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8	BEFORE THE LABOR COMMISSIONER	
9	OF THE STATE OF CALIFORNIA	
10		
11	VICTOR SHAW, an individual,	CASE NO. TAC 52705
12	Petitioner,	DETERMINATION OF
13	VS.	CONTROVERSY
14 15	JORDAN McKIRAHAN, an individual dba JORDAN McKIRAHAN TALENT AGENCY,	
16	Respondent.	
17		
18	I. INTRODUCTION	
19	This Petition to Determine Controversy pursuant to Labor Code section 1700.44, was filed	
20	on May 17, 2019, by VICTOR SHAW, an individual (hereinafter "Petitioner"), alleging that	
21	JORDAN McKIRAHAN, an individual dba JORDAN McKIRAHAN TALENT AGENCY	
22	(hereinafter "Respondent"), failed to pay Petitioner his earnings less commissions on various	
23	commercial shoots Respondent booked for Petitioner.	
24	On November 21, 2019, a hearing was held by the undersigned attorney specially	
25	designated by the Labor Commissioner to hear this matter. Petitioner appeared in pro per and	
26	gave sworn testimony. Respondent both failed to appear and to file an Answer to the Petition.	
27	Due consideration having been given to the testimony, documentary evidence and oral argument	
28	presented, the Labor Commissioner adopts the following determination of controversy.	

## **II. STATEMENT OF FACTS**

Petitioner is an actor in commercials.

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- 2. Respondent was a licensed talent agency registered with the State Labor Commissioner and remained a licensed talent agent throughout the relevant period.
- 3. Petitioner started working with Respondent on August 15, 2013 when Petitioner and Respondent entered into an "Exclusive General Service Agreement Between Artist and McKirahan Talent Agency" a talent agency agreement allegedly approved by the Labor Commissioner calling for ten percent commission for Respondent.
- 4. The working relationship between Petitioner and Respondent was amicable until the summer of 2018, when Respondent began paying Petitioner late. Petitioner dealt with this less than professional behavior, as Respondent assured him that the delays were due to Respondent's personal issues and that Petitioner would be paid shortly.
- 5. By November 2018, Petitioner was getting fed up with having to chase down late checks from Respondent, and gave him an ultimatum to get his act together or Petitioner would need to seek new representation.
- 6. On March 22, 2019, Respondent tallied up all of the money he believed he owed Plaintiff, and promised to pay him in two checks, one for \$7,233.57 that would be mailed out on Monday, March 25, 2019, and a subsequent check for \$17,498.62 that would be sent out to arrive to Petitioner on Friday, March 29, 2019. Thus, Respondent admitted that Petitioner is owed \$24,731.57 in earnings less Respondent's commission.
- 7. Petitioner never received the two checks Respondent had promised would arrive at the end of March 2019. In early April 2019 Respondent stopped replying to Petitioner's emails.
- 8. As Respondent had disappeared, Petitioner made a claim with Respondent's Surety Company, Tokiomarine, HCC. Tokiomarine paid Petitioner \$5,217.98.
- 9. At the hearing, Petitioner submitted evidence he obtained from the payroll department of the production companies who he shot the various commercials for which Respondent had failed to pay him, and this evidence tends to corroborate the amount Respondent admitted he owed Petitioner, \$24,731.57 in earnings less Respondent's commission.

## III. LEGAL ANALYSIS

- 1. Labor Code section 1700.4, subsection (b), includes "actor" in the definition of "artist" and Petitioner is therefore an "artist" thereunder.
  - 2. At all times relevant, Respondent was a licensed talent agent.
- 3. Labor Code section 1700.23 provides that the Labor Commissioner is vested with jurisdiction over "any controversy between the artist and the talent agency relating to the terms of the contract," and the Labor Commissioner's jurisdiction has been held to include the resolution of contract claims brought by artists or agents seeking damages for breach of a talent agency contract. Garson v. Div. Of Labor Law Enforcement (1949) 33 Cal.2d 861; Robinson v. Superior Court (1950) 35 Cal.2d 379. Therefore, the Labor Commissioner has jurisdiction to determine this matter, which stems from a violation of the express terms of the Contract.
  - 4. Labor Code section 1700.25 provides in pertinent part:
  - (a) A licensee who receives any payment of funds on behalf of an artist **shall immediately deposit that amount in a trust fund account** maintained by him or her in a bank or other recognized depository. The funds, less the licensee's commission, **shall be disbursed to the artist within 30 days after receipt**. However, notwithstanding the preceding sentence, the licensee may retain the funds beyond 30 days of receipt in either of the following circumstances:
    - (1) To the extent necessary to offset an obligation of the artist to the talent agency that is then due and owing.
    - (2) When the funds are the subject of a controversy pending before the Labor Commissioner under Section 1700.44 concerning a fee alleged to be owed by the artist to the licensee.
  - (b) A separate record shall be maintained of all funds received on behalf of an artist and the record shall further indicate the disposition of the funds.

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- (e) If the Labor Commissioner finds, in proceedings under Section 1700.44, that the licensee's failure to disburse funds to an artist within the time required by subdivision (a) was a willful violation, the Labor Commissioner may, in addition to other relief under Section 1700.44, order the following:
  - (1) Award reasonable attorney's fees to the prevailing artist.
  - (2) Award interest to the prevailing artist on the funds wrongfully withheld at the rate of 10 percent per annum during the period of the violation.

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Labor Code §1700.25.

1	5. Here, Petitioner credibly testified and provided documentary evidence including	
2	email admissions by Respondent supporting his claim for \$24,731.57 in earnings (less	
3	commissions). The admission shows that Respondent was aware of his obligation to pay	
4	Petitioner, and therefore the violation is deemed willful.	
5	6. As Plaintiff received \$5,217.98 from Respondent's bonding company, that amount	
6	should be deducted from the amount owed to Petitioner by Respondent.	
7	7. Thus, pursuant to Labor Code section 1700.25(e), Respondent willfully violated	
8	Labor Code section 1700.25(a), and pursuant to Labor Code section 1700.25(e)(2), Petitioner is	
9	awarded \$19,513.59 (\$24,731.57 less \$5,217.98) in earnings less commissions withheld plus	
10	interest thereupon at the rate of 10% per annum.	
11	IV. ORDER	
12	For the reasons set forth above, IT IS HEREBY ORDERED that Respondent JORDAN	
13	McKIRAHAN, an individual dba JORDAN McKIRAHAN TALENT AGENCY, pay Petitioner	
14	VICTOR SHAW \$19,513.59 (\$24,731.57 less \$5,217.98) in earnings withheld plus interest	
15	thereupon at the rate of 10% per annum from June 22, 2019 (30 days after admitted owed)	
16	through the date of the decision, or \$844.70, for a total due and owing by Respondent to	
17	Petitioner of \$20,358.29.	
18	IT IS SO ORDERED.	
19	Dated: November 26, 2019 Respectfully Submitted,	
20	$\Omega\Omega$	
21	By: May D. Norris	
22	Max D. Norris Attorney for the Labor Commissioner	
23	ADODTED AS THE DETERMINATION OF THE LADOR COMMISSIONED	
24	ADOPTED AS THE DETERMINATION OF THE LABOR COMMISSIONER	
25	Dated: November <u>27</u> , 2019	
26		
27	By: Lilia-Garcia Brower,	
28	California Labor Commissioner	