News Release No.: 2019-37  Date: April 17, 2019

Labor Commissioner’s Office Cites Playa Vista Car Wash More Than $2.36 Million for Wage Theft of 64 Workers

Los Angeles—The Labor Commissioner’s Office issued more than $2.36 million in wage theft citations to a Culver City car wash for failing to properly pay or provide required breaks to 64 workers. An investigation at Centinela Car Wash, Inc., DBA Playa Vista Car Wash uncovered a variety of wage theft practices that are common in the car wash industry. The citations, which name the corporation’s president and general manager as jointly and severally liable, are the largest issued against a car wash business by the Labor Commissioner’s Office.

Workers were required to report to an alley next to the car wash 30 minutes before the business opened to be selected to work that day. Those not selected were typically sent home several hours later without being paid for the waiting time. Workers were also frequently required to take extended lunch breaks with no split shift premium, or worked up to 10 hours a day with no overtime pay. Managers regularly altered workers’ time cards to reduce total hours worked.

“Under California law, the Labor Commissioner’s Office has authority to cite any individual who causes minimum wage and overtime violations, including owners, corporate officers and managers,” said California Labor Secretary Julie A. Su. “Individuals acting on behalf of an employer to steal workers’ wages cannot hide behind corporate entities to avoid personal liability, all the while profiting at the expense of honest businesses that play by the rules.”

Consequently, in addition to the car wash corporation itself, the corporation’s president, Hooman Nissani and general manager Keyvan Shamshoni, were both held jointly and severally liable for the wage theft violations.

The investigation was opened in February 2018 after the Labor Commissioner’s Office received a referral from the Community Labor Environmental Action Network (CLEAN), a nonprofit that assists car wash workers. CLEAN assisted in the investigation by contacting workers who might have been victims of the wage theft, and coordinating...
with workers so that investigators could interview them about working conditions at the car wash.

In March 2018, Centinela Car Wash, Inc. was cited $10,000 for failure to register with the Labor Commissioner’s Office as required by Labor Code sections 2054 and 2060. The registration application is available online at the Labor Commissioner’s website.

The $2,365,051 citation amount includes $1,849,151 payable to workers and $515,900 in civil penalties. Of the total due to workers, $487,045 is for minimum wage violations, $146,129 in overtime wages, $688,410 in liquidated damages, $258,394 for meal and rest break violations, $64,905 for split shift violations, $188,450 for itemized statement violations and $15,638 for waiting time penalties.

The civil penalties include $124,150 for minimum wage and overtime violations, $49,350 for meal and rest break violations, $49,400 for split shift violations and $293,000 for itemized statement violations.

Investigators also issued a demand that Playa Vista Car Wash pay $19,000 to return illegal deductions from workers’ paychecks for towels used at the car wash.

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 public works enforcement, retaliation complaint investigations, 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 Peter Melton 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.

# # #

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.