

NEWS RELEASE

News Release No.: 2017-84

Date: September 14, 2017

California Labor Commissioner's Office Cites Los Angeles Garment Manufacturers More Than \$370,000 for Labor Law Violations *Over \$100,000 in illegally manufactured garments confiscated*

Los Angeles—The California Labor Commissioner's Office cited 14 garment manufacturers and contractors \$372,135 for labor law and garment registration violations, following [inspections of 18 garment manufacturers last month in the Los Angeles area](#). The businesses cited employ 170 workers in the Los Angeles garment district.

The penalties included \$275,835 in fines and stop orders for seven employers operating without workers' compensation insurance coverage. Fourteen businesses were cited \$34,300 for garment regulation violations, including failure to register as a garment manufacturer, display the garment registration or maintain required records.

Investigators also confiscated 5,725 illegally manufactured garments with an estimated street value of \$103,000 from six of the businesses.

"Garment manufacturers who thwart the law threaten workers' rights and undermine honest employers in the industry, making it difficult for legitimate businesses to succeed," said Labor Commissioner Julie A. Su. "These illegal entities should take note: We will shine a light on the underground economy and those who contract with unregistered contractors will also be held accountable."

The Labor Commissioner's office is also pursuing wage theft investigations on those employers who failed to pay proper wages under the California Labor Code.

The Garment Manufacturing Act of 1980 requires that all industry employers [register](#) with the Labor Commissioner and demonstrate adequate character, competency and responsibility, including workers' compensation insurance coverage. Garment manufacturers who contract with unregistered entities are automatically deemed joint employers of the workers in the contract facility. Clothing confiscated from illegal operations cannot be sold, and will be donated to a non-profit agency that will provide the items to homeless and domestic violence shelters in the Los Angeles area.

The Labor Commissioner also administers a special wage claim adjudication process for garment workers pursuant to California's AB 633, passed in 1999. This law provides not only an expedited process for garment workers to file wage claims but also provides

a wage guarantee where garment manufacturers are responsible for wage theft at their contractors' facilities.

The [Labor Commissioner's Office](#), officially known as the Division of Labor Standards Enforcement, is a division of the Department of Industrial Relations (DIR). Among its wide-ranging enforcement responsibilities, the Labor Commissioner's Office inspects workplaces for wage and hour violations, adjudicates wage claims, investigates retaliation complaints and educates the public on labor laws.

In 2014, Commissioner Su launched the [Wage Theft is a Crime](#) multilingual public awareness campaign. The campaign defines wage theft and informs workers of their rights and the resources available to them to recover unpaid wages or report other labor law violations. Employees with work-related questions or complaints may contact DIR's Call Center in English or Spanish at 844-LABOR-DIR (844-522-6734).

Members of the press may contact Peter Melton or Luke Brown at (510) 286-1161, and are encouraged to [subscribe to get email alerts](#) on DIR's press releases or other departmental updates.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.