

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

In the Matter of the Request for Review of:

Aghapy Group, Inc. dba Aghapy Construction, Inc.

Case No. 16-0413-PWH

From a Civil Wage and Penalty Assessment issued by:

Division of Labor Standards Enforcement

**DECISION OF THE
DIRECTOR OF INDUSTRIAL RELATIONS**

Affected contractor Aghapy Group Inc. dba Aghapy Construction, Inc. (Aghapy) requested a review of a Civil Wage and Penalty Assessment (Assessment) issued by the Division of Labor Standards Enforcement (DLSE) with respect to the work of improvement known as Earlimart Clinic (Project) performed for Tulare Regional Medical Center (Tulare) in the County of Tulare. On September 9, 2016, DLSE served the Assessment on Aghapy. The Assessment determined that \$27,202.62 was due in unpaid prevailing wages and training funds, \$12,465.00 was due in statutory penalties under Labor Code sections 1775 and 1813,¹ and \$36,080.00 was due in statutory penalties under section 1777.7.

Pursuant to written notice a Hearing on the Merits was held telephonically on February 21, 2018, before Hearing Officer Claire Ervin Lee. On March 5, 2018, the Hearing Officer vacated the submission to hold a further Prehearing Conference on an issue related to one worker. At the Prehearing Conference on March 28, 2018, the case was again deemed submitted. At the Hearing on the Merits and Prehearing Conference, Lance A. Grucela appeared for DLSE. There was no appearance for Aghapy at the Hearing on the Merits, which likewise

¹ All further statutory references are to the California Labor Code, unless otherwise indicated.

did not appear for a prior noticed Prehearing Conference. Now, based on un rebutted evidence, the Director of Industrial Relations affirms the Assessment.

FACTS

The facts stated below are based on Exhibits 1 through 25 submitted by DLSE, other documents in the Hearing Officer's file, and the testimony of Deputy Labor Commissioner Lori Rivera.

Failure to Appear.

Attorney Jeffrey D. Hook² filed a Request for Review of the Assessment on behalf of Aghapy and appeared telephonically on Aghapy's behalf at two initial Prehearing Conferences. Michael Michael, Aghapy's managing officer, appeared telephonically for a further Prehearing Conference on May 31, 2017, requested a continuance to August 21, 2017 to obtain new counsel, and then renewed that request, whereupon the matter was continued to a further Prehearing Conference on September 8, 2017. On that date, there was no appearance for Aghapy, despite multiple attempts to reach Michael telephonically and via email. The matter was set for a telephonic Hearing on the Merits on February 21-22, 2018, and notice was sent to all parties.

On February 21, 2018, there was no appearance for Aghapy. The Hearing Officer was able to reach Michael by telephone. He referred the Hearing Officer to Christopher Lianglely, who appeared briefly by telephone. Lianglely stated that he represented Aghapy in a bankruptcy matter, but did not represent Aghapy in the instant matter.³

The Hearing Officer proceeded to conduct the Hearing on the Merits in Aghapy's absence for the purpose of formulating a recommended decision as warranted by the evidence, pursuant to California Code of Regulations title 8, section 17246, subdivision (a). DLSE's exhibits were admitted into evidence without objection and the matter was submitted on the evidentiary record, including the testimony of Deputy Labor Commissioner Rivera.

² During the first Prehearing Conferences, Hook indicated that he was an attorney representing Aghapy. He later withdrew as attorney of record.

³ This proceeding falls within the "police and regulatory power" exception of 11 U.S.C. section 362, subdivision (b)(4) and therefore is not stayed by Aghapy's bankruptcy filing.

For the reasons set forth below, the Director of Industrial Relations finds that DLSE carried its initial burden of presenting evidence at the Hearing that provided prima facie support for the Assessment, and that Aghapy failed to carry its burden of proving the basis for the Assessment was incorrect. (See Cal. Code Regs., tit. 8, § 17250, subds. (a), (b).) Therefore, the Acting Director issues this Decision affirming the Assessment.

The Assessment.

On or about February 27, 2014, Tulare Regional Medical Center (Tulare) advertised for bid on a variety of site work for construction of the Earlimart Clinic. Aghapy was hired as the prime contractor and performed work between September 1, 2014, and February 13, 2015. Tulare's contract provided that the Project required payment of prevailing wages. The Notice of Completion was issued on April 25, 2015. DLSE timely served the Assessment on Aghapy on September 9, 2016. The parties stipulated at a Prehearing Conference on May 8, 2017, that the request for review was timely filed.

Two workers submitted complaints to DLSE alleging Aghapy's failure to pay prevailing wage rates. Rivera investigated the complaints, which led to the Assessment. Both of the complaining workers kept calendars and diaries in which they noted the days and hours worked on the Project as well as the capacities in which they worked.

In response to its request for records from Aghapy, DLSE received copies of certified payroll records (CPRs), signed time cards, and cancelled checks. The time cards included a statement that the workers signed stating "cashing payroll checks will be assuming the accepting of the regular hours and overtime shown in this time sheet." Both complainants denied ever signing time cards for work performed on the Project.

Rivera compared the records provided by Aghapy with the calendar and diary entries of the complainants. The hours worked on the time cards did not match the hours reported by the complainants. Also, signatures on the time cards do not match the signatures on the backs of the paychecks or the signatures on either of the complaints. In addition, Aghapy had a history of past violations of underpayment of prevailing wage rates on three projects. For those reasons, Rivera did not believe the time cards were reliable records and did not use them in calculating the hours worked for the complainants. In that Rivera received no records from any of the other

workers, she used payroll records received from Aghapy in performing her audit with respect to those other workers.

In performing her audit Rivera reviewed the prevailing wage determinations for Tulare County applicable on the date of the bid advertisement for the classifications of Iron Worker, Cement Mason, Laborer, Underground Pipefitter, and Electrician, which were those used on the Project according to the CPRs.⁴ Aghapy's records for the week of December 28, 2014, classified one worker as Carpenter (Fence Builder), a classification not recognized in Tulare County. Rivera determined that worker should have been classified as Laborer Group 3. She also found that fringe benefits were underpaid, required overtime rates were not always paid, training fund contributions were not fully paid, travel and subsistence payments were not made in accordance with the rate determinations, and apprentices were used on occasion when journeymen were not present to supervise them. In the Assessment, Rivera reclassified apprentices to journeymen for the hours they were otherwise unsupervised by journeymen.

After reviewing the records and giving credit for payments by Aghapy, Rivera found 92 instances of failure to pay prevailing wages, totaling \$26,980.61 and \$222.01 in unpaid training fund contributions. Rivera prepared the Assessment stating \$27,202.62 in underpaid wages and training fund contributions, and recommended penalties pursuant to section 1775 in the amount of \$200.00 per violation per day, the maximum permitted by section 1775, subdivision (a)(1), based on Aghapy's history of prevailing wage violations. Rivera's Senior Deputy mitigated the penalty to \$120.00 per violation per day, the minimum provided under section 1775, subdivision (a)(2)(B)(iii) for willful violations. As a result, the penalties assessed under section 1775 for the 92 days of underpayments totaled \$11,040.00. Rivera also found failure to pay overtime rates for one worker on 57 days. Penalties were assessed for failure to pay proper overtime rates in violation of section 1813, calculated at the statutory rate of \$25.00 per violation, in the amount of \$1,425.00.

Rivera further investigated whether Aghapy complied with statutory apprentice requirements under section 1777.5. She discovered that Aghapy violated requirements to notify

⁴ The prevailing wage rate determinations (PWDs) include Iron Worker, C-20-X-1-2013-2; Cement Mason, NC-23-203-1-2013-2; Underground Pipefitter, TUL-2013-2; Electrician TUL-2013-2; and Laborer and Related Classifications, NC-23-102-1-2013-2.

applicable apprenticeship committees of its contract for public work, to request the dispatch of apprentices from applicable committees for the crafts of Iron Worker, Laborer, Cement Mason, and Electrician, and to hire apprentices in those and other crafts at the applicable ratio of 1:5 apprentices to journeymen on the days that journeymen were present.⁵ Based on Aghapy's history of violations of apprentice requirements, Rivera recommended penalties pursuant to section 1777.7 in the amount of \$300.00 per violation per day, the maximum permitted. In calculating the penalty to impose, Rivera did not add together penalties for each type of violation, but instead based the calculation on Aghapy's 164-day failure to notify the Laborer apprentice committee of its public work contract, which produced the highest penalty. Rivera's Senior Deputy mitigated the \$300.00 per day penalty to \$220.00 per day for a total of \$36,080.00 in section 1777.7 penalties.

DISCUSSION

Sections 1720 and following set forth a scheme for determining and requiring the payment of prevailing wages to workers employed on public works construction projects. DLSE enforces prevailing wage requirements not only for the benefit of workers but also "to protect employers who comply with the law from those who attempt to gain competitive advantage at the expense of their workers by failing to comply with minimum labor standards." (§ 90.5, subd. (a); *Lusardi Construction Co. v. Aubry* (1992) 1 Cal.4th 976, 985.)

Section 1775, subdivision (a) requires, among other things, that contractors and subcontractors pay the difference to workers paid less than the prevailing rate and prescribes penalties for failing to pay the prevailing rate. Section 1813 prescribes a fixed penalty of \$25.00 for each instance of failure to pay the prevailing overtime rate when due. Employers on public works must also keep accurate payroll records, recording among other information, the work classification, straight time and overtime hours worked, and actual per diem wages paid for each employee. (§ 1776.)

When DLSE determines that a violation of the prevailing wage laws has occurred, a written civil wage and penalty assessment is issued pursuant to section 1741. An affected

⁵ While the record disclosed that two other crafts, Operating Engineer and Park Painter, were used on the Project, apprentice violations, if any, related to those two crafts were not included in the Assessment.

contractor or subcontractor may appeal that assessment by filing a request for review under section 1742. Under section 1742, subdivision (b), and California Code of Regulations, title 8, section 17224, the contractor shall be provided with an opportunity to review evidence that DLSE intends to utilize at the hearing. DLSE has the burden of providing evidence that “provides prima facie support for the Assessment” (Cal. Code Regs., tit. 8, § 17250, subd. (a).) When that initial burden is met, “the Affected Contractor or Subcontractor has the burden of proving that the basis for the Civil Wage and Penalty Assessment ... is incorrect.” (§1742, subd. (b); Cal. Code Regs., tit. 8, § 17250, subd. (b).)

Aghapy Failed to Pay the Required Prevailing Wage Rates.

Here, based on payroll records, time records, and the applicable prevailing wage rate determinations, DLSE met its burden to present prima facie support for its Assessment. DLSE’s evidence shows Aghapy misclassified workers, underreported worker hours, failed to make travel and subsistence payments, and did not always pay at the correct prevailing wage rate, for a total underpayment of \$26,980.61. DLSE calculated the underpayment of wages applying the prevailing wage rate determinations, after giving credit for the wages already paid to the workers. Aghapy presented no evidence to carry its burden to disprove the basis for, or the accuracy of, the Assessment. Accordingly, Aghapy is liable for payment of prevailing wages in the aggregate sum of \$26,980.61.

DLSE’s Penalty Assessment Under Section 1775 Was Proper.

Section 1775, subdivision (a)(2)(B)(iii) states that the penalty for failure to pay the required prevailing wage rates may not be less than \$120.00 if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of section 1777.1.⁶ Section 1775, subdivision (a)(2)(D) provides that the determination of Labor Commissioner as to the amount of the penalty shall be reviewable only for an abuse of discretion. Abuse of discretion is established if the “agency’s nonadjudicatory action ... is inconsistent with the statute, arbitrary, capricious, unlawful or contrary to

⁶ Section 1777.1, subdivision (d) as it existed from 2012-2014 defines a willful violation as one in which “the contractor or subcontractor knew or reasonably should have known of his or her obligations under the public works law and deliberately fails or refuses to comply with its provisions.” That provision is now found in section 1777.1, subdivision (c).

public policy.” (*Pipe Trades v. Aubry* (1996) 41 Cal.App.4th 1457, 1466.) In reviewing for abuse of discretion, however, the Director is not free to substitute his own judgment “because in [his] own evaluation of the circumstances the punishment appears to be too harsh.” (*Pegues v. Civil Service Commission* (1998) 67 Cal.App.4th 95, 107.)

A contractor or subcontractor has the same burden of proof with respect to the penalty determination as to the wage assessment. Specifically, “the Affected Contractor or Subcontractor shall have the burden of proving that DLSE abused its discretion in determining that a penalty was due or in determining the amount of the penalty.” (Cal. Code Regs., tit. 8, § 17250, subd. (c).)

DLSE assessed section 1775 penalties at the rate of \$120.00 based on Aghapy’s misclassifying and underpaying workers in 92 instances. In addition, Aghapy had a history of assessments for prevailing wage violations on three other projects. The burden was on Aghapy to prove that DLSE abused its discretion in setting the penalty amount under section 1775 at the rate of \$120.00 per violation. Aghapy failed to carry that burden and the penalty assessment will be affirmed.

Aphapy Violated Apprentices Requirements.

Sections 1777.5 through 1777.7 set forth the statutory requirements governing the employment of apprentices on public works projects. These requirements are further addressed in regulations promulgated by the California Apprenticeship Council. (California Code of Regulations, title 8, sections 227 to 232.70.)⁷ Section 1777.5, subdivision (e) and the regulation at section 230, subdivision (a) provide that prior to commencing work on its public works contract, a contractor shall notify apprenticeship programs in the area of the site of the public works project that has approved the contractor to train apprentices that it has been awarded a public works contract at which apprentices may be employed.

Section 1777.5, subdivision (g) and the applicable regulation at section 230.1, subdivision (a) require the hiring of apprentices to perform one hour of work for every five hours of work performed by journeymen in the applicable craft or trade (unless the contractor is

⁷ All further references to the apprenticeship regulations are to the California Code of Regulations, title 8.

exempt, which is inapplicable to the facts of this case). However, a contractor shall not be considered in violation if it has properly requested the dispatch of apprentices and no apprenticeship committee in the geographic area of the public works project dispatches apprentices during the pendency of the project, provided the contractor made the request in enough time to meet the required ratio. (§ 230.1, subd. (a).) DAS has prepared a form, DAS 142, that a contractor may use to request dispatch of apprentices from apprenticeship committees.

When DLSE determines that a violation of the apprenticeship laws has occurred, "... the affected contractor, subcontractor, or responsible officer shall have the burden of providing evidence of compliance with Section 1777.5." (§ 1777.7, subd. (c)(2)(B).)

Aghapy Failed to Notify Applicable Apprenticeship Committees, Request the Dispatch of Apprentices, and Employ Apprentices in the Required Ratio.

DLSE established in its prima facie case that there were seven applicable apprenticeship committees in the geographic area of the Project covering the following five crafts used on the job: Cement Mason, Electrician, Iron Worker, Laborer, and Underground Pipefitter. DLSE also established that those seven committees were not properly notified of Aghapy's public works contract. Aghapy did not rebut that evidence. Hence, it is concluded that Aghapy violated section 1777.5, subdivision (e) and the applicable regulation, section 230.

Similarly, DLSE's evidence showed that Aghapy failed to request the dispatch of apprentices for the crafts of Cement Mason, Electrician, Iron Worker, and Laborer in compliance with the applicable regulation. All requests for dispatch of apprentices must be in writing and provide at least 72 hours' notice of the date on which one or more apprentices are required. (§ 230.1, subd. (a).) Aghapy failed to introduce any evidence to rebut DLSE's prima facie showing on its failure to request for dispatch of apprentices to the Project in the crafts of Cement Mason, Electrician, Iron Worker, and Laborer.

DLSE's evidence also shows that Aghapy employed no apprentices on the Project in the crafts of Electrician and Iron Worker, and employed apprentices for insufficient hours in

the crafts of Cement Mason and Laborer.⁸ Accordingly, the record establishes that Aghapy violated section 1777.5, subdivision (g) and section 230.1, subdivision (a) for its failure to employ sufficient apprentices to meet the required 1:5 apprentice to journeyman ratio for the crafts of Iron Worker, Laborer, Cement Mason, and Electrician.

The Penalty for Noncompliance.

If a contractor “knowingly violated Section 1777.5” a civil penalty is imposed under section 1777.7. Here, DLSE assessed a penalty against Aghapy under the following portion of section 1777.7, subdivision (a)(1):

A contractor or subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding one hundred dollars (\$100) for each full calendar day of noncompliance. The amount of this penalty may be reduced by the Labor Commissioner if the amount of the penalty would be disproportionate to the severity of the violation.... A contractor or subcontractor that knowingly commits a second or subsequent violation of section 1777.5 within a three-year period, where the noncompliance results in apprenticeship training not being provided as required by this chapter, shall forfeit as a civil penalty the sum of not more than three hundred dollars (\$300) for each full calendar day of noncompliance....

The phrase “knowingly violated Section 1777.5” is defined by the regulation, section 231, subdivision (h) as follows:

For purposes of Labor Code Section 1777.7, a contractor knowingly violates Labor Code Section 1777.5 if the contractor knew or should have known of the requirements of that Section and fails to comply, unless the failure to comply was due to circumstances beyond the contractor's control.

In the Assessment, Aghapy was determined to be in violation of section 1777.5 for 164 days on which journeymen worked on the Project. DLSE deputy Rivera recommended to her supervisor the maximum \$300.00 per day penalty rate because she found that Aghapy had at least three prior apprentice violations within three years before the Assessment. The DLSE supervisor, however, chose to reduce the penalty rate to \$220.00 per day.

Based on the record, Aghapy knowingly violated the requirement of a 1:5 ratio of

⁸ Aghapy did employ some apprentices on the Project in the Cement Mason, Underground Pipefitter, and Laborer crafts.

apprentice hours to journeyman hours for apprentices. As a prime contractor and one with prior prevailing wage and apprentice violations, Aghapy must have been familiar with its obligations to notify apprentice committees, request the dispatch of apprentices in the crafts used on the Project, and employ apprentices in the 1:5 ratio. Aghapy's use of apprentices in the Laborer and Cement Mason crafts suggests both awareness of its apprentice obligations and an intentional failure to comply. Yet, the record provides no reason for Aghapy's failure to notify the applicable apprentice committees and request dispatch of apprentices in the crafts of Cement Mason, Electrician, Iron Worker, and Underground Pipefitter. While Aghapy used apprentices for 60 hours on the Project and in sufficient numbers in one craft, the 1:5 apprentice to journeyman ratio required 328 hours, according to DLSE's evidence. The shortage demonstrates a loss in training opportunities and consequent harm to the apprentice programs, within the meaning of section 1777.7(f)(1) and (2). Given these considerations, the assessment of penalties at the rate of \$220.00 for a total of \$36,080.00 is affirmed.

Aghapy Failed to Make the Required Training Fund Contributions.

Section 1777.5, subdivision (m)(1) requires contractors on public works projects who employ journeyman or apprentices in any apprenticeable craft to pay training fund contributions to the California Apprenticeship Council or to an apprenticeship committee approved by the Department of Apprenticeship Standards. Here, Aghapy was obligated by the applicable prevailing wage determinations to make training fund contributions for the workers. Aghapy made some contributions, but fell short by \$222.01. Aghapy presented no evidence to disprove the basis for, or the accuracy of, the Assessment in this regard. Accordingly, Aghapy is liable for payment of training funds in the aggregate sum of \$222.01.

Aghapy is Liable for Liquidated Damages.

Section 1742.1, subdivision (a) provides for the imposition of liquidated damages upon the contractor, essentially a doubling of the unpaid wages. It provides in part:

After 60 days following the service of a Civil Wage and Penalty Assessment under Section 1741 . . . , the affected contractor, subcontractor, and surety . . . shall be liable for liquidated damages in an amount equal to the wages, or portion thereof that still remain unpaid. If the Assessment . . . subsequently is overturned or modified after administrative or judicial review, liquidated damages shall be payable only on the wages found to be due and unpaid.

As of the September 9, 2016, date of service of the Assessment on Aghapy, the statutory scheme regarding liquidated damages provided contractors three alternative means to avert liability for liquidated damages (in addition to prevailing on the case, or settling the case with DLSE and DLSE agreeing to waive liquidated damages). These required the contractor to make key decisions within 60 days of the service of the CWPA upon the contractor. Under section 1742.1, subdivision (a) the contractor had 60 days to decide whether to pay to the workers all or a portion of the wages assessed in the CWPA, and thereby avoid liability for liquidated damages on the amount of wages so paid.

Under section 1742.1, subdivision (b) as it existed on the date of the Assessment, a contractor would entirely avert liability for liquidated damages if, within 60 days from issuance of the CWPA, the contractor deposited into escrow with the Department of Industrial Relations the full amount of the assessment of unpaid wages, plus the statutory penalties under section 1775. Also, within the 60-day period, the contractor could choose not to pay any of the assessed wages to the workers, and not to deposit with DIR the full amount of assessed wages and penalties. Instead, the contractor could choose to rely on the Director's discretion to waive liquidated damages under the following portion of section 1742.1, subdivision (a), whereby:

... if the contractor or subcontractor demonstrates to the satisfaction of the director that he or she had substantial grounds for appealing the assessment ... with respect to a portion of the unpaid wages covered by the assessment ..., the director may exercise his or her discretion to waive payment of the liquidated damages with respect to that portion of the unpaid wages.

Here, no evidence shows Aghapy paid any back wages to the workers in response to the Assessment or deposited with the Department the assessed wages and section 1775 and section 1777.7 statutory penalties. Further, Aghapy did not demonstrate to the Director's satisfaction it had substantial grounds for appealing the Assessment as a basis for the Director's discretionary waiver of liquidated damages.⁹ Accordingly, Aghapy is liable for liquidated damages in the amount of the underpaid prevailing wages, \$26,980.61.

⁹ On June 27, 2017, the Director's discretionary waiver ability was deleted from section 1742.1. (Stats. 2017, ch. 28, §16 [Sen. Bill No. 96].) Legislative enactments, however, are to be construed prospectively rather than retroactively, unless the Legislature expresses its intent otherwise. (*Elsner v. Uveges* (2004) 34 Cal.4th 915, 936.) Here, there was no expression of legislative intent that SB 96 apply retroactively to pending cases. Hence, the issue

FINDINGS

1. Affected subcontractor Aghapy Group, Inc. dba Aghapy Construction, Inc. filed a timely Request for Review from a Civil Wage and Penalty Assessment issued by the Division of Labor Standards Enforcement.
2. Aghapy Group, Inc. dba Aghapy Construction, Inc. underpaid the prevailing wages owed to ten of its workers on the Project in the aggregate amount of \$26,980.61. Accordingly, prevailing wages in the sum of \$26,980.61 are due.
3. Aghapy Group, Inc. dba Aghapy Construction, Inc. did not make required training fund contributions in the aggregate amount of \$222.01 for workers on the Project. Accordingly, training fund contributions in the sum of \$222.01 are due.
4. Aghapy Group, Inc. dba Aghapy Construction, Inc. did not prove any basis for waiver of liquidated damages. Accordingly, under section 1742.1, subdivision (a), liquidated damages in the sum of \$26,980.61 are due.
5. The Labor Commissioner did not abuse her discretion in assessing penalties under section 1775, subdivision (a), at the rate of \$120.00 per violation for 92 violations. Accordingly, statutory penalties in the sum of \$11,040.00 are due.
6. Aghapy Group, Inc. dba Aghapy Construction, Inc. knowingly violated section 1777.5 and California Code of Regulations, title 8, section 230, subdivision (a) by not issuing public works contract award information in a DAS Form 140 or its equivalent to the applicable apprenticeship committees in the geographic area of the Project site for the crafts of Cement Mason, Electrician, Iron Worker, Laborer, and Underground Pipefitter.
7. Aghapy Group, Inc. dba Aghapy Construction, Inc. knowingly violated section 1777.5 and California Code of Regulations, title 8, section 230.1, subdivision (a) by: (1) not issuing requests for dispatch of apprentices in a DAS Form 142 or its equivalent to the applicable apprenticeship committees for the crafts of Cement Mason, Electrician, Iron Worker, and Laborer in the geographic area of the Project site; and (2) not employing on the Project

of waiver must be considered in this matter. (Accord, *Kizer v. Hannah* (1989) 48 Cal.3d 1, 7, "A statute is retroactive if it substantially changes the legal effect of past events.")

apprentices in the applicable crafts of Cement Mason, Electrician, Iron Worker, and Laborer in the ratio of one hour of apprentice work for every five hours of journeyman work.

8. Aghapy Group, Inc. dba Aghapy Construction, Inc. is liable for an aggregate penalty under section 1777.7 in the sum of \$36,080.00, computed at \$220.00 per day for 164 days.
9. The amounts found due in the Assessment, as modified and affirmed by this Decision, are as follows:


Wages:	\$26,980.61
Training fund contributions:	\$ 222.01
Liquidated damages under section 1742.1:	\$26,980.61
Penalties under section 1775, subdivision (a):	\$11,040.00
Penalties under section 1813	\$ 1,425.00
Penalties under section 1777.7	\$36,080.00.
TOTAL:	\$102,728.23

In addition, interest is due and shall continue to accrue on all unpaid wages as provided in section 1741, subdivision (b).

ORDER

The Civil Wage and Penalty Assessment is affirmed as set forth in the above Findings. The Hearing Officer shall issue a Notice of Findings which shall be served with this Decision on the parties.

Dated: 6/28/18


André Schoorl
Acting Director of Industrial Relations