodestar method. (*Id*. at p. 504.) California federal district courts have looked to these discretionary standards in the PAGA context when, as here, the settlement amount involves a common fund. Regardless of which method is used, courts "have an independent obligation to ensure that the award, like the settlement itself, is reasonable, even if the parties have already agreed to an amount." (*In re Bluetooth Headset Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 94, citations omitted.)

Here, the settlement agreement creates a true common fund of $45,000, without any reversion to defendant, with net settlement proceeds going to the state and all representative class members (aggrieved employees). (*Laffite, supra*, 1 Cal.5th at p. 503.) Generally, the percentage method would be the typical way to determine the reasonableness of any attorney fee request. While the general benchmark in federal court is 25%, California allows trial courts a little more flexibility. (See, e.g., *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557, fn. 13 [empirical studies show that fee awards in class actions average around one-third of the recovery]; *Chavez v. Netflix, Inc*. (2008) 162 Cal.App.4th 43, 66, fn. 11 [same].) As a cross-check, plaintiff's counsel claims that the lodestar calculation supports the percentage amount, for counsel Mathew Haulk bills between $650 to $700 an hour, and has he spent at least 48.5 hours on this matter, while his partner, Mr. Jose Herrera, who also bills between $650 and $700. While the hourly rate is high for this area, the point is that even if the court applied an hourly rate of $500, the lodestar method confirms the reasonableness of the $15,000 award requested. Accordingly, the court finds the $15,000 for fees is reasonable.

As for costs, plaintiff requests costs of $3,600 (the maximum allowed under the settlement agreement), even though litigation costs apparently amount to $5,223.91. The court authorizes costs up to $3,600, as requested, as those costs appear reasonable.

Finally, plaintiff asks the court to appoint ILYM Group, Inc., as the third-party administrator, and requests costs/fees of up to $4,000. Attached to Mr. Haulk's declaration as Exhibit 3 is a detailed estimate, provided by ILYM Group, Inc., which includes costs for a certified Spanish translation, for fees and expends of $3,550. The estimate appears reasonable. The court appoints ILYM Group, Inc. as third party administrator and authorizes up to $4,000 for expenses.

vi) *Whether the Incentive Award is Reasonable*

Plaintiff requests an incentive award of $1,000.00, which is expressly contemplated by the settlement agreement. (See Item 7 of Settlement Agreement.) Plaintiff does not address the request in his memorandum of points and authorities, overlooking the issue entirely. It is discussed only once in in Mr. Haulk's declaration (see ¶ 12(g), on p. 6), and then only cursorily. Plaintiff has not submitted a declaration in support.

A PAGA plaintiff who prevails in or settles a case on behalf of the LWDA generally seeks an "incentive" or "service" payment that is paid from the penalties that the defendant must pay to the LWDA. These payments are non-statutory creations of the court similar to the "incentive" or "service" payments that are paid to class representatives. (*Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1393-1395.) While a $1,000 incentive award is not large *per se*, it is hard to assess because plaintiff's submission do not discuss the amount in any meaningful way. For example, because the court is not told what the average payout to the aggrieved class will be, as discussed above, the court cannot tell what multiplier has been applied. That being said, the court observes that the net settlement amount for all aggrieved employees totals $5,350, which means that if the court simply divides 100 (the total number of aggrieved employees) into that number, the average payout would be $53.50 per employee, meaning plaintiff will receive an approximate multiplier of 18.691588 over an average payout of $53.50 per employee. Case law has expressed concern when there is a large disparity between an incentive award and the recovery of individual class members in the analogous class action context. (*Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 806, fn. 14, citing *Alberto v. GMRI, Inc*. (2008) 252 F.R.D. 652, 669 [given a proposed $5,000 incentive aware and an average $24.17 recovery (a multiple of just over 20), when there was no evidence demonstrating the quality of plaintiff's representative service; plaintiff should be prepared to present evidence of the named plaintiff's "substantial efforts" as class representative to justify the discrepancy between the award and those of the unnamed plaintiffs"]; see also *Stanton v. Boeing Co*. (9th Cir, 2003) 327 F.3d 938, 975 [condemning a class enhancement of $30,000 when average payout was $1,000, a multiplier of 30]; compare with *Munoz* v. *BCI Coca-Cola*

Bottling Co. of Los Angeles (2010) 186 Cal.App.4th 399, 412 [noting there that class representatives would receive more than twice as much as the average payment to class members, in contrast to the multipliers of 30 and 44 in *Stanton* and *Clark*, respectively].)

While the multiplier here is not as high as that in *Stanton* and *Clark*, plaintiff has made ***no*** attempt to explain or justify why he is entitled to the amount requested. Plaintiff should be prepared to discuss this at the December 17, 2024, hearing, with details about plaintiff's involvement in the case in order to justify the $1,000 enhancement request.

vii) The Nature of the Plan for Distribution to the Aggrieved Employees, and the Nature of the Release

According to the settlement agreement, which is attached as Exhibit 2 to Mr. Haulk's declaration, defendant has agreed to fund a qualified settlement account within 45 days after the court approves the settlement. Defendant shall provide to the settlement administrator within 30 days after court approval of the settlement a list of all aggrieved employees, and within 14 days after receipt of the settlement amount the third party administrator will issue the disbursements to the aggrieved employees. The settlement agreement expressly details the notice, approval, and payment procedures, with the sample notice to be provided to the aggrieved employees (with a Spanish translation). The settlement agreement explains that any uncashed checks will go to the State Controller's Office, Unclaimed Property Division. The settlement agreement explains the nature of the release for all aggrieved employees. The procedures are reasonable.

The court has one question that plaintiff should address at the hearing. The notice to be sent to the aggrieved employees, which is attached as Exhibit A, explains to the aggrieved employees that the settlement involves civil penalties for violations of the Labor Code, and identifies the subject matter of this civil penalties. The notice does not attempt to explain to the aggrieved employees that their own *individual claims* are not at issue and thus not precluded by the settlement agreement and/or judgment. The court is concerned that the notice does not adequately explain this to the aggrieved employees. Counsel should come prepared to discuss this issue with the court at the hearing.

Summary:

Plaintiff is directed to address the following issues either before (in supplemental submissions) or orally at the December 17, 2024, hearing:

- The court asks plaintiff to be more careful with its mathematical calculations when it submits motions with the court.
- Plaintiff is directed to submit before or at the hearing the online conformation that it sent the settlement agreement to the LWDA

- Plaintiff is directed to explain what the average payout (based on the net settlement amount) will be to the aggrieved employees. Plaintiff simply claims that the average payout will be $9 per pay period without indicating the average number of pay periods.
- Plaintiff is directed to explain why the settlement amount of $45,000 comports with the *Moniz v. Adecco USA, Inc.*, (2021) 72 Cal.App.56, 76, disapproved on another ground in *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 710-711. *Moniz* held that "a trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." It is clear from the settlement agreement and the notice to be sent to the aggrieved employees that defendant disavows any wrongdoing. ***How*** will this settlement "remediate present labor law violations, deter future ones," and maximize enforcement of state labor laws when defendant admits no wrongdoing?
- Plaintiff is directed to explain why the $1,000 incentive award is appropriate, with more detailed explanations as to plaintiff's involvements, focusing on the justification for a multiplier over and above the average payout.
- Plaintiff is directed to explain whether the notice to be sent to the aggrieved employees (attached as Exhibit A to the settlement agreement), adequately explains to the aggrieved employees that the settlement does not impact any individual claims an employee may have against defendant.
- ***If*** plaintiff's explanations/submissions are satisfactory, the court will find the settlement amount of $45,000 to be fair, reasonable, and adequate; award $15,000 in attorney's fees and up to $3,600 for litigations expenses; appoint ILYM Group, Inc., as the third party administrator, and award up to $4,000 in expenses; award a $1,000 incentive to plaintiff; and find all procedures to be adequate and reasonable. It will sign the proposed order. ***If*** plaintiff's explanations are not satisfactory, the court will deny the motion approving the PAGA settlement.