23STCV02164

Assigned for all purposes to: Spring Street Courthouse, Judicial Officer: Yvette Palazuelos

Electronically FILED by Superior Court of California, County of Los Angeles on 02/01/2023 09:45 AM David W. Slayton, Executive Officer/Clerk of Court, by G. Carini, Deputy Clerk LAUREN TEUKOLSKY (SBN 211381) (Email: lauren@teuklaw.com) 2 TEUKOLSKY LAW, APC 201 S. Lake Avenue, Suite 305 3 Pasadena, California 91101 Tel: (626) 522-8982 4 Fax: (626) 522-8983 5 ZOE TUCKER (SBN 336712) 6 (Email: ztucker@unitehere11.org) **UNITE HERE LOCAL 11** 7 464 Lucas Ave # 201 Los Angeles, CA 90017 8 Tel: (757) 561-4807 Fax: (213) 481-0352 9 Attorneys for Plaintiffs and Putative Classes 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA 11 FOR THE COUNTY OF LOS ANGELES 12 13 Case No. 23STCV02164 MICHELLE BAIN and CARMEN LUNA, 14 Plaintiffs, **CLASS ACTION** CLASS ACTION COMPLAINT FOR 15 V. DAMAGES, PENALTIES, INJUNCTIVE RELIEF, ATTORNEYS' FEES AND COSTS 16 HYATT CORPORATION d/b/a HYATT REGENCY LONG BEACH and DOES 1 through 1. Violations of Long Beach Hotel Working 17 20, inclusive, Conditions Ordinance (L.B.M.C. § 5.49.010, et 18 Defendants. 2. Rest Break Violations (Lab. Code § 226.7) 3. Failure to Pay All Wages Due Upon 19 Termination (Lab. Code §§ 201-203) 4. Failure to Provide Accurate Itemized Wage 20 Statements (Lab. Code § 226) 5. Violation of California's Unfair Competition 21 Law (Bus. and Prof. Code § 17200, et seq.) 22 DEMAND FOR JURY TRIAL 23 24 25 26 27 28

COMPLAINT

Plaintiffs Michelle Bain and Carmen Luna ("Plaintiffs") hereby bring this action against Hyatt Corporation doing business as Hyatt Regency Long Beach, Inc. ("Hyatt" or "Regency"), and on information and belief allege as follows:

INTRODUCTION

- 1. Plaintiffs are longtime housekeepers or "room attendants" employed by Hyatt at the Hyatt Regency hotel in Long Beach, California. They bring this class action on behalf of themselves and other room attendants against Hyatt and other unnamed Defendants (collectively, "Defendants") alleging violations of the Long Beach Hotel Working Conditions Initiative ("Initiative"), the California Labor Code, and the California Unfair Competition Law.
- 2. In 2018, voters in the City of Long Beach ("City") enacted the Initiative to improve the working conditions of hotel employees. The Initiative protects hotel employees against the risk of sexual assault by providing panic buttons and implementing other measures, and guarantees room attendants fair compensation when their workload exceeds proscribed limits.
- 3. To guarantee fair compensation for burdensome workloads, the Initiative prohibits hotels from requiring room attendants to clean more than 4,000 square feet of floorspace or an adjusted maximum amount in any eight-hour workday, unless the hotel pays twice the regular rate of pay for all hours worked that day. The Initiative also requires hotels to obtain written consent when room attendants work more than 10 hours in a day, and to keep daily records of the workloads for each employee. These measures serve the public interest by protecting room attendants from crushing workloads and unexpected overtime, and ensuring they can meet their family and personal obligations. The Initiative is codified in the Long Beach Municipal Code at § 5.49.010, et seq.
- 4. Despite these requirements, which went into effect on or about November 23, 2018, Hyatt failed to pay Plaintiffs and similarly situated room attendants the requisite double pay when their workloads exceeded the limits set by the Initiative. Hyatt also violated the Initiative by failing to make workload records available to employees in a timely fashion, or to obtain written consent from employees who work more than 10 hours in a day.
 - 5. Hyatt's policy of requiring Plaintiffs and other room attendants to carry heavy workloads

has also meant they are often unable to take all of the off-duty 10-minute rest breaks guaranteed to them under the California Labor Code and applicable Wage Order. Managers pressure Plaintiffs and other room attendants to work through their breaks so they can finish cleaning all of their assigned rooms in a timely manner. Hyatt has no procedure in place for room attendants to claim an hour of premium pay when they do not receive a compliant rest break, and, on information and belief, Hyatt has not paid any premium wages to room attendants for missed breaks.

- 6. The Initiative also requires hotels to post a notice on the inside of each guestroom door that includes the heading, "The Law Protects Hotel Housekeepers and Hotel Employees from Threatening Behavior," and explains that employees have been provided with panic buttons. Hyatt has failed to post these notices in violation of the Initiative's requirements.
- 7. Plaintiffs bring this class action on behalf of themselves and similarly situated employees to recover the wages and penalties owed for Hyatt's violations of the Initiative and the California Labor Code. Plaintiffs also seek injunctive relief requiring Hyatt to comply with all aspects of the Initiative, including its notice requirements. Defendants' violations were knowing and intentional, and constitute unfair business practices which have deprived their employees of their rights under California and local labor laws and regulations in order to reduce their payroll costs and increase profits.

JURISDICTION AND VENUE

- 8. Plaintiffs, on behalf of themselves and all others similarly situated, hereby bring this class action for recovery of unpaid wages and penalties under the Initiative; Labor Code §§ 201-203, 218.5, 226, 226.7; Business and Professions Code § 17200 *et seq.*; and Wage Order 5-2001. This Court has personal jurisdiction over the parties because, at all times relevant herein, Plaintiffs have been California residents and performed work for Defendants in California, and Defendants have conducted business and committed the unlawful acts alleged herein in California. This class action is brought pursuant to California Code of Civil Procedure § 382. This case falls within the Court's unlimited jurisdiction because the amount in controversy exceeds \$25,000.
- 9. This case is not removable to federal court under the Class Action Fairness Act because there are less than 100 members of the Classes defined herein. *See* 28 U.S.C. § 1332(d)(5)(B).

10. Venue is proper in this Court because, at all times relevant herein, Defendants have maintained a place of business in Los Angeles County, employed Plaintiffs in Los Angeles County, entered into and performed work pursuant to contracts in Los Angeles County, and committed the unlawful acts alleged herein in Los Angeles County. The relief requested is within the jurisdiction of this Court.

THE PARTIES

- 11. Plaintiff Michelle Bain is, and at all relevant times was, a competent adult residing in Los Angeles County, California. Ms. Bain has worked for Hyatt at the Regency as an hourly non-exempt room attendant since July 2004, except for a layoff during the COVID-19 pandemic from approximately March or April 2020 to April 15, 2021.
- 12. Plaintiff Carmen Luna is, and at all relevant times was, a competent adult residing in Los Angeles County, California. Ms. Luna has worked for Hyatt at the Regency as an hourly non-exempt room attendant since November 2014, except for a layoff during the COVID-19 pandemic from approximately March or April 2020 to April 15, 2021.
- 13. Defendant Hyatt is a hospitality company incorporated in Delaware and headquartered in Chicago, Illinois. Hyatt operates and/or controls the Regency in Long Beach, California, among many other properties.
- 14. Hyatt d/b/a Hyatt Regency Long Beach is a corporation doing business in California and is a "person" as defined by California Labor Code § 18 and by California Business and Professions Code § 17201.
- 15. Hyatt is an "employer" as that term is used in the California Labor Code and Wage Order 5-2001.
- 16. Defendants have employed Plaintiffs within California and Plaintiffs are "employees" as defined in Wage Order 5-2001.
- 17. Plaintiffs are ignorant of the true names and capacities of Defendants sued herein as Does 1 through 20, inclusive, and therefore sue these Defendants by such fictitious names. Plaintiffs will amend this Complaint to allege Doe Defendants' true names and capacities when ascertained.

18. Plaintiffs are informed and believe and thereupon allege that, at all relevant times, Defendants and each of them, directly or indirectly, or through an agent or any other person, employed and/or exercised control over the wages, hours, and/or working conditions of Plaintiffs and putative class members, and that Defendants and each of them were the joint employers of Plaintiffs and putative class members and/or alter egos of each other.

FACTUAL ALLEGATIONS

- 19. Plaintiffs Michelle Bain and Carmen Luna are longtime Hyatt employees. They have both worked as room attendants at the Regency during the relevant statutory periods. Their duties include cleaning guestrooms on a daily basis and preparing guest rooms for new guests.
- 20. Before the Initiative, Plaintiffs were often assigned to clean far more rooms than was possible during an eight-hour shift.
- 21. The Initiative went into effect on November 23, 2018 for the specific purpose of reducing the workloads of room attendants. The Regency was required to start complying with it immediately but failed to do so.
- 22. Under Section 5.49.040, the "Humane Workload" provision, Regency was prohibited from requiring Plaintiffs and other room attendants to clean rooms covering more than 4,000 square feet of floorspace in any one, eight-hour workday unless Regency paid the room attendant twice his or her regular rate of pay for all hours worked that day. The 4,000 square foot threshold is reduced when room attendants are assigned to clean a certain number of rooms where a guest has checked out ("checkout rooms") because it takes longer to clean checkout rooms than rooms where a guest is currently staying. The threshold is also reduced when the room attendant is required to clean a certain number of guestrooms with additional beds. When a room attendant is assigned to clean any combination of seven or more checkout rooms or additional-bed rooms in a day, the maximum floorspace to be cleaned is reduced by 500 square feet for each such checkout or additional-bed room over six.
- 23. The Regency has utterly failed to comply with the Initiative's workload requirements. Since the Initiative went into effect, the Regency has regularly required Plaintiffs and other room attendants to clean far more than 4,000 square feet in a day (or the adjusted maximum amount) without paying double

time for all hours worked that day as required.

- 24. The Regency has also failed to obtain written consent from Plaintiffs and other room attendants when they work more than 10 hours in a day, or to advise them in writing that they may decline to work more than 10 hours in a day without retaliation. These actions are required by Section 5.49.050, termed the "Voluntary Overtime" provision.
- 25. Although rest breaks are crucial to the health and safety of room attendants, the workloads of Plaintiffs and other room attendants have been so crushing that they are not able to take most of the off-duty rest breaks that are required by California law. Even after the Initiative went into effect, managers have pressured room attendants to work as quickly as possible and to skip their rest breaks so they can complete their work in as little time as possible.
- 26. At all relevant times, the Regency has failed to authorize and permit Plaintiffs and their similarly situated co-workers to take all of the rest periods to which they are entitled under California law.
- 27. Plaintiffs are unaware of any procedures for them to report a missed, late, or short rest break. Plaintiffs have not been paid premium pay as required by Labor Code § 226.7(c) for a noncompliant rest break. On information and belief, the Regency has failed to pay any premium pay to any room attendant for a noncompliant rest break at any time in the applicable limitations period.
- 28. The Regency has also failed to comply with Section 5.49.030(B) of the Initiative, the "Notice in Guest Rooms" provision, which provides: "Each hotel employer shall place a sign on the back of each guest room door, written in a font size of no less than 18 points, that includes the heading 'The Law Protects Hotel Housekeepers and Hotel Employees From Threatening Behavior,' a citation to this Chapter of the Long Beach Municipal Code, and notice of the fact that the hotel is providing panic buttons to its housekeepers, room servers, and other hotel employees assigned to work in guest rooms without other hotel employees present, in compliance with this Chapter."
 - 29. As of the filing of this lawsuit, the Regency has not installed the required signs.
- 30. Hyatt has also failed to make workload records available to Plaintiffs and their coworkers in violation of Section 5.49.060 of the Initiative, termed "Preservation of Records." This provision states, "[t]he hotel employer *shall make* such records available to employees of the hotel or their representatives

for inspection." (Emphasis added.) Plaintiffs' representatives requested records of all putative class members' workload records, but Hyatt failed to provide the records in a timely manner.

- 31. Labor Code §§ 201-202 require employers to pay all earned wages in a timely manner to employees who have separated from employment. Employees who are laid off or otherwise discharged must be paid final wages "immediately." Employees who quit must be paid final wages within 72 hours.
- 32. Hyatt failed to comply with these timely payment provisions because it did not timely pay separated employees the double-time wages to which they were entitled under the Initiative, nor the premium pay to which they were entitled for rest break violations.
- 33. Under Labor Code § 203, employees who separated from employment during the relevant three-year limitations period are entitled to "waiting time penalties" in the amount of a day's pay, not to exceed 30 days' pay. Hyatt owes waiting time penalties to all Regency room attendants who have been discharged or quit during the relevant statutory period. Plaintiffs suffered these violations because they were laid off by the Regency at the beginning of the COVID-19 pandemic, and were not timely paid their final wages at the time of the layoff or thereafter.
- 34. Labor Code § 226(a) requires that an employer shall, at the time of each payment of wages, provide each employee with an accurate itemized statement showing, *inter alia*, gross and net wages earned, and all applicable hourly rates and the corresponding number of hours worked at each hourly rate. Similar requirements are imposed under Wage Order 5, § 7(A)(4)-(5).
- 35. At all times relevant to this action, Hyatt has failed to provide accurate wage statements because the statements did not reflect the correct gross or net wages that Plaintiffs and other room attendants should have earned under the Initiative, the correct double-time rates at which Plaintiffs and other room attendants should have been paid under the Initiative, or the premium wages that Plaintiffs and other room attendants were owed for noncompliant rest periods.

CLASS ALLEGATIONS

- 36. Plaintiffs bring this action on behalf of themselves and the following Classes pursuant to Code of Civil Procedure § 382:
 - a. Workload Class: all current and former Regency room attendants who cleaned more

- than 4,000 square feet, or more than the maximum floor space otherwise specified in the Initiative, in an eight-hour period and were not paid twice their regular rate of pay for all hours worked from November 23, 2018 through the date of judgment.
- b. <u>Record-Inspection Penalties Class</u>: all current and former Regency room attendants who requested, either personally or through a representative, a copy of the records required to be made available for inspection under Section 5.49.060 of the Initiative, but failed to receive the records in a timely manner, at any time from November 23, 2018 through the date of judgment.
- c. <u>Voluntary Overtime Class</u>: all current and former Regency room attendants who worked more than 10 hours in a workday without Regency first obtaining the proper written consent required under Section 5.49.050 of the Initiative at any time from November 23, 2018 through the date of judgment.
- d. <u>Rest Period Class</u>: all current and former room Regency room attendants who worked shifts at least 3.5 hours in length, but were not authorized or permitted to take a net paid 10-minute rest period for every four hours worked or major fraction thereof, during the four years immediately preceding the filing of the complaint through the date of judgment.
- e. Waiting Time Penalties Class: all current and former Regency room attendants who were members of the Workload and/or Rest Period Class who were discharged, laid off, or otherwise separated from employment at any time in the three years preceding the filing of the complaint through the date of judgment.
- f. Wage Statement Class: members of the Workload and/or Rest Period Class who were employed by Regency during the one-year period preceding the filing of the complaint through the date of judgment.
- g. <u>Injunctive Relief Class</u>: all current Regency room attendants who have benefited or would benefit from the Regency's compliance with the Initiative's requirements, including the "Notice in Guest Rooms" provision codified at Section 5.49.030(B) of the

Initiative.

- 37. <u>Numerosity/Ascertainability.</u> The members of the Classes are so numerous that joinder of all members would be infeasible and not practicable. The precise membership of the Classes is unknown to Plaintiffs, at this time; however, it is estimated that the Classes number greater than 50 individuals but less than 100 as to each Class. The identity of such membership is readily ascertainable via inspection of Hyatt's employment records.
- 38. <u>Common Questions of Law and Fact Predominate/Well-Defined Community of Interest.</u>

 There is a well-defined community of interest among putative class members because Defendants' unlawful practices have affected them in the same manner. Common questions of fact and law include the following:
 - a. Whether Hyatt violated Section 5.49.040 of the Initiative by failing to pay Plaintiffs and members the Workload Class the required double-time pay for all hours worked for days when they cleaned more than 4,000 square feet of floorspace or the adjusted maximum amount;
 - b. Whether Hyatt violated Section 5.49.060 of the Initiative by failing to keep the required records and/or failing to make records available for inspection by employees in a timely manner;
 - c. Whether Hyatt violated Section 5.49.050 of the Initiative by failing to obtain written consent from employees who worked more than 10 hours in a workday;
 - d. Whether Hyatt violated the Initiative by failing to post the required signage on guest doors at the Regency giving notice of hotel employees' rights;
 - e. Whether Hyatt's rest period policies and/or practices complied with the requirements of the Labor Code and Wage Order 5;
 - f. Whether Hyatt had a procedure in place under which members of the Rest Period Class could receive an hour of premium pay for a noncompliant rest period;
 - g. Whether Hyatt paid any premium pay to Plaintiffs and members of the Rest Period Class who were not provided with legally-compliant rest periods;

- h. Whether Hyatt failed to provide members of the Wage Statement Class accurate itemized wage statements in accordance with the requirements of applicable California law;
- i. Whether Hyatt failed to timely pay all wages due to members of the Waiting Time Class at the time of separation from employment in accordance with applicable California law;
- j. Whether Hyatt's practices constituted unlawful or unfair business practices under California's Unfair Competition Law; and
- k. What relief is necessary to remedy Hyatt's unfair and unlawful conduct as herein alleged.
- 39. Typicality. Plaintiffs' claims are typical of the claims of the putative Classes because their claims arise out of the same course of conduct and are based on the same legal theories as the claims of the putative Class members. Like putative Class members, Plaintiffs were subject to Hyatt's failure to pay the required double-time pay for days when Plaintiffs cleaned rooms amounting to more than 4,000 square feet or the adjusted maximum amount. Also like putative Class members, Plaintiffs failed to receive compliant rest breaks; received inaccurate wage statements; and were not timely paid all wages due at the time of separation from employment, as required by California law.
- 40. Adequacy. Plaintiffs are proper representatives of the proposed Classes because they will fairly and adequately represent and protect the interests of all putative class members and because there are no known conflicts of interest between Plaintiffs and any putative class members. Plaintiffs' attorneys are ready, willing, and able to fully and adequately represent the members of the Classes and Plaintiffs. Plaintiffs' attorneys have prosecuted numerous wage-and-hour class actions in state and federal courts in the past and are committed to vigorously prosecuting this action on behalf of the members of the Classes.
- 41. <u>Predominance and Superiority</u>. The prosecution of separate actions by individual members of the proposed Classes would create a risk of inconsistent adjudications with respect to the individual members of the Classes, establishing incompatible standards of conduct for Hyatt, and resulting in the impairment of putative class members' rights and the disposition of their interests through actions to which they are not parties. This action is manageable as a class action because, compared with other methods

such as intervention or the consolidation of individual actions, a class action is fairer and more efficient. Common issues predominate because all of the Plaintiffs' claims arise out of Hyatt's failure to pay class members properly under the Initiative and failure to provide rest breaks, which affected Class members uniformly. A class action is superior to other available methods for the fair and efficient adjudication of this controversy because the putative Class members have little or no interest in individually controlling the prosecution of separate actions and individualized litigation would increase the delay and expense to all parties and the court system. Furthermore, it is desirable to concentrate the litigation of the claims in this Court because the practices and procedures complained of occurred within this Court's jurisdiction.

FIRST CAUSE OF ACTION

VIOLATIONS OF THE CITY OF LONG BEACH HOTEL WORKING CONDITIONS INITIATIVE

(Long Beach Municipal Code § 5.49.010, et seq.)

(By Plaintiffs and Members of the Workload Class, Record-Keeping Penalties Class, Voluntary Overtime Class and Injunctive Relief Class Against All Defendants)

- 42. Plaintiffs, on behalf of themselves and members of the Workload Class, Record-Keeping Penalties Class, Voluntary Overtime Class, and Injunctive Relief Class, reallege and incorporate by reference all previous paragraphs as though fully set forth herein.
- 43. The Regency is a structure which is occupied and intended and designed for occupation by guests, and thus is a "hotel" as defined by Long Beach Municipal Code § 9.02.080. The Regency is located in the City of Long Beach and contains 50 or more guest rooms or suites of rooms, and is thus also a "hotel" as defined by Long Beach Municipal Code § 5.49.020.
- 44. Hyatt operates and/or controls the Regency and is thus a "hotel employer" as defined in Long Beach Municipal Code § 5.49.020.
- 45. Plaintiffs and Class members are employed directly by Hyatt and were hired to or did work an average of at least five hours per week for four weeks or more at the Regency, a hotel. Plaintiffs and Class members are thus "hotel employees" as defined in Long Beach Municipal Code § 5.49.020.
 - 46. The principal duties of Plaintiffs and Class members are to clean and put in order residential

guest rooms at the Regency and they are thus "room cleaners" as defined by Long Beach Municipal Code § 5.49.020.

- 47. Section 5.49.040 of the Initiative, the "Humane Workload" provision, mandates that hotel employers shall not require a room cleaner to clean rooms amounting to more than 4,000 square feet of floorspace, or more than the maximum floor space otherwise specified in this Section ("adjusted maximum amount"), in any one, eight-hour workday unless the employer pays the room cleaner twice his or her regular rate of pay for all hours worked by the room cleaner during the workday. When a room cleaner is assigned to clean any combination of seven or more checkout rooms or additional-bed rooms in a workday, the maximum floorspace to be cleaned shall be reduced by 500 square feet for each such checkout or additional-bed room over six.
- 48. During the statutory period, Hyatt violated the "Humane Workload" provision by requiring Plaintiffs and members of the Workload Class to clean rooms amounting to more than 4,000 square feet of floorspace or the adjusted maximum amount without paying them twice their regular rate of pay for all hours worked.
- 49. Under Section 5.49.090 of the Initiative, Plaintiffs and members of the Workload Class are entitled to all remedies available under the law or in equity appropriate to remedy any such violation, including compensatory damages and other relief. Plaintiffs and members of the Workload Class are thus entitled to back wages, plus interest, for Hyatt's violations of the "Humane Workload" provision. Under this Section, Plaintiffs and members of the Class are further entitled to statutory damages in the amount of fifty dollars (\$50) per employee for each day on which a violation occurred.
- 50. Section 5.49.050, the "Voluntary Overtime" provision, provides: "A hotel employer shall not suffer or permit a hotel employee to work more than 10 hours in any workday unless the hotel employee consents. Consents must be written and signed by the hotel employee or communicated electronically through an account or number particular to the hotel employee. No consent is valid unless the hotel employer has advised the hotel employee in writing not more than 30 days preceding the consent that the hotel employee may decline to work more than 10 hours in any workday and that the hotel employer will not subject the hotel employee to any adverse action for declining."

- 51. Hyatt has violated this provision by failing to obtain written consents from Plaintiffs and members of the Voluntary Overtime Class when they work shifts greater than 10 hours. Under Section 5.49.090 of the Initiative, Plaintiffs and members of Class are entitled to statutory damages in the amount of fifty dollars (\$50) per employee for each day on which a violation occurred.
- 52. Section 5.49.060 requires Hyatt to keep workload records and to make them available for inspection upon request by an employee or their representative. Plaintiffs' representatives requested workload records of Plaintiffs and other members of the Record-Keeping Penalties Class, but Hyatt failed to provide the records in a timely manner. Section 5.49.060 provides: "Failure of the hotel employer to provide a copy of such records will result in a penalty of at least one hundred dollars (\$100.00) per day up to one thousand dollars (\$1,000.00) per day, the amount to be set by the court." Plaintiffs and Class members are entitled to maximum penalties for Hyatt's willful failure to provide the requested records in a timely manner.
- 53. Section 5.49.030(B) of the Initiative mandates that hotel employers "shall" place a sign on the back of each guest room door, written in a font size of no less than 18 points, that includes the heading "The Law Protects Hotel Housekeepers and Hotel Employees From Threatening Behavior," a citation to this Chapter of the Long Beach Municipal Code, and notice of the fact that the hotel is providing panic buttons to its housekeepers, room servers, and other hotel employees assigned to work in guest rooms without other hotel employees present.
- 54. Hyatt has failed to post the required signage in guest rooms. Plaintiffs and members of the Injunctive Relief Class are therefore entitled to an injunction requiring Hyatt to comply with all aspects of the Initiative going forward, including posting the notices required under Section 5.49.030(B).
- 55. Plaintiffs are entitled to reasonable attorneys' fees and costs under Section 5.49.090 of the Initiative.
 - 56. Plaintiffs seek to recover interest on all unpaid wages due.

SECOND CAUSE OF ACTION

FAILURE TO PAY PENALTIES FOR MISSED REST PERIODS (Lab. Code 226.7(a))

(By Plaintiffs and Members of the Rest Period Class Against All Defendants)

- 57. Plaintiffs, on behalf of themselves and the Rest Period Class, reallege and incorporate by reference all previous paragraphs.
- 58. California Labor Code § 226.7(a) prohibits an employer from requiring an employee to work during any rest period mandated by an applicable Industrial Wage Order. IWC Wage Order No. 5 § 12(A) requires employers to authorize and permit employees to take a paid rest period of at least 10 minutes for every four hours worked or major fraction thereof, which insofar as practicable shall be in the middle of each work period. Under both California Labor Code § 226.7(b) and IWC Wage Order 5 §12(B), if an employer fails to provide an employee a rest period as required, the employer must pay the employee one hour of pay at the employee's regular rate of compensation for each workday that a rest period is not provided as required.
- 59. California Labor Code § 1198 makes employment of an employee under conditions the IWC prohibits unlawful.
- 60. Hyatt has a policy or practice of failing to authorize and permit Plaintiffs and Class members to take the rest periods required by California Labor Code § 226.7 and IWC Wage Order 5 § 12.
- 61. Hyatt also has a policy or practice of failing to pay each of their employees who was not provided with a rest period as required an additional one hour of compensation at each employee's regular rate of pay.
- 62. As a direct and proximate result of defendants' unlawful conduct as alleged herein, Plaintiffs and members of the Rest Period Class have sustained economic damages, including but not limited to unpaid wages and lost interest, in an amount to be established at trial, and are entitled to recover economic and statutory damages and penalties and other appropriate relief from defendants' violations of the California Labor Code and IWC Wage Order No. 5.

THIRD CAUSE OF ACTION

FAILURE TO TIMELY PAY ALL WAGES DUE UPON SEPARATION FROM EMPLOYMENT

(Lab. Code §§ 201-203)

(By Plaintiffs and Members of the Waiting Time Penalties Class Against All Defendants)

- 63. Plaintiffs, on behalf of themselves and members of the Waiting Time Penalties Class, reallege and incorporate by reference all previous paragraphs as though fully set forth herein.
- 64. Labor Code § 201 requires an employer who discharges an employee, including through a layoff, to pay all compensation due and owing to the employee "immediately" upon the employee's separation from employment. Labor Code § 202 requires that an employer promptly pay all wages earned and unpaid within 72 hours after an employee resigns from employment.
- 65. California Labor Code § 203 provides that if an employer willfully fails to pay all wages due promptly upon the employee's separation from employment, the employer shall be liable for waiting time penalties in the form of continued compensation for up to 30 days.
- 66. By failing to compensate Plaintiffs and members of the Waiting Time Penalties Class at rates required by the Initiative, and by failing to pay Plaintiffs and members of the Rest Period Class premium wages for noncompliant breaks, Hyatt has willfully failed to make timely payment of full wages due to their employees who have separated from employment in violation of Labor Code §§ 201-202.
- 67. As a consequence of Hyatt's willful failure to timely pay all wages due, Plaintiffs and members of the Waiting Time Penalties Subclass are entitled to up to a maximum of 30 days' wages pursuant to Labor Code § 203, plus reasonable attorneys' fees and costs of suit.

FOURTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Lab. Code §§ 226, IWC Wage Order 5 § 7(B))

(By Plaintiffs and Members of the Wage Statement Class Against All Defendants)

- 68. Plaintiffs, on behalf of themselves and members of the Wage Statement Class, reallege and incorporate by reference all previous paragraphs as though fully set forth herein.
 - 69. California Labor Code § 226(a) states that every employer shall, semi-monthly or at the

time of each payment of wages, furnish each of his or her employees an accurate itemized statement in writing showing substantial detailed information, including but not limited to, gross and net wages earned, total hours worked, and all applicable hourly rates and the corresponding number of hours worked at each hourly rate. IWC Wage Order 5 § 7(B) similarly requires employers semimonthly or at the time of each payment of wages to furnish to each employee an accurate itemized statement in writing. These required disclosures of information are essential to enable employees to determine whether they have been paid in compliance with the law.

- 70. Defendants' policies and practices of failing to pay wages in conformity with the requirements of the Initiative necessarily meant that the itemized wage statements of Plaintiffs and Class members failed to contain the information required by Labor Code § 226(a) because they failed to reflect the proper wage rates and wages earned.
- 71. Similarly, Hyatt's policies and practices of failing to pay premium wages required for noncompliant rest periods under Labor Code § 226.7 necessarily meant that the itemized wage statements of Plaintiff and Class members failed to contain the information required by Labor Code § 226(a) because they failed to reflect any information about premium wages earned.
- 72. Labor Code § 226(e) provides that an employee who suffers injury as a result of a knowing and intentional failure by an employer to comply with § 226(a) may recover the greater of actual damages or the penalties designated by statute of \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period up to an aggregate penalty of \$4,000.
- 73. As a result of Defendants' knowing and intentional failure to comply with the provisions of Labor Code §§ 226(a)(1), Defendants deprived Plaintiffs and putative class members of wage information and wages entitled to them by law. This establishes injury under Labor Code § 226(e)(2).
- 74. As a result of Defendants' knowing and intentional violations, Plaintiffs and putative class members seek statutory penalties under Labor Code § 226(a) in amounts not to exceed \$4,000 for each pay period in which they were provided with inaccurate wage statements.

FIFTH CAUSE OF ACTION

VIOLATION OF CALIFORNIA'S UNFAIR COMPETITION LAW

(Business and Professions Code §§ 17200, et seq.)

(By All Plaintiffs Against All Defendants)

- 75. Plaintiffs, on behalf of themselves and members of all Classes, reallege and incorporate by reference all previous paragraphs as though fully set forth herein.
- 76. California Business and Professions Code §§ 17200 *et seq*. prohibits unfair competition in the form of any unlawful, unfair, deceptive, or fraudulent business practice.
- 77. Hyatt has engaged in unfair and unlawful business practices in violation of California Business & Professions Code §17200, et seq., by engaging in the unlawful conduct alleged above, including but not limited to: failing to post notices informing guests and reminding employees of their rights under the Initiative; cheating room cleaners out of their double-time wages when they cleaned square footage exceeding the limits set forth in the Initiative; failing to pay premium wages owed for rest break violations; failing to comply with the Labor Code's timely payment provisions; and failing to provide accurate itemized wage statements required by California Labor Code §§ 226(a) and Wage Order 5.
- 78. Plaintiffs are informed and believe, and based upon such information and belief, allege that by engaging in the unfair and unlawful business practices complained of above, Hyatt was able to lower its labor costs and thereby obtain a competitive advantage over law-abiding employers with which it competes, in violation of California Business & Professions Code § 17200, *et seq.*, and California Labor Code § 90.5(a), which set forth the public policy of California to enforce minimum labor standards vigorously to ensure that employees are not required or permitted to work under substandard and unlawful conditions and to protect law abiding employers and their employees from competitors that lower their costs by failing to comply with minimum labor standards.
- 79. Business and Professions Code § 17203 provides that the Court may restore to any person in interest any money or property which may have been acquired by means of such unfair competition and to which those persons have an ownership interest. Plaintiffs and putative class members are entitled to restitution pursuant to Business and Professions Code §§ 17203 and 17208 for all wages unlawfully

withheld from them.

- 80. To prevent Defendants from profiting and benefiting from their wrongful and illegal acts, it is appropriate and necessary to enter an order requiring Defendants to restore Plaintiffs and putative class members monies that are owed.
- 81. Plaintiffs herein take upon themselves enforcement of these laws and lawful claims. There is a financial burden incurred in pursuing this action and it would be against the interest of justice to penalize Plaintiffs by forcing them to pay attorneys' fees from the recovery in this action. The enforcement of the state wage and hours laws will confer a public benefit as the failure to provide appropriate wages for all hours worked are actions that violate the state's public policy of wage and rest protections for employees. Therefore, attorneys' fees are appropriate pursuant to California Code of Civil Procedure § 1021.5, as well as the Initiative, Labor Code §§ 218.5, 226, and any other applicable statute.

PRAYER FOR RELIEF

Plaintiffs pray for relief as follows:

- 1. For an order certifying the proposed Classes;
- 2. For an order designating Plaintiffs as class representatives;
- 3. For an order designating Plaintiffs' counsel of record as class counsel;
- 4. For an injunction requiring Hyatt to comply with all provisions of the Initiative immediately, including an injunction to post the notices on guestroom doors required by Section 5.49.030(B);
- 5. For an award of all unpaid wages due to Plaintiffs and putative Class members for violations of the Initiative and the failure to pay rest period premiums;
- 6. For an award of statutory damages pursuant to the Initiative for failing to pay the required double-time wages and for failing to obtain written consent for working more than 10 hours in a day;
- 7. For an award of penalties for failing to make workload records available for inspection under the Initiative in a timely manner;
 - 8. For an award of waiting time penalties pursuant to California Labor Code § 203;
 - 9. For an award of statutory penalties pursuant to California Labor Code § 226(e);