WAGE CLAIMS ADJUDICATION UNIT ANNUAL REPORT PURSUANT TO LABOR CODE SECTION 96.1

Calendar Year 2022

CALIFORNIA LABOR COMMISSIONER'S OFFICE

DEPARTMENT OF INDUSTRIAL RELATIONS



Executive Summary

The Division of Labor Standards Enforcement (LCO), also known as the Labor Commissioner's Office is a division of the California Department of Industrial Relations (DIR). DLSELCOvides essential services to workers and employers in the State: adjudication of wage claims; inspections of workplaces; enforcement of prevailing wage rates and apprenticeship standards on public works projects; licensing and registration of certain businesses; investigations of retaliation complaints; criminal prosecution for wage theft; and, education of the public and businesses on labor laws.

The Wage Claims Adjudication Unit (WCA) accepts and adjudicates wage claims under Labor Code Section 98. WCA Deputy Labor Commissioners hold informal conferences between employers and employees to resolve wage disputes. If a matter cannot be resolved at the informal conference, an administrative hearing is held to make a final determination on the matter. There are 19 LCO offices located throughout the State, from San Diego to Redding, and one Garment Enforcement Unit that specializes in investigating and adjudicating wage claims in the garment industry

Claims include, but are not limited to, unpaid minimum wages, unpaid overtime, denied meal and rest periods, late payment penalties, and paid sick leave, with a total of 28 categories of potential labor law violations in a wage claim. In calendar year 2022, the WCA Unit recovered \$45,514,412.50 as a result of claims filed.

Increasingly, LCO has gained authority to enforce claims against individuals that cause these violations as well as entities in a contracting chain who perpetrate wage theft. Due to these new legal protections, enforcement tools, and increased wage theft awareness by the public, WCA has seen tremendous growth in the complexity of claims and the number of parties added to complaints. In turn, this has increased the length of the wage claim process for thousands of California workers.

While the COVID-19 pandemic disrupted the lives of workers and businesses as well as introduced unprecedented challenges to effectively providing public services across government sectors, the WCA Unit has learned and adopted new ways to accommodate workers and employers in the wage claims process and continues to leverage resources in order to enforce workplace protections.

Pursuant to Labor Code section 96.1, this report documents the wage claim adjudication process for calendar year 2022. The report also includes LCO's major challenges, ongoing efforts and options to improve the state's wage claim process.

Under Labor Code section 96.1 the Division of Labor Standards Enforcement (LCO), also known as the Labor Commissioner's Office, shall submit a report to the Department of Finance and the budget committees and relevant policy committees of the Legislature that includes the following information pertaining to the prior calendar year:

- (1) The number of wage claims submitted.
- (2) The number and type of alleged labor law violations in those claims.
- (3) The average estimated prehearing amounts of unpaid wages, penalties, and other demands for compensation, including, but not limited to, liquidated damages.
- (4) The total of unpaid wages, penalties, and other compensation, including, but not limited to, liquidated damages, agreed to in settlements enforceable by the Labor Commissioner.
- (5) The total of unpaid wages, penalties, and other compensation, including, but not limited to, liquidated damages, payable to aggrieved employees under orders, decisions, and awards issued during the reporting year pursuant to Section 98.
- (6) The total amount of wages, penalties, and other compensation, including, but not limited to, liquidated damages, arising from orders, decisions, and awards issued during the reporting year that remain unpaid.

In addition, the information provided above shall be broken down by industry sectors. The division shall also include in each annual report a discussion of the major challenges to adjudicating wage claims, ongoing efforts to address those challenges, and options to improve the state's wage claim process. A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

This report breaks down the required data elements into four sections documenting: 1) the number of wage claims and type of alleged labor law violations; 2) the average pre-hearing demands for compensation due in wage claims and total due from settlements among the parties; 3) the total amount of compensation due from orders, decisions, and awards issued by the Labor Commissioner and the amount outstanding; and 4) wage claim data broken down by industry sectors.

Finally, Section 5 discusses the challenges and ongoing efforts to address them with options to improve the wage claims process for the workers of California, and Section 6 contains tables of raw data on wage claims.

Section I

Number of Wage Claims Submitted and Types of Violations

The number of claims filed in 2022 total **39,696**, which surpasses claims filed historically. These claims allege a total of approximately **127,081** violations, including unpaid minimum wages, unpaid overtime, meal and rest break violations.

The increase in claim filings is largely attributed to a new Online Wage Claim system. In November 2021, LCO launched its Online Wage Claim system resulting in an immediate increase in wage claims. DLSELCOorted claim filing projections to surpass historical figures in 2022. Indeed, the majority of claims filed in 2022 were claims filed online and totaled more than double the claims filed in 2021.

COVID-19 pandemic, and the resulting public health concerns requiring the need for contactless services. As such, LCO was required to create new paths for workers to access the wage claim process. In response to this need, in November 2021 DLSELCOnched its Online Wage Claim system resulting in an immediate increase in wage claims. DLSE proLCOs that wage claims will surpass historical figures in 2022.

Summary wage claim data includes the following:

- The average number of alleged violations per wage claim was just over 3.3 in 2022¹.
- Of the 28 categories of violations, the majority of violations alleged in in the claims received fell into four (4) categories: waiting time penalties, unpaid regular wages, liquidated damages, late payroll violations, and paid sick leave. In all of these categories, violations alleged more than doubled compared to 2021.
- The most frequently alleged category of violations in wage claims was waiting time penalties, with a total of 25,513 violations alleged.

For a breakdown of all categories of violations to be found in wage claims and total number of violations alleged per category, please see the tables in Section VI of this report.

¹ Each wage claim may contain multiple violations

Section II

Average of Pre-Hearing Wages Due and Total Wages Agreed to in Settlements

This section provides the average pre-hearing amount of unpaid wages being sought for wage claims in 2022, and the total amount of unpaid wages agreed to in settlements enforceable by the Labor Commissioner. In addition to wages, these amounts include penalties, other demands for compensation, and liquidated damages. It should be noted that settlements reached in 2022 include settlements of claims filed in prior years. In addition, the amount of wages sought in a particular claim is a figure that is entered and updated at various phases of the claim process and is subject to change while the claim is ongoing.

Summary data for 2022 include:

- The total compensation demanded in all wage claims received in 2022 was \$456,984,282.86, and the average per claim was \$11,828.25.
- Total wages agreed to in settlements during calendar year 2022, and enforceable by the Labor Commissioner, was \$22,923,466.88.

Section III

<u>Total Compensation Found Due and Amounts Remaining Unpaid</u>

When parties to a wage claim are unable to effectuate a settlement, the process allows for a formal hearing in front of a Deputy Labor Commissioner on the merits of the claim. After a formal hearing, a written determination is issued on the claim, which includes total amounts due and penalties, if any. These determinations are known as Orders, Decisions, or Awards (ODAs) under authority of the Labor Commissioner and are enforceable through the courts.

Pursuant to Labor Code sections 96.1(a)(5) and 96.1(a)(6), total amounts due and amounts remaining unpaid pursuant to an order, decision or award, are as follows:

- Total found payable to employees in 2022 was \$43,874,481.76
- Total interest on amounts due to employees for ODAs issued in 2022 is \$6,771,066.52
- Total payments made for amounts found due in 2022 are \$7,827,831.52, and outstanding amounts due to workers totals \$36,046,650.25.

Section IV

Wage Claim Data by Industry Sectors

In order to track data by industry sector, LCO utilizes the North American Industry Classification System (NAICS) and identifies business establishments by type of economic activity. In addition to industry sector data, NAICS data is specific to industry subsectors in the United States.

The data presented below is from industries with the highest levels of wage claims and overlaps with industries prioritized by the Labor Commissioner for enforcement and compliance. Additional data is available upon request.

Top Industry wage claim data:

- Construction, Full-Service Restaurants and General Medical and Surgical Hospitals were the top three industries with a total of 8,077 wage claims, representing 21% of all wage claims statewide in 2022.
- Retail Store Industry claims represented 1,642 of claim filings.
- Home Health Care Services was an industry that saw more than double the claims filed in 2021, for a total filed in 2022 of 1,444.
- Transportation, Security Guard and Patrol Services had 1,321 and 1,201wage claims, respectively, for a total of 4% of wage claims statewide, with Security Guard claims more than double the claims filed in 2021.
- General Medical and Surgical Hospitals industry had the highest average of wages sought per claim of \$10,714.95.

The following information highlights wage claim data from five select industries: Agriculture, Construction, Home Health Care, and Retail/Restaurants. For a more detailed breakdown of wage claim data by industry, please see the attached tables at the end of this report.

Note that the summary information below uses estimates based on the average number of violations found in all wage claims. (See Section I.)

Select Industry Data Highlights

- Of the five industries examined (Agriculture, Construction, Home Health Care, and Retail/Restaurants), the estimated number of violations in wage claims was 29,232, or approximately 23% of the 127,081 violations in wage claims
- The industries examined account for 9697 wage claims, or approximately 25% of the 38,635 wage claims filed statewide in 2022.
- The average pre-hearing amounts sought in wage claims in these industries was \$11007.74, compared to \$11,828.25 statewide.

The complete list of data required by statute is contained in the tables in Section

Labor Code section 96.1 Annual Report to Department of Finance

VI for the five industries examined.

Section V

Discussion of the major challenges to adjudicating wage claims

I. Hiring and Recruitment Challenges

LCO continues to face ongoing hiring and recruitment challenges through 2022².

These challenges mainly stem from LCO's lack of delegation over hiring and limited resources in the Department's HR unit to assist DLSELCOreviewing and approving hiring documents and packets at all stages of the recruitment process.³

In addition, due to operational needs, LCO processed large batch recruitment throughout 2022, which created processing bottlenecks in the Departments HR unit due to their large size and sudden workload impact.

Accordingly, due to delays in the hiring process, applicants seek other employment opportunities before an offer of employment is presented to selected candidate.

Furthermore, many candidates fail to meet the minimum qualifications. Upon selection of a candidate for hire, DIR HR screens for minimum qualifications.⁴

² In 2019, DIR lost hiring delegation for all Civil Service appointments and CEA (executive level) exams as a result of a California State Auditor/State Personnel Board (SPB) investigative audit. All appointments required CalHR approval. DIR was not allowed to make any hires from April 2019 to mid-August 2019 while investigations were underway. SPB reinstated DIR's hiring and appointment delegation on March 4, 2021, as well as its examination delegation on May 1, 2021, after successfully completing a corrective action plan overseen by SPB and CalHR. While DIR has hiring delegation, LCO does not. All hires postings, advertisements, interview questions and final hiring clearances must be approved by DIR.

³ The hiring process mainly consists of three parts. Part I: documents needed to post a position include duty statements, organizational charts, job bulletins, & justification memorandums. Part II: documents needed for the release of applications include screening matrices and interview questions. Part II: documents needed to process a hiring clearance include, completed screening matrices, interview scoring matrices, reference checks, anti-nepotism forms, withdrawn candidate/waiver forms.

⁴ In 2022, 40 candidates selected for various classifications in different programs were issued Preliminary Withholds, pending additional information to verify minimum qualifications. 37 of these candidates were issued a Permanent Withhold as they were found by DIR HR as having failed to meet minimum qualifications.

II. Delays caused by employers failure to follow the law and growth in claim filings

As previously reported, employers failure to pay owed wages has required the legislature to pursue additional enforcement tools insisting workers be paid owed wages. These new tools require more intricate investigation and adjudication to appropriately name all responsible employers. Some of these investigations are complex in nature, which have resulted in processing time delays. For example, Labor Code sections 2810.3, 238.5, and 558.1 have granted the Division and workers the authority to hold individuals, or up-the-chain entities, accountable for the payment of wages, giving the LCO robust enforcement authority. The role of properly applying these new laws is carried by the Division, due to the fact that most workers are not familiar with these authorities and require the Division to perfect claims.

While this has enhanced the LCO's ability to enforce the laws that protect workers' rights and level the playing field among employers, which is consistent with the Division's mission to put wages in workers' pockets, it also requires deputies to engage in additional investigation and research to frame complaints and be able to include these additional liabilities. It also requires additional time to correspond and/or interact with more parties, witnesses, and representatives during conferences and hearings, as well as through the course of the case investigation.

Delays due to the need to do additional investigation are further projected to be compounded by growth in the number of claims, with a majority of claims now being filed online.

III. COVID-19 challenges

As previously reported, the COVID-19 pandemic required a sudden shift to remote operations that resulted in rescheduled and/or postponed settlement conferences and hearings. This was in order to accommodate parties unable to attend their original conference or hearing due to COVID-19 reasons, and/or due to parties' inability participate virtually as a result of limited access to technology.

In addition, LCO implemented a policy of reopening cases where a worker may have failed to pursue their claim for reasons related to COVID-19.

LCO also expedited the processing of claims alleging failure to provide paid sick leave and COVID-19 supplemental paid sick leave in order to alleviate the public health concern through recovery of wages due and education to employers. This caused such claims to take priority over other claims.

These policies and practices, while giving workers the opportunity to effectively participate in the claim process, including prioritizing COVID-19-related claims, negatively affected delays on average.

While these challenges were more prominent in 2020 and 2021, LCO continued to face similar challenges 2022.

Labor Code section 96.1 Annual Report to Department of Finance

IV. Ongoing Efforts To Address Challenges, And Options To Improve The State's Wage Claim Process

<u>Intake Investigations</u>

The LCO is seeking to hire 36 Industrial Relations Representatives (IRRs) as Intake Investigators to facilitate intake investigations as an initial step in the claim filing process, prior to scheduling the claim for a conference with a Deputy Labor Commissioner. These positions were determined by workload increases resulting from case complexity and an increase in claim fillings as a result of online wage claims. The LCO determined the need to have at least two IRRs vet all incoming claims and communicate with parties to address claim deficiencies and build the claims before a settlement conference is held. This will mitigate delays based on claim errors and provide an opportunity for early resolution.

The LCO expects to fill these positions by Summer 2023.

Remote/Hybrid Assistance

The LCO continues to leverage resources by holding conferences and hearings remotely, which allows the Division to shift certain aspects of the WCA Unit's workload across the state in order to balance workloads, address hiring challenges, and manage backlogs. In-person appearances are optional. In addition, the LCO provides on-site technology and support to those who are otherwise unable to connect virtually.

In 2022, the LCO launched two pilots to address wage claim processing times – Low Wage Industry Claim Prioritization and Concentrated Conferences.

As previously reported, in the Low Wage Industry Claim Prioritization pilot, claims in low-wage industries given priority when claims are assigned to deputies. Priority case assignments and industries are aligned with enforcement priorities. Under the pilot, deputies and hearing officers were assigned to process low-wage industry claims in four (4) offices (Long Beach, Santa Ana, Bakersfield, and Fresno). Prioritizing these claims assigned to the designated deputies and hearing officers has shown a decrease in processing times when compared to non-low wage claims. There was a 46% reduction in the number of days from the docket filing to resolution of the case.

The Concentrated Conferences project launched in August 2022. Under this effort, conferences are scheduled and held within condensed time periods, consecutively and/or simultaneously, with remote assistance from deputies from different offices, as conferences are conducted telephonically. The goal of Concentrated Conferences is to shrink the average number of days from date

of docket to conference, which will ultimately result in an overall decrease in processing claims, identifies nonviable claims, and moves forward those claims which are prepared for hearing.

LCO's first round of Concentrated Conference was held in August 2022, which focused resources to tackle delays in the San Bernardino office, with support from the LCO Diego office. San Bernardino started this effort with approximately 5,000 cases pending a conference, with the oldest cases having a docket date of July 2019. Currently, the San Bernardino office has a backlog of roughly 2,000 cases with the oldest cases having a docket date of August 2022. In 2023, the LCO will continue Concentrated Conferences for the Los Angeles, Long Beach, Oakland, San Bernardino, Sacramento, and San Diego.

In addition, the WCA Unit continued its volunteer overtime program in 2022 with the aim of alleviating lengthy wait times in the claims process and hiring challenges. The LCO expects to continue this program until we fill the majority of vacancies.

Hiring and Recruitment

Hiring and recruitment continues to be LCO's top priority.

In 2022, LCO achieved 137 hires, with 53 of these in the WCA Unit.

Recruitment prioritizations include hiring of Deputy Labor Commissioner I and Deputy Labor Commissioner II (Hearing Officers) classifications, as well as hiring Industrial Relations Representatives to assist workers in building claims at the onset of the claim process. In addition, LCO has prioritized hiring Office Technicians to facilitate docketing of claims and to prepare and serve notices of claims and notices of hearings.

The LCO has hired a Staff Services Manager I (SSMI) to lead a total of five full-time analysts to support hiring for the entire division; four of these analysts positions are expected to be filled by Summer 2023. In the interim, the LCO ongoing efforts are supported by one full-time analyst, two retired annuitants, and executive management. In addition, The LCO redirected program management staff to act as hiring liaisons to coordinate recruitments and submit hiring requests, which has resulted in a more streamlined hiring process.

In addition, DIR HR expects to hire at least one additional analyst and backfill other analyst positions, plus hire an additional SSMI to better coordinate LCO hiring and recruitment efforts, reduce vacancy rates and facilitate reaching a healthy and constant flow-basis hiring model.

The LCO continues to work closely with DIR HR to refine screening criteria in an effort to mitigate minimum qualifications withholds.

Furthermore, the LCO has implemented other best practices to tackle hiring delays and increase efficiencies, such as by posting positions with shorter filing deadlines, and advertising recruitments with the option to fill future vacancies in accordance with 2 CCR §249.3.⁵

Finally, we are working with the University of California to build a career pipeline to the LCO. These efforts include building capacity of the partner organization in understanding the civil service hiring process and requirements, saturating their networks with employment opportunities, and providing potential candidates opportunities to learn about the powerful work we do at the LCO are also advertising through our stakeholder and community partner networks, attending job fairs, and promoting job postings on social media with a newly developed

⁵ These are also known as "piggy back" recruitments, which allow the LCO to link an additional hire(s) to an active recruitment if such positions become available or vacant during the active recruitment and match the specifications of the active recruitment.

Labor Code section 96.1 Annual Report to Department of Finance

recruitment video.

Options to improve the wage claim process

I. Other efficiency/improvement measures

In 2022, the LCO is also used Senate Bill (SB) 115 funding to build capacity through training in negotiation and mediation. Such training efforts create process efficiencies in that team members are better equipped to confidently investigate claims by applying relevant negotiation and mediation techniques, as well as Trauma-Informed (TI) strategies, resulting in meaningful outcomes for workers. An initiative to become TI was launched in 2020. Trauma Informed is a perspective that recognizes trauma and commits to ending trauma and facilitating healing. TI provides an important skill set for LCO team to manage internal challenges, and those with the public, more effectively through communication and compassion. This effort will expand the LCO efforts to reach vulnerable populations and create an internal work environment that promotes wellbeing while accomplishing the division's mission.

In 2021 LCO implemented a pilot program where the Legal Unit trained and worked closely with district office team members in the WCA Unit to review claims in target industries and apply enforcement tools relevant to those industries. Rough data found that claims where additional defendants were named were more likely to recover owed wages. In 2022, LCO expanded this program to include other offices. Attorneys, managers and deputies are being trained to review claims early and work with claimants to apply these tools. This strategy has demonstrated that those claims where all responsible parties are named are more likely to be resolved and result in payment.

The WCA Unit has further redirected resources to create a training section that will facilitate the onboarding of all new hires and to ensure that procedural and substantive learning takes place immediately, and is consistent with all policies and procedures. The training section has already developed a library of materials and started to train new hires. The LCO is in the process of filling additional vacancies in the training section and expects to be fully staffed by Fall 2023.

WCA has also developed expectations and best practices - setting quantitative and qualitative standards for number of conferences and hearings to be scheduled and timing to hold these, as well as best practices for efficiently conducting these while maximizing enforcement. These instructions were launched in 2022, with an effective date of January 2023. The training section will reinforce these expectations.

In conclusion, the LCO continues implement process efficiencies to tackle length of process, including but not limited to delivering ongoing training to expand capacity and help workers build robust claims that will result in meaningful enforcement and recovery of wages.

The remainder of this report summarizes data for 2022 with respect to claim filings by type of claim and type of industry.

Section VI

Raw wage claim data.

<u>Information regarding wage claims filed statewide in 2021</u>

| Total Number of Wage Claims Submitted in 2022 | 38,635 | |
|--|--------|--|
| Number and Type of Alleged Labor Law Violations in those Claims ² | | |
| Waiting Time Penalty | 25,513 | |
| Regular Wages/Above Minimum Wages | 20,785 | |
| Liquidated Damages: Failure to Pay Minimum Wages; Failure to Pay Overtime Wages | 17,381 | |
| Late Payroll Initial or Inadvertent Violation: Penalty | 1,004 | |
| Late Payroll Willful or Intentional Violation | 10,008 | |
| Late Payroll Subsequent Violation: Penalty | 761 | |
| Rest Period Premium Wages | 5,943 | |
| Meal Period Premium Wages | 4,692 | |
| Overtime/Double-Time | 7,041 | |
| Paid Sick Leave; PSL: Other Harm or Violation; PSL: Additional Sum Due for Violation | 12,279 | |
| Vacation Wages | 3,157 | |
| Unreimbursed Business Expenses/Mileage/Reasonable Costs | 3,750 | |
| Commission Wages | 1,618 | |
| Access to Payroll Records: Penalty | 2,460 | |
| Access to Personnel Records: Penalty | 1,404 | |
| Insufficient Funds Penalties | 1,767 | |
| Unlawful Deductions | 1,331 | |
| Unlawful Tip Deductions | 658 | |

² Number and type of violations are a snapshot as of July 8, 2022. Data on violations is entered at various phases of the claims process and is subject to change while the process is ongoing.

| Piece Rate Wages | 1,000 |
|-------------------------------------|-------|
| Piece Rate Worker: Separate | 5 |
| Compensation for Nonproductive Time | |
| Piece Rate Worker: Separate | 39 |
| Compensation for Rest Periods | |
| Production Bonus | 1,273 |
| Minimum Wages | 362 |
| Reporting Time Pay | 1,045 |
| Holiday Pay | 688 |
| Split Shift Premium Wages | 280 |
| Severance Pay | 369 |
| Heat Recovery Period Premium Wages | 145 |

| Number of Claims Filed By Industry Sector in 2021 ³ | | | |
|---|-------|--|--|
| Retail Stores | | | |
| Includes: All Other Miscellaneous Store Retailers (except Tobacco Stores); Supermarkets and Other Grocery (except Convenience) Stores; All Other General Merchandise Stores; Department Stores Pharmacies and Drug Stores; Warehouse Clubs and Supercenters; Cannabis Retail; Family Clothing Stores; Automotive Parts and Accessories Stores; All Other Miscellaneous Store Retailers; Cosmetics, Beauty Supplies, and Perfume Stores; Beer, Wine, and Liquor Stores; Hardware Stores; Miscellaneous Store Retailers; Grocery Stores; Convenience Stores; Furniture Stores; Jewelry Stores; and Other Clothing Stores. | 1,642 | | |
| Full-Service Restaurants | | | |
| Includes: Restaurants and Other Eating Places; Limited Service Restaurants; Snack and Nonalcoholic Beverage Bars; and Food Services and Drinking Places. | 3,350 | | |
| Construction | | | |
| Includes: Commercial and Institutional Building Construction; Painting and Wall Covering Contractors; Residential Building Construction; Non-Residential Building Construction; Foundation, Structure, and Building Exterior Contractors; Drywall and Insulation Contractors; Landscaping | 2,518 | | |

³ Top 10 Industry categories identified.

| Services; Plumbing Heating, and Air- | |
|---|-------|
| Conditioning Contractors; Electrical | |
| Contractors and Other Wiring Installation | |
| Contractors; and Roofing Contractors. | |
| General Medical and Surgical Hospitals | |
| Includes: Offices of Physicians (except Mental Health Specialists); Hospitals; Offices of Physicians; Medical Laboratories; All Other Miscellaneous Ambulatory Health Care Services; Offices of Physicians, Mental Health Specialists; Medical and Diagnostic Laboratories; Residential Mental Health and Substance Abuse Facilities; Offices of Optometrists; Offices of Physical, Occupational and Speech Therapists, and Audiologists; and | 2,209 |
| Outpatient Mental Health and Substance | |
| Abuse Centers. | |
| Home Health Care Services | |
| Includes: Nursing Care Facilities; Assisted Living Facilities for the Elderly; Other Residential Care Facilities; Services for the Elderly and Persons with Disabilities; and Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly. | 1,444 |
| Agriculture | |
| Includes: Farm Labor Contractors and Crew Leaders; Farm Management Services; All Other Crop Farming; and All Other Miscellaneous Crop Farming. | 743 |
| Transportation (not including Air Transporta | iion) |
| Includes: Truck Transportation; General Freight Trucking; Specialized Freight Trucking, Local and Long Distance; Port Freight Trucking; Transit and Ground Passenger Transportation; and Transportation and Warehousing. | 1,321 |
| Security Guards and Patrol Services | |
| Includes: Investigation and Security Services; Investigation, Guard, and Armored Car Services; and Security Systems Services. | 1,201 |
| Employment Placement Agencies | |
| Includes: Temporary Help Services; Employment Services; and Employment | 1,195 |

| Placement Agencies and Executive | | | |
|--|---------------------------------------|--|--|
| Search Services. | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Additional data | | | |
| Addition | iai dala | | |
| The average estimated prehearing | | | |
| amounts of unpaid wages, penalties, and | \$ 11,828.254 | | |
| other demands for compensation, | | | |
| including, but not limited to, liquidated | | | |
| damages in 2022. | | | |
| The total of unpaid wages, penalties, and | \$ 22,923,466.885 | | |
| other compensation, including, but not | | | |
| limited to, liquidated damages, agreed | | | |
| to in settlements enforceable by the | | | |
| Labor Commissioner in 2022. | | | |
| The total of unpaid wages, penalties, and o | ther compensation, including, but not | | |
| limited to, liquidated damages, payable to | aggrieved employees under orders, | | |
| decisions, and awards issued pursuant to Section 98 in 2022. | | | |
| Total amount Payable to Employee(s) | \$43,874,481.76 | | |
| Total Interest Balance Due | \$6,771,066.52 | | |
| The total of unpaid wages, penalties, and other compensation, including, but not | | | |
| limited to, liquidated damages, arising from orders, decisions, and awards issued in | | | |
| 2021 that remain unpaid.6 | | | |
| Total Paid by Defendants | \$7,827,831.52 | | |
| Balance Due to Employee(s) | \$36,046,650.25 | | |

⁴ \$456,984,282.86 Total Original Pre-Hearing Amount ÷ 38,635 Total Number of Wage Claims Submitted in 2022.

⁵ \$22,923,466.88 includes amounts paid on settlements in 2022, which may include settlements on claims filed in 2022 or in years prior. Defendants may opt to pay the claim in full or partially; submit payment for conceded amounts; and/or may enter into a private settlement agreement with the plaintiff outside of the LCO.

⁶ The Balance Due to Employee(s) is a total sum of all Order, Decision or Awards where the Division does not have record of receiving payment from the Defendant(s). However, it should be noted that this data does not account for ODAs/judgments that might have been paid partially or in full outside the Division's process through collection agencies, legal assistance, and/or party-to-party direct payments.

Industry Specific Wage Claim Data

| Industry | No. of Claims | Estimated # of | Average Pre- |
|--------------|---------------|----------------|------------------|
| | | Violations* | Hearing Amounts |
| | | | Sought in Claims |
| Agriculture | 743 | 1231 | \$ 8759.31 |
| Construction | 2,518 | 9597 | \$ 11837.14 |
| Home Health | 1,444 | 2190 | \$ 16391.50 |
| Care | | | |
| Retail | 1,642 | 3866 | \$ 9734.61 |
| Restaurants | 3,350 | 12348 | \$ 9186.40 |

^{*}This figure is an estimate based on the average of 3.25 labor law violations per wage claim in 2022 as discussed in Section I above.

Ag: \$6,508,163.25 total pre-hearing ÷ 743 claims

Construction: \$29,805,917.27 total pre-hearing ÷ 2518 claims Health Care: \$23,669,328.80 total pre-hearing ÷ 1444 claims

Retail: \$15,984,233.92 total pre-hearing ÷ 1642 claims

Restaurants: \$30,774,443.30 total pre-hearing ÷ 3350 claims

| Industry | Total Compensation Settlements Due | Compensation Due Order, Decision, Award (ODA) | Interest on ODAs | ODAs Remaining Unpaid |
|---------------------|--|---|---------------------|-----------------------------|
| Agriculture | \$ \$126,719.7 8 | \$1,355,468.24 | \$182,677 .27 | \$1,251,487 .15 |
| Construction | \$1,428,921 .29 | \$4,874,664.13 | \$634,936 .93 | \$4,183,623 .52 |
| Home Health Care | \$1,229,925 .62 | \$2,682,954.23 | \$519,948 .69 | \$2,240,373 .85 |
| Retail | \$1,190,727 .19 | \$2,066,333.78 | \$380,543 .08 | \$1,540,483 .87 |
| Restaurants | \$2,009,540 .10 | \$4,815,409.34 | \$1,153,9 55.39 | \$4,243,800 .58 |