

## N E W S   R E L E A S E

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### **Labor Commissioner’s Office Cites RDV Construction \$12 Million for Wage Theft Affecting More Than 1,000 Workers**

**Los Angeles**—The Labor Commissioner’s Office has cited a Southern California subcontractor for nearly \$12 million in wage theft violations that left more than a thousand workers waiting weeks or months to be paid, only to receive a portion of what they were owed.

RDV Construction, Inc. hired crews to provide framing, drywall and other trade work for hotels, apartments and mixed-use buildings around Los Angeles. Over a 21-month period, the City of Industry-based company paid employees with checks that did not clear due to insufficient funds. After the checks bounced, RDV Construction failed to pay all wages due to the workers.

“Dodging labor laws and stealing wages hurts workers and creates unfair conditions for law-abiding employers,” said California Labor Secretary Julie A. Su. “After a hard day’s work, the last thing a construction worker should have to face is a paycheck that bounces. Stealing earned wages from workers’ pockets is illegal in California and this case shows that employers who steal from their workers will end up paying for it in the end.”

The Labor Commissioner’s Office launched its investigation in January 2017 and determined that between 2014 and 2017, RDV employed more than 1,000 workers at 35 construction sites in the region, and typically worked their crews nine hours a day without proper rest breaks or overtime. Investigators also found the employer habitually and illegally withheld 10 to 25 percent of earned wages from the workers.

The citations issued total \$11,943,054 payable to workers in unpaid wages and premiums including:

- \$5,407,944 in waiting time penalties for failing to timely pay 1,089 employees
- \$1,623,020 for minimum wage violations affecting 844 employees
- \$1,692,430 in liquidated damages for those minimum wage violations
- \$1,769,782 for failing to provide proper rest breaks to 1,125 employees
- \$566,897 for failing to properly pay 1,111 workers overtime
- \$882,981 for improper wage statements issued to 1,109 employees

RDV Construction Chief Executive Officer Rafael Rivas as well as project managers Juan Rivas and Nicolas Del Villar are jointly and severally liable for the citations issued to the corporation.

The Labor Commissioner's Office launched an investigation of RDV Construction, Inc. after workers complained about pay violations to Carpenters Contractors Cooperation Committee, a non-profit labor-management organization.

"The Carpenters Contractors Cooperation Committee has been an excellent partner in identifying cases that will not only benefit the directly affected workers but also send a strong message to the industry," said Su.

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.

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.

The Department of Industrial Relations' Division of Labor Standards Enforcement, or the [California Labor Commissioner's Office](#), combats wage theft and conducts on-site inspections to investigate and enforce compliance with minimum wage and other California labor laws. Its wide-ranging responsibilities include retaliation complaint investigations, public works enforcement, licensing and registration, as well as multilingual labor law education and outreach for workers and employers.

In 2014, the Labor Commissioner's Office under Julie A. Su's leadership 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 Frank Polizzi 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.