

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

In the Matter of the Request for Review of:

Eagle Contracting, Inc.

Case No. 26-0087-PWH

From a Notice of the Withholding of Contract Payments issued by:

Los Angeles Unified School District

DECISION OF THE DIRECTOR OF INDUSTRIAL RELATIONS

Affected contractor Eagle Contracting, Inc. (Eagle) requested review of a Notice of the Withholding of Contract Payments (Notice) issued by the Los Angeles Unified School District (LAUSD) on February 5, 2026. Pursuant to California Code of Regulations, title 8, section 17227,¹ on June 12, 2026, the appointed Hearing Officer, Steven A. McGinty, served an Order to Show Cause Why Request for Review Should Not Be Dismissed as Untimely under Labor Code section 1742, subdivision (a) (OSC).² Section 1771.6, subdivision (b), indicates that a Notice is reviewable under section 1742 in the same manner as a civil penalty order of the Labor Commissioner. Section 1742 mandates that a request for review be transmitted within 60 days after service of the Notice.

For the reasons stated below, I find that the time limit for requesting review is mandatory and jurisdictional, and that Eagle's Request for Review was not filed timely. Accordingly, the Request for Review must be dismissed.

FACTS

LAUSD issued the Notice against Eagle on February 5, 2026. (Proof of Service and Certificate of Service attached to Notice dated February 5, 2026.) Eagle filed a

¹ For ease of reference, individual sections of the Department of Industrial Relations prevailing wage hearing regulations found at California Code of Regulations, title 8, section 17201 et seq., are referred to as "Rules" using only their last two digits. (Rule 01, subd. (d).)

² All statutory references are to the Labor Code unless specified otherwise.

Request for Review dated April 30, 2026, according to the date on the letter requesting review addressed to Jessica Tam, Labor and Contract Compliance Administrator of LAUSD. The letter bears a stamp "LAUSD-LCO, 2026 May -5 AM 11:28." Eighty-four days elapsed between the date LAUSD issued the Notice and the date on the letter Eagle sent to LAUSD requesting review.

Notice of the right to seek review is found at the top of page three of the Notice. The notice states in part:

Notice of Right to Obtain Review – Formal Hearing

In accordance with Labor Code sections 1742 and 1771.6, an affected contractor or subcontractor may obtain review of this Notice of Withholding of Contract Payments by transmitting a written request to the office of the Labor Compliance Department that appears below within 60 days after service of the notice. **To obtain a hearing, a written Request for Review must be transmitted to the following address:**

Jessica Tam, Labor and Contract Compliance Administrator
Los Angeles Unified School District
Facilities Services Division
Labor Compliance Department
P. O. Box 513307
Los Angeles, CA 90051-1307

The Hearing Officer provided the parties 10 days to file a response in writing to the OSC and five days to reply to any submission by any other Party. Neither party filed a response to the OSC.

DISCUSSION

A Notice issued under section 1771.6 is reviewable under section 1742 in the same manner as a civil penalty order of the Labor Commissioner. (§ 1771.6, subd. (b).) Section 1742 mandates that a request for review be transmitted within 60 days after service of the Notice. If no hearing is requested within that period, "the assessment shall become final." (§ 1742, subd. (a).) Rule 22, subdivision (a), restates the 60-day filing requirement, and expressly provides that, "Failure to request review within 60

days shall result in. . . the Withholding of Contract Wages [*sic*] becoming final and not subject to further review under these Rules.”

Rule 27 governs the early disposition of a request for review that appears untimely. Under the rule, the hearing officer issues an order to show cause why the request for review should not be dismissed as untimely under section 1742. The order is served on all parties and provides the parties an opportunity to respond to the order and to reply to any submission by any other party. Evidence in support or opposition to the order is submitted by affidavit or declaration. (Rule 27, subds. (a) and (b).) There is no right to an oral hearing under the rule. (*Id.* subds. (b) and (c).) The rule expressly authorizes the Director to dismiss a Request for Review that is untimely under section 1742. (*Id.* subds. (c) and (d).)

This case proceeded under Rule 27. The Hearing Officer issued an OSC. Neither Eagle nor LAUSD filed a response.

The evidence in the record established that the last day to transmit a written request for review in this matter was April 13, 2026.³ The Notice became final on April 13, 2026. Therefore, under section 1742, Eagle’s Request for Review dated April 30, 2026, was untimely. The Director is without jurisdiction to proceed on the untimely Request for Review. (§ 1742, subd. (a); Rule 22, subd. (a); see also *Pressler v. Donald L. Bren Co.* (1982) 32 Cal.3d 831 [where the time for filing is mandatory and jurisdictional, a late filing may not be excused on the grounds of mistake, inadvertence, or excusable neglect]; *REO Broadcasting Consultants v. Martin* (1999) 69 Cal.App.4th 489 [same].)

Had Eagle filed a Request for Review timely, it would have vested the Director with jurisdiction to review the Notice and to conduct a hearing as necessary. Eagle

³ The Notice issued on February 5, 2026. The sixtieth day following service of the Notice was April 6, 2026. When service of the Notice is by first class mail, the right to request review is extended by five days. (Rule 03, subd. (c).) The 65th day after February 5, 2026, was Saturday, April 11, 2026. Since Saturday, April 11, 2026, was not a Working Day (Rule 02, subd. (o)), the last day to transmit the Request for Review was extended to the next Working Day, Monday, April 13, 2026. (Rule 03, subd. (a).)

failed to do so. The time limit is mandatory and jurisdictional, and accordingly, the Notice is final. (§ 1742, subd. (a).)

Based on the foregoing, the Director makes the following findings:

FINDINGS

1. Eagle Contracting, Inc. did not timely request review of the Notice of Withholding Contract Payments issued February 5, 2026.
2. The Notice became final on April 13, 2026.
3. The Director has no jurisdiction to proceed on the untimely Request for Review filed by Eagle Contracting, Inc.

ORDER

Eagle Contracting, Inc.'s Request for Review is dismissed. The Hearing Officer shall issue a Notice of Findings that shall be served with this Decision on the parties.

Dated: 7/14/26



Jennifer Osborn, Director
California Department of Industrial Relations