

## N E W S   R E L E A S E

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### **22 Southern California Restaurant Workers Owed \$1 Million for Wage Theft**

**Los Angeles**—The Labor Commissioner’s Office has cited three restaurants in Southern California \$1,065,646 for wage theft violations owed to 22 workers. Most of the workers were paid less than \$5 an hour and regularly worked more than 10 hours a day with no meal or rest breaks.

“These conditions—long hours with no breaks and subminimum wages—are classic examples of wage theft, and employers who make their profit by breaking the law will be held accountable,” said Labor Commissioner Julie A Su.

- Sanamluang Cafe in North Hollywood was cited \$833,707, with \$708,457 payable to nine workers and \$125,250 in civil penalties. Money due to the workers includes minimum and overtime wages, liquidated damages, waiting time penalties and meal and rest period premiums.
- Orchid Thai Cuisine in Arcadia was cited \$407,883, with \$307,133 payable to 11 workers and \$100,750 in civil penalties. Money due to the workers includes minimum and overtime wages, split shift premiums, liquidated damages, waiting time penalties and meal and rest period premiums.
- Orchid Thai in Baldwin Park was cited \$85,856, with \$50,056 payable to two workers and \$35,800 in civil penalties. Money due to workers includes minimum and overtime wages, split shift premiums, liquidated damages, waiting time penalties and rest period premiums.

The Labor Commissioner’s Office launched the investigation at Sanamluang Cafe in August 2017. Workers were represented by the Thai Community Development Center and Bet Tzedek Legal Services. Investigators determined that owners Surapong and Viriya Chinotaikul paid their workers a flat rate of \$50 for a 10 to 11.5 hour shift each day with no meal or rest breaks. Even after investigators met with the owners to address the violations, the employer failed to comply with labor laws. As a result, additional penalties were assessed to recover the underpayments through April 2018. Snamluang Thaifood, Inc. DBA Sanamluang Cafe and its owners Viriya Chinotaikul and Surapong Chinotaikul are jointly and severally liable for the citations levied.

The Labor Commissioner's Office launched an investigation last July into Orchid Thai and Orchid Thai Cuisine after receiving complaints from workers who had reported underpayment of wages to civil rights group Asian Americans Advancing Justice - Los Angeles. Investigators discovered that both restaurants paid their workers a flat rate of \$45 to \$50 a day for shifts of up to 10 hours, ordered workers to prepare for the day and clean up afterwards off the clock and did not pay them [split shift premiums](#) as required by law.

Orchid Thai Cuisine and Orchid Thai restaurant are both owned by Chakri, Revedee, Chavin, Charlene and Chanica Veranunt, who formed separate corporations for each of the restaurants, CTV Food, Inc. for Orchid Thai Cuisine, and C.LO Foods, Inc. for Orchid Thai. The corporations and each individual owner are jointly and severally liable for the citations at the respective restaurants.

"Organizations like the Thai Community Development Center, Bet Tzedek Legal Services, and Asian Americans Advancing Justice - Los Angeles play an important role in enforcement by helping workers come forward and tell their story," added Labor Commissioner Su. "We are grateful for their bringing these cases to our attention."

Enforcement investigations typically include a payroll audit of the previous three years to determine minimum wage, overtime and other labor law violations, and calculate payments owed and penalties due. Civil penalties collected are transferred to the State's General Fund as required by law.

When workers are paid less than minimum wage, they are entitled to liquidated damages that equal the amount of underpaid wages plus interest. Waiting time penalties are imposed when the employer intentionally fails to pay all wages due to the employee at the time of separation. This penalty is calculated by taking the employee's daily rate of pay and multiplying it by the number of days the employee was not paid, up to a maximum of 30 days.

Most workers in California must receive a paid 10-minute rest period for every four hours worked. If workers do not receive rest breaks as required by [Industrial Welfare Commission orders](#) for their occupation, the employer must pay one hour of pay at the worker's regular pay rate for each workday that the break is not provided, and [civil penalties](#) of \$50 per worker per pay period for the initial violation, which increases to \$100 each for subsequent violations.

The Division of Labor Standards Enforcement, or the Labor Commissioner's Office, is the division within the Department of Industrial Relations (DIR) with wide-ranging enforcement responsibilities including adjudicating wage claims, inspecting workplaces for wage and hour violations, investigating retaliation complaints and educating the public on labor laws.

In 2014, Labor 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 Erika Monterroza or Paola Laverde 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 Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.