# **APPENDIX 20**

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6	LAKSIRI PERERA,		
	Plaintiff,	) CASE NO: A14-707425-C	
7	VS.	) DEPT. VII )	
8	WESTERN CAB COMPANY,		
9	Defendant.		
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12	BEFORE THE HONORABLE LINDA M. BELL, DISTRICT COURT JUDGE		
13	THURSDAY, OCTOBER 8, 2015		
14	RECORDER'S TRANSCRIPT OF		
15	ALL PENDING MOTIONS		
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17	APPEARANCES:		
18			
19	For the Plaintiff:	LEE GREENBERG, ESQ.	
20	Fourth of Defendants	NALANII KOTOUKA FOO	
21	For the Defendant:	MALANI L. KOTCHKA, ESQ. JOHN MORAN, JR., ESQ.	
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25	RECORDED BY: RENEE VINCENT, COURT RECORDER		
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#### Thursday, October 8, 2015 - 10:17 a.m.

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20 22 23 MS. KOTCHKA: Good morning, Your Honor.

THE COURT: Good morning.

MS. KOTCHKA: Melani Kotchka for Western Cab.

MR. GREENBERG: Good morning, Your Honor. Leon Greenberg for Plaintiffs.

MR. MORAN: John Moran present, Your Honor.

THE COURT: Good morning. All right. Let me see here.

#### [Pause]

THE COURT: All right. So this is on for the -- it's actually not on for this, but it's supposed to be on for the motion to amend the complaint. I don't know why it didn't get calendared, but it's on for a status check and a motion to amend. So, Mr. Greenberg, whenever you're ready.

MR. GREENBERG: Good morning, Your Honor.

THE COURT: Good morning.

MR. GREENBERG: This is on for Plaintiff's motion to amend the complaint. I would begin by stating that it's really almost in a posture of a further motion to dismiss, Your Honor, in respect to the opposition. The opposition doesn't address, you know, timeliness of the amendment, for example, or anything of that sort. It goes to these ascertains that there are fatal errors in the legal posture of the case or the way the claims are alleged, which I'm happy to address directly to the Court right now.

THE COURT: Sure. That would be great.

MR. GREENBERG: They were discussed in a reply that was filed --

THE COURT: Right. I have that, too.

MR. GREENBERG: Okay. Thank you, Your Honor. In respect to the additional Plaintiffs, Mr. Sargeant and Mr. Ahmed, there's an allegation raised that these individuals, in fact, possess no claim based upon Defendant's records. Your Honor dealt with this issue in the first motion to dismiss, which, I believe, was argued back around January or February of this year, and you issued an order on that, which is that Exhibit A of the reply. It's the same circumstance here.

There are disputed factual issues. There was an imposition that these individuals paid for fuel for cabs out of their own pocket, which had the effect of reducing their hourly rate below the applicable minimum wage. We have their declarations, which I've annexed to my reply, along with calculations, verifying that based on their sworn statements and Defendant's records, if we do those calculations, we are going to come up with a deficiency.

So there is clearly an issue of fact that's presented in the record here in respect to that issue, and, again, this is identical to the issue Your Honor considered in the first motion to dismiss Mr. Perera has claimed and which Your Honor objected in your prior order at Exhibit A of the reply.

Defendant is now asserting that there's a lack of jurisdiction by this Court over the class action claims because there's no clear indication that any of the named Plaintiffs are individually asserting damages in excess of the \$10,000 amount. That is most simply disposed of by the fact that there are equable relief claims in this case for injunctive relief.

For example, the amended complaint specifically wants the

Court's assistance in remedying this issue of the gasoline charges because that has an effect of inflating falsely the earnings of the Plaintiffs and resulting in false reporting to the IRS and tax consequences, as well as continuing equitable relief to terminate that policy or to enforce the minimum wage requirements against the Defendants.

So under the *Edwards* case -- this is from 2000 -- *Edwards* v. *Emperor's Gardens* is the most recent one. That was 2013. That claim for equable relief has to be before this Court. The Justice Court wouldn't have jurisdiction over that, and so that clearly vests jurisdiction in this Court.

In addition, Defendants are relying on a line of authority in making that argument dealing with the status of diversity jurisdiction in the federal courts. To the extent that Nevada has looked at this question of jurisdictional limitations in terms of damage claims, it appears to have actually adapted the aggregation standard, meaning that you would aggregate the claims, all of the claims, if you're examining the individual -- you know, if you're examining the sufficiency of the damages for jurisdiction purposes. On the class case you would actually aggregate all of the individual claims together as a group, not require that each individual in the class meet the damages threshold.

If I may make a further argument, the National Labor Relations

Act renders the minimum wage amendment entirely inoperative. That claim is
not cognizable because we have this decision in *Fort Halifax Packing*, which
comes about a year after the authority in *Golden* -- I think it's Golden Bay or
Golden State Cab case, which Defendants relied upon --

THE COURT: Golden, State Transit?

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MR. GREENBERG: Excuse me?

THE COURT: Golden State Transit?

MR. GREENBERG: Golden State Transit, right. Defendants do not discuss Fort Halifax, which came out a year after Golden State, Fort Halifax actually discusses Golden State Transit. And what Fort Halifax tells us is that it's completely proper for a state to impose an across-the-board minimum labor standard. In this case it's minimum wages. In Fort Halifax it was a requirement that all employers provide a certain minimum amount of severance pay in the event of a plant closing. It only applied to employers of a certain size, but it was an across-the-board requirement.

The fact that that would interfere allegedly or interact with negotiations or collective bargaining between an employer and their union was found by the Supreme Court simply to not be within the scope of the National Labor -- National Labor Relations Act's preemption because the act doesn't preempt all state regulation of labor standards or working conditions.

If it did, for example, Your Honor, essentially, the states would have no power whatsoever to regulate any aspect of a workplace because even things like unemployment compensation or workers' compensation for on-the-job injuries or health and safety standards in the workplace would all be preempted automatically under Defendant's theory because they intrude upon the free market, and they impair the freedom on employers and labor unions to negotiate standards. Because those are all subjects, you know, on-the-job injury compensation, worker safety, severance pay as in Fort Halifax Packing, whatever it might be, or minimum wages as in this case. Those are all subjects that employers and unions can negotiate and agree upon standards,

standards that exceed whatever standard the state may impose as well, but they don't preempt the state's regulation of those traditional areas, but state concern, and that's what *Fort Halifax* tells us.

Now, to the extent that there's a way to distinguish our situation from Fort Halifax -- and there is a distinction here in this case, which Defendants do point out -- which is that the Minimum Wage Amendment does allow the union and an employer to waive the Minimum Wage Amendment's requirements. So, essentially, there is a carve-out in the Minimum Wage Amendment that gives the employer and the union, if they both agree in a collective bargaining agreement, to not have to follow the standard that the state is imposing upon every non-union employer in the State of Nevada.

Now, whether that carve-out -- because that is different than Fort Halifax, and whether that carve-out provision actually is meaningful is an interesting academic question, Your Honor, because under the National Labor Relations Act, since it is federal law and it governs the collective bargaining relationship between employees and employers, it preempts any contrary or intruding federal reg -- you know, state regulation.

So, for example, there's a good argument that under the National Labor Relations Act, even if that provision was not present in the Minimum Wage Act, the Minimum Wage Act is completely silent and said simply you must pay the standard to everybody in the State of Nevada, if the union and employer got together, entered into a collective bargaining agreement under federal law waiving that state protection, there is significant support for the proposition that that waiver would be valid and would actually preempt the state law in that situation.

And this is discussed -- I believe it's at page 10 of my brief.

This is suggested in the *Livadas v. Bradshaw* case by the United States

Supreme Court. But, again, this is an academic issue, Your Honor, because if that provision of the Minimum Wage Act -- excuse me, the minimum wage constitutional amendment in Nevada actually is improper, the Court is simply going to have to sever it, and the courts could declare that -- as part of its decision in this case that that provision, that opt-out provision or carve-out, whatever you wish to call it, is not effective.

And under the constitutional amendment, the rest of the -- the rest of the amendment would remain in effect. This was an issue we brought before your Court's attention in the last argument on this case, which touched on a similar preemption issue involving ERISA that was alleged, but we're not here to reargue that, Your Honor. I'm just reminding Your Honor that the severance issue was raised --

THE COURT: I didn't forget it yet.

MR. GREENBERG: Yeah. So Your Honor may be familiar with that. So my point is, that that argument, to the extent that it has any actual relevance or concern to the Court, is not dispositive of this case, and I -- and it's not dispositive of these individuals' claims. They're not subject to a collective bargaining agreement that was ever entered into by the employer and the employee.

There's an assertion now that the Plaintiffs' lack standing to seek equitable relief. That assertion is not actually detailed by citation to any authority by Defendants. As explained in my brief, there is a -- how does one say, a basis within federal jurisprudence and federal jurisdictional doctrine

under Article 3 to support that claim, but this Court doesn't operate under the case in controversy, standards or pecuniary state standards that have developed under Article 3 of the United States Constitution and that limit the jurisdiction in federal district courts.

And, again, this is discussed in my brief, the *Stockmeier* case from the Nevada Supreme Court, and there's an additional important case that I cite where they make quite clear that standing in Nevada is broadly construed, it is not limited in that fashion, and, clearly, given the language of the constitutional amendment which grants the employee the right to seek any relief to cure a violation, it's not the question of actually curing an injury to the Plaintiffs.

So to the extent that the lack of standing argument revolves this theory that, well, the current employee has no standing to seek equitable relief in the present — excuse me, former employee has no standing to seek equitable relief for present problems or future problems because they will sustain no personal injury from those alleged problems or violations of the law, the Minimum Wage Amendment itself confers that standing by saying that you can bring an action to cure the violation of the Minimum Wage Amendment. So it's not a question of curing a damage or an injury to the individual.

There are arguments presented, which I'm not going to get into, which were already submitted and argued to the Court. Defendants raise a second --

THE COURT: Mr. Greenberg, do you think that an individual employee, though, would have standing to bring that type of action?

MR. GREENBERG: Well, the issue -- and, again, to discuss this in

terms of the background of the federal jurisprudence on this, looking at it in the Article 3 context, we have the *Wal-Mart v. Dukes* case. This is discussed at page 10 of my brief. And illustrative of this is the *Smook v. Minnehaha County*.

In Smook v. Minnehaha County, for example, a bunch of former juvenile detainees in a facility, who had been released from the facility, brought a 1993 type action of seeking equitable relief to cure ongoing constitutional violations of the treatments of the detainees in the facility, and the federal district court said, no, you do not have standing to seek that kind of equitable relief because you're not actually current in the facility, and there's no -- there's no personal injury to you that is accruing. You have no personal stake. There is no case in controversy before the Court within the meaning of Article 3 of the Constitution.

So that is essentially the position that -- again, Defendants do not articulate the basis in their brief for their no standing argument. They simply assert we don't have standing to seek this relief or discuss any of this jurisprudence, but the Court may well wish to look at it.

So in that situation that I just outlined, no, there is no federal jurisdiction in the federal court, but as I discussed just after that on page 10 of my brief, in *Stockmeier* and *Hantges v. City of Henderson*, the Nevada Supreme Court has expressly rejected Article 3 standing analysis for this Court and for jurisdiction of the courts in the State of Nevada because you don't have to show as -- as it was in *Stockmeier*, they don't have to show redressablity, injury, causation to have standing to seek a remedy. It's a question of what the purpose or the intent is of the law, and there's a general

presumption of broad standing to enforce the rights and public interests that are set forth in the law.

And, certainly, given the language of the Nevada constitutional amendment, as I was discussing with Your Honor, these individuals have standing to cure violations of the law that have occurred. The only requirement is that they actually be an employee or had been an employee of the employer. So, anyway, they do have a personal stake in this litigation. Obviously, they have a personal stake. They're also claiming damages for past conduct by the employer, but they also have standing to seek continuing relief, future relief.

Your Honor, the standing analysis that I'm communicating to the Court was rejected. The fact of leaving injunctive relief provisions of the constitutional amendment would be rendered virtually nil because whenever any employee would bring a claim against the employer saying, look, they're violating the law here, they're not paying minimum wage, enjoin them, they get fired, and then they lack standing, and then the employer essentially has a get-out-of-jail-free card. And that's what it would amount to if we were to adopt the Article 3 standing analysis the Defendant is essentially urging upon this Court as discussed in *Smook* that I was just going over with the Court.

In respect to the other issues that are raised, as I said, there are arguments that are resubmitted regarding these other issues that the Court reviewed and had submitted at the last hearing. I don't want to address any of that.

THE COURT: Right. Thank you.

MR. GREENBERG: There's an argument made that these labor

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commissioner regulations without the constitutional amendment are invalid. I don't know understand how that has anything with the case currently before the Court. If Defendants are -- and there's also a separation of powers argument that is made that I do not understand in Defendant's submission. If Defendants are going to elaborate on that further or somehow explain that more, I'd like an opportunity to --

THE COURT: Absolutely.

MR. GREENBERG: -- just rebut on that. And the only other thing I just want to bring to the Court's attention is there's an allegation here that Mr. Sargeant, who's one of the proposed additional Plaintiffs in this case, is a serial plaintiff and somehow that renders him inadequate as a class representative on page 11 and 12, concluding part of my reply papers.

I discussed that the case law on this issue does not support the Court making any distinction on the basis that this individual has been involved in other class action litigations against other taxi companies over these sort of issues. In fact, it may make him a better representative because it shows his commitment to the vindication of the class' interest.

THE COURT: Okay.

MR. GREENBERG: I really just repeated what's in my submission, Your Honor.. Tried to answer the Court's questions or inquiries. If there's nothing else, I don't want to repeat myself further.

THE COURT: Nothing else right now. Thank you.

MR. GREENBERG: Thank you.

THE COURT: All right. How are you?

MS. KOTCHKA: I'm fine. Thank you. All right. According to the

 declaration of Danny Thompson, which is Exhibits 1 through 3, which we furnished the Court, the Nevada AFL-CIO drafted the Minimum Wage Amendment to the Nevada Constitution. Thompson states this law helped increase the compensation of AFL-CIO members in Nevada and helps level the playing field between non-union employers and unionized employers.

He goes on to say that most unionized employers provide health benefits, regularly meeting the Minimum Wage Amendment standard of not costing employees more than 10 percent of their gross income, while a number of non-union plans are reported to be failing such standards inside Nevada. It's our contention that this law is within a zone protected and reserved for market freedom.

We brought your attention to the *Chamber of Commerce of U.S. v. Brown* case, decided in 2008, in which the Supreme Court addressed a California statute which prohibited several classes of employers who received state funds from using the funds to assess, promote or deter union organizing. The U.S. Supreme Court held that California's law was preempted under the Machinists Preemption because it regulated within a zone protected and reserved for market freedom.

Here the Minimum Wage Amendment does exactly the same thing. Thompson states: "Members of some Nevada AFL-CIO affiliates receive wages below 8.25 per hour, but also receive health benefits from their employer which qualified their employer to the lower minimum rate under the state constitution." He continues and states: "That unionized employers in the state compete constantly with non-union employers paying only the state minimum wage, particularly in the restaurant industry."

He states that: "If non-union employers were allowed to lower wages to pay only the lower federal minimum wage, there would be large amounts of business loss by unionized employers and losses to union members of paid hours worked, tips and jobs and losses and dues income to AFL-CIO affiliates." And that's contained in Exhibit 2.

Here the Minimum Wage Amendment, which help increased the compensation of AFL-CIO members in Nevada and helps level the playing field between non-union employees and unionized employers, it's a law within a zone protected and reserved for market freedom. The Supreme Court in *Brown* found that the legislative purpose of California's law was not the efficient procurement of goods and services, but was in furtherance of a labor policy. Here, according to Thompson, where this Minimum Wage Amendment is meant to increase the compensation of AFL-CIO members, is in furtherance of a labor policy.

In Chamber of Commerce of U.S. v. Bragdon, 64 F.3d 497, the Ninth Circuit decided in 1995 that an ordinance passed by a county in California, which required all employers to pay prevailing wages to their employees on certain types of private industrial construction projects costing over 500,000 also violated federal labor policy.

THE COURT: Ms. Kotchka, I'm sorry to interrupt you. I just want to make sure we're not getting too far afield of -- this is a motion to amend the complaint, so I'm not sure how --

MS. KOTCHKA: An argument that the amendment is unconstitutional goes to the futility of allowing the amendment.

THE COURT: All right. Thank you.

MS. KOTCHKA: Okay. So in the *Bragdon* case, the ordinance provided that employees could sue for unpaid wages if they had not been paid a prevailing wage. The Ninth Circuit found that the ordinance was preempted because it frustrated the purposes of the National Labor Relations Act.

The Ninth Circuit analyzed the hourly wages and hourly benefits and concluded that the ordinance affected the bargaining process in a much more evasive and detailed fashion than the isolated statutory provision of *Fort Halifax*. Fort Halifax is the case that Mr. Greenberg just addressed, and I'm going to address it very shortly.

The *Bragdon* court said that the ordinance there like the Minimum Wage Amendment here was more properly characterized as an example of an interest group deal in public interest clothing. Here the AFL-CIO, which is an interest group, drafted a constitutional amendment whose purpose was a prohibited one under federal labor law.

Fort Halifax, Fort Halifax was decided by the Supreme Court in 1987. It concerned a statute out of the State of Maine, which provided for a one time severance whenever an employer closed its business. In addressing the issue, the court pointed out that that particular provision provided the same protection to individual union and non-union workers alike and thus neither encouraged nor discouraged the collective bargaining processes that were the subject of the National Labor Relations Act.

Here we have a two-tier minimum wage floor that was designed by the AFL-CIO to level the playing field between union and non-union companies. This is not a minimal employment standard. The main statute applied equally to union and non-union employees. Here the AFL-CIO states

that the minimum wage does not apply equally to union and non-union workers and that the entire purpose of the two-tier floor is to favor union employees and union companies, and, therefore, the Minimum Wage Amendment is preempted by federal labor law. The Nevada Supreme Court has held on -- I think I count four or five occasions, that federal law preemption controls in other areas. They have not dealt specifically with this one.

We draw the Court's attention to the *Rolf Jensen & Associates, Inc.*, case. It's cited in our brief. It's 282 P.3d 743, in which the court found that a state law claim for contractual indemnity against a consultant was preempted by the Americans With Disabilities Act. In *NanoPierce Technologies, Inc.*, be depository trust in *Clearing Corporation*, 168 P.3d 73, the Nevada Supreme Court held that claims for misrepresentation were preempted by the Securities Exchange Act.

In Marcoz v. Summa Corporation, 801 P.3d 1346, the Supreme Court held that an employer's allegation of bad faith termination for the purpose of saving or reducing an employer's obligation for future contributions to an employee's retirement plan was preempted by ERISA, And Union Pacific Railroad Company v. Harding, 958 P.2d 87, the Nevada Supreme Court held that the Federal Railway Labor Act preempted the railway's indemnity in contribution claims.

We would also ask the Court to review the Standard Oil

Company v. Agsalud decision. It's 633 Nev. 2nd 760, decided by the Ninth

Circuit in 1980 and 520 South Michigan Avenue Associates, which is at 549

F.3d 1119, decided by the Seventh Circuit in 2009.

Then I'd like to move on to the Court's jurisdictional limit, which Mr. Greenberg addressed. You notice that nowhere in the discussion did Perera really dispute that he does not have a claim for \$10,000, nor does he allege that either Ahmed or Sargeant have such a claim. In Nevada, he says that the Nevada courts aggregate the claims, but he did not cite any case to you, and we could not find any case where Nevada had specifically addressed this. There's a slew of federal law that requires that each class member meet the jurisdictional limit for federal court jurisdiction, and we believe that when the Nevada Supreme Court finally gets to this issue, that it will decide similarly.

At the end of his pleading, which we've now deemed the third amended complaint, even though it says second amended complaint on it, Perera and Ahmed and Sargeant just have a very abbreviated and uninformed -- uninformative prayer for relief, simply stating that they demand relief in a jury trial wherever appropriate. Of course, a jury trial is not appropriate as to equitable relief. They have two claims. We've been over the claims. The one is the Minimum Wage Amendment; the second one is the severance pay or 608.040 cause of action. Both of them demand money damages.

And buried within paragraph 19, there is -- it begins with the named Plaintiffs on behalf of themselves and the proposed Plaintiff class members seek a judgment, and he describes what the judgment is, and then right in the middle it says, "A suitable injunction and other equitable relief barring the Defendant from continuing to violate Nevada's Constitution." And that is the only reference in this third amended complaint to equitable relief.

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Normally, when people seek equitable relief, they ask for the elements of equitable relief, including an irreparable harm allegation, and there are no words like that in this third amended complaint. In the *Great-West Life & Annuity Insurance Company v. Knudson* case at 534 US 204210 in 2002, the United States Supreme Court said almost invariably suits seeking, whether by judgment, injunction or declaration to compel the defendant to pay a sum of money to the plaintiff, are suits for money damages as that phrase has traditionally been applied since they seek no more than compensation for a loss resulting from the defendant's breach of a legal duty, and money damages are, of course, the classic form of legal relief.

Edwards v. Direct Access, which is relied upon by Mr. Perera, does not fall within the injunctive relief exception to the \$10,000 monetary threshold for District Court jurisdiction. In that case the plaintiffs were seeking statutory damages and injunctive relief for past and potential future uninvited invasions of their privacy by defendant's repeated violations of the Federal Telephone Consumer Protection Act of 1991.

That particular act created a private right of action to pursue multiple remedies, including injunctive relief barring additional unwanted contacts, actual damages or \$500 per violations and treble damages if the Court determined the statutory violations to be willful or knowing violations of the law.

So when the court went through that particular case, they added up all of the allegations that were made in the complaint and analyzed it as follows: "Under the TCPA's damages provision, Edwards can claim damages for actual monetary loss or \$500 in damages for each violation, plus

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treble damages for willful and knowing violations. Edwards did not claim any actual monetary damages as a result of Direct Access's facsimiles. There's a computation under the alternative method is required. Edwards claimed damages for six unauthorized facsimiles.

Six TCPA violations multiplied by \$500 for each violation equals \$3,000. Assuming that the District Court finds that Direct Access willfully and knowingly violated the TCPA, Edwards could recover 9,000 under the treble damages provision. This amount exceeds a \$7500 jurisdictional threshold for the District Courts when the complaint was filed in 2003. The District Court incorrectly concluded that to a legal certainty, Edwards' damages claims were worth less than the then applicable jurisdictional amount.

The Supreme Court then concluded that since Edwards separately can claim that he was entitled to an injunction, he also had an independent basis for the District Court's jurisdiction as well. Here, however, the only injunctive relief that is requested is an injunction to require the employer to follow the law. That's not -- that's not a true request for injunctive relief. Everybody -- I mean, the employer already knows after *Thomas* was decided that it has to comply with the law. And, moreover, none of the people here have standing to allege injunctive relief because they are all past employees and not current employees.

THE COURT: What about Mr. Greenberg's point that then no one could ever sue because if you don't want someone to sue you, then you just fire them and they don't have standing?

MS. KOTCHKA: Well, I think --- I think that's a ridiculous contention.

He hasn't shown that we've ever fired anyone for --

THE COURT: Well, I don't think he was suggesting that. I think we were talking hypothetically. If the rule is you only have standing to bring a claim for equitable relief if you're a current employee, doesn't that put the employer -- and absolutely no suggestion that your client was doing anything inappropriate, but just in general, put the employer in a position where if they don't want somebody to sue them, they just have to fire them?

MS. KOTCHKA: Well, I suppose if you think that the injunction is the only way to enforce the act, that that might be possible, but the Minimum Wage Amendment within its own contours provides a remedy for people who assert a claim under minimum wage and then are fired, and it specifically prohibits it, and it gives remedies for it. So, I mean, the remedy could be an injunction that puts the employee back to work, but it would have to be an employee that actually suffers a tangible injury.

We have a long-standing history of requiring an actual judicial controversy as a predicate to judicial relief, and I'm relying on the *Roe v. Bryan* case at 728 P.2d 443 at 1986. In that case the Supreme Court said that homosexuals who had never been arrested for violating a sodomy statute did not have standing to seek declaratory relief, and so, therefore, I still -- I think you have to suffer some sort of injury before you'd be able to come forward and seek injunctive relief. And these employees who -- the only ones involved in our action so far, Perera, and then Ahmed and Sargeant are seeking to be added, but they are all past employees who voluntarily quit. I mean, none of them alleged that they were -- that they were terminated and --

THE COURT: Well, no, but I don't think that was the point. I think the

point was just in general, if you lack standing -- because you're not a current employee, if you lack standing to bring any sort of injunctive relief because you're not a current employee just creates kind of a strange situation in terms of what the employer can do to manipulate that, if they chose to do that. Not that it happened in this case.

MS. KOTCHKA: Okay.

THE COURT: I'm just talking about sort of what the rule is in general.

MS. KOTCHKA: Well, unless you allege irreparable harm, you're not going to be entitled to injunctive relief, and I think since you have a law that applies to the employer, and it's going to continue to apply to the employer, I don't know how you can show irreparable harm to get an injunction to say, employer, you shall comply with the law in the future.

I mean, he's asking for an injunction for prospective relief, you know, for something in the future, not for something that's happened in the past, so I still don't -- I think it would have to meet all the requirements of an injunctive remedy, and I don't think he's even alleged the basis of it in this case.

He very briefly says that -- at the end of the brief anyway, that there's no jurisdiction in the Justice Court, but that's not true, Your Honor. Article 6, Section 6 of the Nevada Constitution says: "The District Courts have original jurisdiction in cases excluded by law from the original jurisdiction of the Justice Courts." Then NRS 4.370(S) gives Justice Courts jurisdiction in actions transferred from the District Court, and Subsection O provides for jurisdiction of the Justice Court over small claims actions under Chapter 73. And if you go to Chapter 73, it's now been amended to provide for claims for

recovery of money up to \$10,000.

And, finally, Your Honor, to just address the specific declarations, neither Ahmad nor Sargeant states what their gas charge was per day. Neither one of them says that they can -- they spent the exact cost for gas on any specific days, and, therefore, there's no evidentiary support for Exhibit G, which is really not described anywhere as to how they got -- how they got to that chart.

Moreover, Your Honor, then Minimum Wage Amendment does not require that Western Cab pay for gas. The only prohibited offset in the Minimum Wage Amendment is tips or gratuities. The amendment specifically states: "Tips or gratuities received by employees shall not be credited as being any part or offset against the wage rates required by this section. There is no prohibition against any other sort of offset."

The affidavit of Martha Sarber, Exhibit 5, shows that she did not consider tips when computing Ahmed's and Sargeant's hourly wage.

Moreover, Ahmad was offered health insurance, and he declined; therefore, he met the condition of NAC 608.106 and was only entitled to the lower of the two-tier minimum wage.

Ahmad admits in his declaration that the cost of gasoline he purchased varied every day. Sargeant estimates his gasoline costs, but cannot specific within any certainty what they were on any given day. Moreover, his affidavit relies on his belief, and belief is not personal knowledge and is not adequate to repute his timesheet.

THE COURT: All right. Which would be great for a motion for summary judgment, but we're on a motion to amend the complaint. So I

understand that you disagree with their assertions, but I'm not sure that that is really too helpful to me at this point in deciding whether I allow the amendment or no.

MS. KOTCHKA: Well, if it's -- if it's futile -- again, Your Honor, I mean, if they haven't suffered -- if they haven't shown that they haven't been paid minimum wage under any sort of construction, then it's futile to grant them an amendment to join in this suit, and our point is that they were paid much more than Perera was paid.

We've shown that they were paid minimum wage. They have not adequately shown that they were -- that they were not or that there's even a material fact that there's even a good faith basis to argue with it, and so that's why we believe that they have not -- that their burden under Rule 15 to be added to the complaint. We don't think they're similarly situated to Perera or to anybody else who would be a member of the class.

Your Honor said, I think, on the first day that we argued over here in March, that if someone, you know, didn't suffer a minimum wage loss, they simply wouldn't be a member of the class. So that's the basis of our argument on the addition of those two people.

THE COURT: Okay. Anything else? No? Mr. Greenberg.

MR. GREENBERG: Your Honor, if the Court is inclined to grant the amendment, I don't want to take up the Court's time rebutting to some of the assertions made.

THE COURT: Go ahead and rebut.

MR. GREENBERG: Okay. Thank you, Your Honor.

THE COURT: May as well.

MR. GREENBERG: Briefly, Your Honor, there's a -- there's an issue raised here, an allegation, that these individuals named -- proposed named Plaintiffs' representatives are not personally seeking any equitable relief that would apply to them. Okay. This is really not true, Your Honor, because in Exhibit A of the cross-motion to amend, at paragraph 19, which is where the first claim for relief is discussed, it says: "A suitable injunction and other equitable relief barring Defendant from continuing to violate Nevada's Constitution and requiring the Defendant to remedy at its expense the injury to the class members, it is caused by falsely reporting to the United States Internal Revenue Service and the Social Security Administration the income of the class members."

Now, the only way that remedy could be effective for these three individuals would be through some action by them because they would have to cooperate in providing information to the IRS or the Social Security Administration. It's not just a question of the cost of damages or filing an amended tax report or getting a tax professional to straighten this out for these individuals. They actually need to cooperate. At least that's what we're asking the Court to compel is their cooperation on that respect.

I'm not saying that this is a relevant standard, by the way, Your Honor, for these individuals to bring the claim for equitable relief before the Court. I completely disagree with that. But I'm just saying, if the Court were to adopt the view that -- to have standing to make the equitable claim, it can't be purely for, you know, future relief. It has to involve some past conduct that you're seeking to remedy through the Court's injunctive equitable power. The claim is clearly asserted in the amended complaint, Your Honor.

There was discussion, Your Honor, about, you know, this offset. We went through this on the first motion to dismiss. I don't want to take up the Court's time, that somehow it's okay for them to charge for gas because it's not explicitly stated in the constitutional amendment that you can't have an offset for that. I mean, could there be an offset then for the janitor for the cost of the soap and the mop that he has to use to clean the floor when he's only paid the minimum wage? They make him pay for that, too, and, therefore, again, reduce his pay below the minimum wage effectively as happened to these taxi drivers or -- maybe they can charge the employees for management oversight by the employer because they need to have somebody come there to inspect the work.

I mean, Your Honor, I think the Court understands that we can't have this sort of sleight of hand be engaged in by employers to put these charges on employees that have this effect of reducing earnings below the minimum wage. It's really a very simple concept.

There was an issue raised about the sufficiency of these allegations regarding the payment of the gas and so forth. What I want to point out, Your Honor, is that we have records that Defendants have actually introduced here which show the miles from, which we can know the miles that they drove a particular cab on a particular day. If we know the vehicle, make and model, we know what the cost was for gasoline in the vicinity, in Clark County during that period of time, I think Your Honor can understand, you know, a very intelligent discussion or presentation of the facts of what the actual costs were to the drivers on particular days could be formulated and presented to a jury to consider because, you know, a car gets so many miles

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 to a gallon, they drove it so many miles on the day. The Defendants have the actual records showing that. It costs approximately that much. So these -- these are issues of fact that clearly are capable of a sufficiency of how would one say substantive in presentation to the Court. They're not beyond proof, Your Honor.

And, finally, Your Honor, I would just urge the Court -- because Your Honor mentioned that some of these allegations, for example, regarding the gas charges, would be something more appropriate for summary judgment presentation, and, obviously, Defendant needs to be assured of their procedural rights to present those arguments to the Court in proper process, I would just urge the Court upon granting the amendment of the complaint to expressly direct an answer and not invite then another motion for summary judgment attempting to address that issue or anything else.

This case has been pending for over one year now. Defendants were given an extension of time to answer until December of last year, but, essentially, we have now been ten months without an answer in this litigation. As Your Honor can understand, we really do need an answer. We need to move this litigation forward. And I'm not trying to impair Defendant's rights to bring any of their arguments --

THE COURT: All right.

MR. GREENBERG: -- before the Court. Thank you, Your Honor.

THE COURT: I understand. Thank you. Ms. Kotchka, anything else?

MS. KOTCHKA: I only have two very brief comments, Your Honor.

The first is that, there's nothing in the law in Nevada that requires a cab company to pay for gas. It would be one thing if Mr. Greenberg were relying

on something, but there's simply nothing there. There's also nothing in the law that requires — that when somebody drives to their job that their employer pay for their gas or requires the employer to pay for appropriate clothing and that kind of thing. So that's our answer on the gas, and there's nothing requiring it in the amendment, and the amendment, this Court has ruled, is what controls this minimum wage claim in this case.

And, finally, the last thing I wanted to address, Mr. Greenberg's frustrated with the posture -- the procedural posture of the course of this case, Your Honor, but we're here on their motion to amend a complaint. This is for the third time now. And so if you're debating between who -- who's doing what and who has slowed this down, I think Mr. Greenberg and his client certainly bear some of the blame for not having --

THE COURT: All right.

MS. KOTCHKA: -- gotten their complaint together.

THE COURT: Lucky for me, I don't think that's relevant at all to any decision that I'm making.

MS. KOTCHKA: All right.

THE COURT: So I don't really have to figure it out.

MS. KOTCHKA: Okay. Thank you, Your Honor.

THE COURT: All right. All right. Thank you. I'm just going to add the -- the order on the other stuff is drafted. I'm just going to put this in, and I'll get it all to you very shortly, hopefully, within a few days.

MS. KOTCHKA: Okay.

THE COURT: Thank you.

MR. GREENBERG: Thank Your Honor.

[Proceedings concluded at 9:49 a.m.]

ATTEST: I do hereby certify that I have truly and correctly transcribed the audio-visual recording of the proceeding in the above entitled case to the best of my ability.

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Renee Vincent, Court Recorder/Transcriber

# **APPENDIX 19**

# **APPENDIX 19**

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CLERK OF THE COURT

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Attorneys for Plaintiff

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#### DISTRICT COURT **CLARK COUNTY, NEVADA**

LAKSIRI PERERA, Individually and on behalf of others similarly situated, Plaintiff, vs.

WESTERN CAB COMPANY,

Defendant.

Case No.: A-14-707425-C

Dept.: XIV

PLAINTIFF'S REPLY TO TO PLAINTIFF'S COUNTER-MOTION TO AMEND THE COMPLAINT

Plaintiff, by and through his attorney, Leon Greenberg Professional Corporation, submits this memorandum of points and authorities in reply to defendant's opposition to plaintiff's counter-motion to amend the complaint.

#### MEMORANDUM OF POINTS AND AUTHORITIES SUMMARY OF RESPONSE

Plaintiff's counter-motion should be granted for the following reasons:

Defendant incorrectly asserts the proposed additional plaintiffs Sargeant and Ahmed, based upon defendant's records, were always paid in excess of the applicable minimum wage. This is the exact same argument made in defendant's previous motion to dismiss (or alternatively for summary judgment) and that was rejected by the Court in respect to plaintiff Perera. Ex. "A." As discussed, infra, and in the declarations of Sargeant and Ahmed, Ex. "B" and "C," the Court cannot

resolve the parties' dispute based upon what defendant's records represent are the hours worked, and wages paid, to Sargeant and Ahmed. This is because defendant required Sargeant and Ahmed to buy the gasoline used in defendants' taxi cabs, thus reducing their true hourly earnings below the required minimum wage rate. Ex. ¶¶ Defendant's attempt to rely upon their disputed records, and bar the proposed claims of Sargeant and Ahmed on that basis, must be rejected, as the Court did previously in respect to plaintiff Perrera, as the record before the Court demonstrates genuine issues of material fact exist in respect to such claims. Ex. "A," p. 11, 1. 3-10.

- Defendant incorrectly asserts the Court lacks jurisdiction over the claims asserted by the three plaintiffs (and jurisdiction would only properly lie with the Justice Court). Plaintiffs seek not only damages, but class wide equitable relief in the form of an injunction, properly placing jurisdiction in this Court, and not the Justice Court, irrespective of the amount of the individual plaintiffs' damages. See, Edwards v. Direct Access, LLC 124 P.3d 1158, 1161 (Nev. Sup. Ct. 2005). As also discussed, infra, defendants' assertion that a damages only class action must seek damages in excess of the Justice Court's jurisdiction for each class member to invoke this Court's jurisdiction is not supported by, and is contradicted by, the relevant Nevada Supreme Court precedents.
- Defendant incorrectly asserts the National Labor Relations Act preempts, in its entirety, the Minimum Wage Amendment of Nevada's Constitution. The absolutely controlling case of Fort Halifax Packing Co. Inc., v. Coyne, 482 U.S. 1 (1987), which defendant does not cite, holds that state minimum compensation standards are not preempted by the National Labor Relations Act (the "NLRA"). Even if the Court were to adopt defendants' erroneous argument, and find the minimum wage amendment (MWA) violates the NLRA by coercing employers into recognizing unions to secure MWA waivers, the severance provision of the MWA would require invalidity of only its union collective bargaining agreement waiver provision.

• <u>Defendant incorrectly asserts plaintiffs lack standing to seek equitable relief.</u> This argument is limited to four sentences, with no citation to authority or explanation, except for the perfunctory assertion that because the plaintiffs are former employees they lack standing to seek injunctive relief benefitting current employees. Such argument is grounded in the limitations imposed upon a *federal court's jurisdiction* under the U.S. Constitution's Article III "case or controversy" and "personal stake" jurisprudence. Those jurisdictional principles are *not operative* in this Court and have been expressly rejected by the Nevada Supreme Court and Nevada's precedents grant plaintiffs standing to seek the injunctive relief they are requesting *See*, *Stockmeier v. Nevada Dept. of Corrections Psychological Review Panel*, 135 P.3d 220, 226 (Nev. Sup. Ct. 2006) (Rejecting application of Article III constitutional standing requirements of injury, causation, redressability for Nevada's Courts and imposing much broader standing).

- Defendant repeats its argument on issues the Court already deemed fully argued and submitted for a ruling. The Court ruled at the August 27, 2015 hearing that it had heard all the argument it wished to consider on all of the issues raised by defendants' then-argued motion to dismiss, including whether claims under NRS 680.040 (which defendant calls a "severance damages" claim) or for punitive damages could proceed and the defendants' assertions ERISA and the ACA preempted the plaintiffs' MWA claim. Ex. "D," hearing transcript, p. 25, 1. 10-22. Defendants' repeated arguments on those issues are improper.
- <u>Defendant makes an incomprehensible and irrelevant "separation of powers" violation argument.</u> Defendant argues certain regulations issued by the Nevada Labor Commissioner are invalid and void because they violate the separation of powers. Plaintiffs make no claims in their proposed amended complaint under those regulations (or under any regulations). The invalidity of those regulations is irrelevant and defendant offers no explanation of why this alleged invalidity is material to the sufficiency of the proposed amended complaint.

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#### ARGUMENT

# I. PROPOSED PLAINTIFFS SARGEANT AND AHMED'S CLAIMS PRESENT DISPUTED MATERIAL FACTUAL ISSUES AND CANNOT BE RESOLVED BASED UPON THE RECORD BEFORE THE COURT

The argument made by defendants, that their records demonstrate the proposed new plaintiffs Ahmed and Sargeant were, at all times, compensated in excess of the \$8.25 an hour required by the MWA, was raised by the defendant in their original motion to dismiss filed on December 11, 2014. Ex. "E," relevant excerpts of defendant's prior motion to dismiss. It was summarily rejected by the Court as the then lone plaintiff Perera explained the defendants' records were inaccurate as they did not include the deductions for the cash amounts he was forced to pay for gasoline for defendant's taxi cab. Ex. "F" and Ex. "A," p. 11, l. 3-10.

Just like plaintiff Perera, the proposed additional plaintiffs submit sworn declarations explaining what their "true" paid wages were, after they were forced to use their personal funds to pay for the gasoline used in defendant's taxi cabs, a minimum or average of \$22.00 or \$28.00 per shift. Ex. "B" and "C." After deducting those costs from the wages earned and hours worked shown on defendants' records, the additional plaintiffs, on certain occasions, were paid between \$6.01 and \$7.50 an hour, less than the applicable \$8.25 an hour minimum wage. Ex. "G." Accordingly, consistent with this Court's prior Order, this argument by defendant is without merit and must be rejected.

## II. THIS COURT HAS JURISDICTION OVER THE CLASS ACTION AND INDIVIDUAL CLAIMS ASSERTED

## A. Jurisdiction is properly vested in this Court based upon the presence of claims for equitable and injunctive, relief.

In *Edwards v. Direct Access, LLC* 124 P.3d 1158, 1161 (Nev. Sup. Ct. 2005) the Supreme Court reversed Jude Adair's ruling that an individual plaintiff alleging less than \$10,000 in statutory damages could not invoke this Court's

jurisdiction. While the Supreme Court found error with the manner in which this Court calculated the plaintiff's damages, and its application of the damages threshold, it also saliently observed: "We note that his [plaintiff's] request for injunctive relief provided an independent basis for the district court's jurisdiction as well."

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 Any uncertainty as to whether this Court has mandatory jurisdiction to hear all claims made by a plaintiff who includes a legitimate claim for equitable relief with claims for damages within the jurisdiction of the Justice Court, was resolved in Edwards v. Emperor's Garden Restaurant, 130 P.3d 1280, 1284 (Nev. Sup. Ct. 2013) rehearing denied. "Thus, as Edwards' [the plaintiff's] requests for monetary damages and his request for injunctive relief arose out of the same two facsimile events, the district court properly acquired jurisdiction over the entirety of Edwards' complaint, regardless of whether the monetary threshold was met." citing Parascandolo v. Christensen, 199 P.2d 629, 631 (1948) (recognizing "'[t]he general rule ... that, if a court of equity obtain[s] jurisdiction of a controversy on any ground and for any purpose, it will retain jurisdiction for the purpose of administering complete relief" (quoting Seaborn v. District Court, 29 P.2d 500, 505 (1934).

# B. Even if this lawsuit was a "pure damages" case without a request for injunctive relief this Court would have jurisdiction as defendant's jurisdictional analysis is in error.

Defendant's assertion that this case fails the jurisdictional damages threshold of this Court is based upon a "non-aggregation" argument, e.g., that each member of the proposed plaintiff class's individual claim must exceed that threshold amount and such threshold cannot be met by "aggregating" together the value of the claims of all the class members. Defendant cites not a single Nevada precedent adopting such an analysis or rule, whether in the class action context or otherwise. In fact, the Nevada Supreme Court precedents strongly support a conclusion that aggregation of claims is the means by which to evaluate whether this Court's

jurisdictional damages threshold is met. See, El Ranco, Inc. v. New York Meat & Provision Co., 493 P.2d 1318, 1322 (Nev. Sup. Ct. 1972) citing Hartford Min. Co. v. Home Lumber & Coal Co., 114 P.2d 1093, 1094 (Nev. Sup. Ct. 1941) (Both holding that plaintiffs may aggregate the value of their separate claims in an action to invoke District Court damages jurisdiction). The only Nevada Supreme Court case even considering the propriety of an "aggregation of class member damages" in the Rule 23 context is squarely contrary to defendant's "no aggregation" assertion.

See, Schouweiler v. Yancy Co., 712 P.2d 786, 788 (Nev. Sup. Ct. 1985) (Rejecting contention class action recovery for 38 class members in total amount of \$192,289.22 should be divided equally, to \$5,168.14 per class member, for purposes of applying the prevailing plaintiff attorney's fee rule of NRS 18.010(2)(a)).

Rather than discuss the relevant Nevada precedents that control this Court, defendants mislead by basing their "non-aggregation" argument on the jurisprudence developed by the federal courts for class actions seeking to invoke federal diversity jurisdiction. See, Zahn v. International Paper Co., 414 U.S. 291 (1973), superceded by statute as recognized in Exxon Mobil Corp. v. Allapattah Services, Inc., 545 U.S. 546 (2005). Such precedents are irrelevant to this Court's exercise of jurisdiction and defendant offers no explanation of their relevancy.

## C. Justice Court does not have jurisdiction over smaller damages claims arising under Nevada's Constitution.

The Justice Court is *not* granted jurisdiction over *all claims* for damages that do not exceed \$10,000. Rather, it is granted jurisdiction over such smaller damages claims for *only specific types of actions*. *See*, NRS 4.370. There is no grant of jurisdiction for the Justice Court to hear and determine claims arising under Nevada's Constitution or for unpaid minimum wages owed pursuant to Nevada's statutes. Accordingly, there is no basis to conclude Nevada's statutory scheme confers jurisdiction upon the Justice Court for any such claims, irrespective of the modesty of their amount.

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# III. THE NATIONAL LABOR RELATIONS ACT DOES NOT PREEMPT THE NEVADA CONSTITUTION'S MINIMUM WAGE AMENDMENT

#### A. The NLRA cannot completely preempt the MWA.

Defendant's argument that the MWA is completely preempted by the NLRA rests upon a wholly unsupported assertion that through the MWA Nevada has "destroyed the balance of power designed by Congress" in the area of industrial relations regulated by the NLRA and is impermissibly "interfering with free collective bargaining." Nothing of the sort is true. Nor is there a scintilla of support for such a conclusion in the relevant jurisprudence discussing the scope of NLRA preemption or federal preemption generally.

As the United States Supreme Court has repeatedly held "where 'federal law is said to bar state action in fields of traditional state regulation, .... we have worked on the 'assumption that the historic police powers of the States were not be superseded by the Federal Act unless that was the clear and manifest purpose of Congress." California Div. Of Labor Standards Enforcement v. Dillingham Construction, 519 U.S. 316, 325 (1997), quoting and citing New York State Conference of Blue Cross & Blue Shield Plans v. Travelers Ins. Co., 514 U.S. 645, 655 (1995) and Rice v. Santa Fe Elevator Corp., 331 U.S. 218, 230 (1947).

Contrary to defendant's assertions, the NLRA does not preempt every state regulation that intrudes upon "market freedom" and influences what employers and employees may choose to negotiate through the NLRA's collective bargaining process. If it did so every single subject involving employment that a State might seek to regulate, whether minimum wages, maximum hours of work, workplace safety, worker's compensation or unemployment insurance requirements, would be preempted by the NLRA since they would interfere with "market freedom." Defendant also, clearly intentionally, fails to advise the Court about the definitive United States Supreme Court precedent on the specific scope of NLRA preemption of State wage and hour laws, Fort Halifax Packing Co. Inc., v. Coyne, 482 U.S. 1

(1987), instead relying upon Golden State Transit Corp. v. City of Los Angeles, 475 U.S. 608 (1986) which Fort Halifax Packing considered and found wholly inapplicable to the same.

Fort Halifax Packing controls this issue and disposes, conclusively, of defendant's NLRA preemption argument. In that case the State of Maine had passed a law requiring employers to pay all employees of certain sized businesses a specified amount of severance pay in the event of a plant closing. 482 U.S. 3-4, 26 MRSA 625-B. Employers were also free to negotiate contracts with their employees, either non-union or union, that provided for at least those minimum severance benefits. In rejecting the employer's claim such State law improperly intruded upon the NLRA's regulation of the collective bargaining process, the Supreme Court concluded that such regulation of labor standards was within the traditional and proper police powers of the States and "...the law is not pre-empted by the NLRA, since its establishment of a minimum labor standard does not impermissibly intrude upon the collective-bargaining process." 482 U.S. at 22.

The MWA's establishment of a minimum labor standard for all Nevada employees is not preempted by the NLRA, as per *Fort Halifax Packing*.

B. The severance and saving provision of the MWA renders the validity of its union collective bargaining agreement waiver term irrelevant to this case.

The only possible distinction between the MWA and NLRA preemption argument raised by defendant and *Fort Halifax Packing* is that the latter involved a fully "non-waivable" State law standard. No employee, union or non-union, either through an individual contract or a collective bargaining agreement, could be exempted from the Maine statute's severance pay protections pursuant to its terms. The MWA, by contrast, expressly provides for a waiver of its protections, but only through a union collective bargaining agreement and only when such "waiver is explicitly set forth in such agreement in clear and unambiguous terms." Nev. Const. Art. 15., Sec. 16 (B).

that:

Perhaps defendant would argue it is this "waiver" provision, conferring an arguably different power upon a labor union, that interferes with the NLRA and creates NLRA preemption. While it is true this precise issue is, at least arguably, not resolved by Fort Halifax Packing, the severance provision of the MWA, Nev. Const. Art. 15., Sec. 16 (D), renders such argument irrelevant. Under that portion of the MWA any of the MWA's terms that are "declared illegal, invalid or inoperative" will not act to invalidate any other portions of the MWA. If the only term of the MWA creating NLRA preemption is its union collective bargaining agreement waiver term¹ such term would be stricken, the structure of the MWA would then be identical to that in Fort Halifax Packing, and the remainder of the MWA would remain in force.

### IV. PLAINTIFFS HAVE STANDING TO SEEK EQUITABLE AND INJUNCTIVE RELIEF

Article 15, Section 16, Subsection "B" of Nevada's Constitution provides

"An employee claiming violation of this section may bring an action against his or her employer in the courts of this State to enforce the provisions of this section and shall be entitled to all remedies available under the law or in equity appropriate to remedy any violation of this section, including but not limited to back pay, damages, reinstatement or injunctive relief. (emphasis provided)

Employees are empowered to bring civil actions to "enforce the provisions" of Article 15, Section 16 of Nevada's Constitution and this Court must grant them all remedies appropriate to correct "any violation" of that section including injunctive relief. Plaintiffs are not merely granted rights, individually, to damages

A serious argument exists that not only is such term *not* preempted by the NLRA but that the NLRA, through its preemptive force, would allow a union collective bargaining agreement to waive MWA protections even in the absence of such a waiver allowance in the MWA's language. *See*, *Livadas v. Bradshaw*, 512 U.S. 107, 125 (1994) (Suggesting, relying upon other Supreme Court precedents, that labor union can bargain away the state law protections conferred upon individual employees if it does so in a "clear and unmistakable" fashion).

or remedies for the injuries they have suffered but a right to "enforce" the Nevada Constitution's provisions against defendants and remedy all "violations" of those provisions committed by defendants. Such language grants plaintiffs standing to enforce those constitutional protections and have those violations remedied.

Defendant gives no clue as to the basis for their "no standing to seek equitable class relief" argument, except to insist the plaintiffs' status as former, and not current, employees bars them from seeking such equitable relief for current employees. Such argument would have a basis, if this case was in federal court, in *Wal-Mart Stores, Inc. v. Dukes*, 131 S. Ct. 2541, 2557 (2011). *Wal-Mart* and similar cases hold past victims of a defendant's conduct or former employees of an employer lack standing to seek FRCP Rule 23(b)(2) class certification based upon the "case or controversy" limitations on federal jurisdiction found in Article III of the United States Constitution. *See*, *Smook v. Minnehaha County* 457 F.3d 806, 816 (8th Cir. 2006) (Reviewing federal decisions and finding Article III deprives class of former juvenile facility inmates of standing to secure injunctive relief against future actions by facility towards inmates).

This Court's jurisdiction is not restricted by Article III standing limitations. The Nevada Supreme Court has held standing in this Court exists whenever rights are conferred with language that is broader than the standing conferred under a general constitutional standing analysis. *See, Stockmeier v. Nevada Dept. of Corrections Psychological Review Panel*, 135 P.3d 220, 226 (Nev. Sup. Ct. 2006) (Inmate need not meet Article III constitutional standing requirements of injury, causation, redressability, to have standing to seek remedy for violation of Nevada's Open Meeting law as such law confers standing more broadly by its own language) and *Hantges v. City of Henderson*, 113 P.3d 848, 850 (Nev. Sup. Ct. 2005) (The provisions of NRS 279.609, by expressly authorizing challenges to agency decisions grants standing to make such challenges to all citizens, not just landowners who might otherwise meet traditional constitutional standing limitations, despite statute's

silence on who has standing). Accordingly, cases dealing with FRCP Rule 23(b)(2) class action standing limitations under federal law, such *Wal-Mart*, are inapplicable.

#### V. DEFENDANT'S OTHER ARGUMENTS ARE IMPROPER, SPECIOUS AND IRRELEVANT

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A. Defendant's arguments on the impropriety of the proposed NRS 608.040 ("severance damages") and punitive damages claims, and ERISA and ACA preemption, are not properly made to the Court.

Defendants' arguments on these points were previously briefed and orally argued before the Court on August 27, 2015. At that point the Court indicated it did not want to take further argument on those issues. Ex. "D," hearing transcript, p. 25, 1. 10-22. Defendants' repeated arguments on those issues are improper.

### B. The invalidity of the Labor Commissioner's regulations has no relevancy to the sufficiency of the plaintiffs' Complaint.

Defendant's arguments that certain regulations issued by the Nevada Labor Commissioner are invalid and void because they violate the separation of powers raises an irrelevancy. Plaintiffs make no claims in their proposed amended complaint under those regulations (or under any regulations). Defendants offer no explanation of how the invalidity of those regulations, and their alleged violation of the separation of powers, renders the MWA unenforceable. This argument by defendant is incomprehensible.

### C. Defendant's assertion additional plaintiff Sargeant cannot be a class action representative because he is a "serial plaintiff" is baseless.

Defendant cites no support for its assertion the proposed additional plaintiff Sargeant cannot represent the class because he is a "serial plaintiff" and a putative class representative in one or more other class action lawsuits. It cites no support for that assertion because the relevant precedents actually hold the opposite. A plaintiff's history as a class representative plaintiff in other actions is irrelevant to their fitness as a class representative in any particular lawsuit and, indeed, may even furnish proof of their commitment and willingness to "fairly and adequately protect

the interest of the class." See, Levie v. Sears, Roebuck & Co., 496 F.Supp 2d. 944, 950 (N.D. III 2007) citing Murray v. GMAC Mtg. Corp., 434 F.3d 948, 954 (7th Cir.2006) (Plaintiff's history of filing numerous class action lawsuits with the same counsel does not impair their ability to be a class representative, there is no case law supporting such a conclusion, and such a "professional plaintiff" may even better serve the interests of the class.) **CONCLUSION** Wherefore, for all the foregoing reasons, the plaintiff's counter-motion to amend the complaint should be granted it its entirety. Dated: October 1, 2015 Respectfully submitted, <u>/s/ Leon Greenberg</u> Leon Greenberg, Esq. (Bar # 8094)
A Professional Corporation
2965 S. Jones Blvd., Suite E-3
Las Vegas, Nevada 89146
(702) 383-6085
Attorney for Plaintiffs

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#### CERTIFICATE OF SERVICE

The undersigned certifies that on October 1, 2015, she served the within:

PLAINTIFF'S REPLY TO DEFENDANT'S OPPOSITION TO PLAINTIFF'S COUNTERMOTION TO AMEND THE COMPLAINT

by court electronic service:

TO: Malani Kotchka HEJMANOWSKI & MCCREA LLC 520 S. 4<sup>th</sup> St., Suite 320 Las Vegas, NV 89101

> /s/ *Dana Sniegocki* Dana Sniegocki

# EXHIBIT "A"

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### EIGHTH JUDICIAL DISTRICT COURT CLERK OF THE COURT CLARK COUNTY, NEVADA

LAKSIRI PERERA, individually and on behalf of others similarly situated,

Plaintiff,

Case No. A-14-707425-C Dept No. VII

VS.

WESTERN CAB COMPANY,

Defendant.

DECISION AND ORDER

This case is an individual and proposed class action brought by a taxicab driver against his former employer-taxi company to recover unpaid hourly minimum wage. On December 8, 2014, Defendant Western Cab Company filed a Motion to Dismiss Plaintiff Laksiri Perera's First Amended Complaint for failure to state a claim upon which relief can be granted. Western Cab argues that dismissal is appropriate because Thomas v. Nevada Yellow Cab Corporation applies prospectively only. 130 Nev. Adv. Op. 52, 327 P.3d 518, 519-21 (2014), reh'g denied (Sept. 24, 2014). Mr. Perera's claims involve the time after passage of the Minimum Wage Amendment but prior to Thomas. Western Cab also argues that, under a two-year statute of limitations, Mr. Perera was always paid minimum wage. In the alternative, Western Cab moves to preemptively decertify the class and obtain summary judgment in its favor.

Mr. Perera filed an Opposition and Countermotion on January 26, 2015. Mr. Perera's Countermotion moves to amend his Complaint, adding an additional ground for relief. Mr. Perera also seeks leave to conduct Nevada Rule of Civil Procedure 56(f)

LINDA MARIE BELL DISTRICT JUDGE DEPARTMENT VII discovery regarding the appropriateness of class certification and tolling of the statute of limitations. Western Cab filed a Reply and Opposition on February 10, 2015.

The Court heard these motions on March 12, 2015. The Court finds taxicab drivers' right to bring an action to enforce the provisions of the Minimum Wage Amendment arose on November 28, 2006, when the Amendment was ratified; claims for violations of the provisions of the Amendment must be brought within four years of the cause of action having accrued; genuine issues of material fact regarding Mr. Perera's wages and wage rate preclude summary judgment of this case; and preemptive decertification of the class would be premature because discovery has not commenced. The Court therefore denies Defendant Western Cab Company's Motion to Dismiss First Amended Complaint in its entirety, and grants Plaintiff Laksiri Perera's Countermotion only as to his request for leave to amend his complaint to add a claim related to cab drivers being required to pay for fuel costs.

#### I. Discussion

#### A. Defendant's Motion to Dismiss

Nevada Rule of Civil Procedure 12(b)(5) authorizes dismissal of a claim if it fails to state a claim upon which relief can be granted. When considering an NRCP 12(b)(5) motion, a court must accept the allegations of the complaint as true, and draw all inferences in favor of the non-moving party. Buzz Stew, LLC v. City of N. Las Vegas, 124 Nev. 224, 228, 181 P.3d 670, 672 (2008). "Dismissal is proper where the allegations are insufficient to establish the elements of a claim for relief." Hampe v. Foote, 118 Nev. 405, 408, 47 P.3d 438, 439 (2002). "When the defense of the statute of limitations appears from the complaint itself, a motion to dismiss is proper." Kellar v. Snowden, 87 Nev. 488, 491, 489 P.2d 90, 92 (1971).

The primary question presented is whether the Nevada Supreme Court's decision in <u>Thomas v. Nevada Yellow Cab Corporation</u> applies the full force and effect of Article 15, Section 16 of the Nevada Constitution (the Minimum Wage Amendment) from the date of the Amendment's enactment or from the date of the Court's decision. <u>Thomas</u> held that the

LINDA MARIE BELL
DISTRICT JUDGE
DEPARTMENT VII
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Minimum Wage Amendment "revised Nevada's then-statutory minimum wage scheme" and repealed the statutory minimum wage exemptions enumerated in NRS 608.250(2), including the exemption for taxicab drivers. Thomas, 130 Nev. Adv. Op. 52, 327 P.3d at 519-21; see also NRS 608.250(2)(b). In reaching this question, the Court examines the relationship between statutory minimum wage and constitutional minimum wage, the effect of Thomas, and the claims limitation period applicable to this case.

#### 1. Minimum Wage in Nevada

Prior to enactment of the Minimum Wage Amendment, minimum wage in Nevada was purely a creature of statutory authority and administrative regulation; born from Chapter 608 of the Nevada Revised Statutes, minimum wage was set and regulated within the Nevada Administrative Code. See NRS §§ 608.250-.290; see also Nev. Admin. Code §§ 608.050-.160. Chapter 608 vested the power to establish the minimum wage in the Labor Commissioner, who was required to prescribe the minimum wage by administrative regulation. See NRS 680.250(1).

Chapter 608 did not offer all employees the right to receive minimum wage. Specifically, NRS 608.250(2) denied the protections of minimum wage regulations to certain kinds of employees. Those employees not entitled to minimum wage under Chapter 608 included (a) "casual babysitters;" (b) "domestic service employees who reside in the household where they work;" (c) "outside salespersons whose earnings are based on commissions;" (d) some agricultural workers; (e) "taxicab and limousine drivers;" and (f) certain "persons with severe disabilities [that] have diminished their productive capacity." NRS 608.250(2)(a)-(f).

The Minimum Wage Amendment was proposed by initiative petition, approved and ratified by the people, and became effective on November 28, 2006. The Amendment provided a new formula for setting minimum wage and extended minimum wage protections to nearly all employees in the State. "The Minimum Wage Amendment expressly and broadly defines employee, exempting only certain groups." Thomas, 130 Nev. Adv. Op. 52, 327 P.3d at 521. The only employees exempted by the Minimum Wage

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Amendment are employees who are "under eighteen (18) years of age, employed by a nonprofit organization for after school or summer employment or as a trainee for a period not longer than ninety (90) days." Nev. Const. art. 15, § 16(C).

On June 26, 2014, the Nevada Supreme Court held that the Minimum Wage Amendment "supersedes and supplants" Chapter 608's exceptions. Thomas, 130 Nev. Adv. Op. 52, 327 P.3d at 522. The Court reasoned that, because the "expression of one thing is the exclusion of another . . . the text [of the Amendment] necessarily implies that all employees not exempted by the Amendment, including taxicab drivers, must be paid the minimum wage set out in the Amendment." Id., 130 Nev. Adv. Op. 52, 327 P.3d at 521. The Court ultimately held that "the legislative exception for taxicab drivers established by NRS 608.250(2)(e) . . . is impliedly repealed by the constitutional amendment." Id.

#### 2. Application of Thomas

After Thomas, the question becomes when the cause of action for violations of the Minimum Wage Amendment came into existence for taxicab drivers. If the enactment of the Minimum Wage Amendment alone gave birth to the cause of action, the cause of action has been available since the Amendment's effective date of November 28, 2006. On the other hand, if Thomas created a new, otherwise unrecognized constitutional rule, Mr. Perera's claims did not become available until June 26, 2014.

The inquiry begins with whether Thomas announced a new rule or merely clarified the law. See Mitchell v. State, 122 Nev. 1269, 1276, 149 P.3d 33, 37-38 (2006) (vacating habeas corpus petitioner's attempted murder conviction in light of the Court's decision clarifying the mens rea required for aiding and abetting attempted murder).

> There is no bright-line rule for determining whether a rule is new, but there are basic guidelines to follow . . . "When a decision merely interprets and clarifies an existing rule . . . and does not announce an altogether new rule of law, the court's interpretation is merely a restatement of existing law." Similarly, a decision is not new if "it has simply applied a well-established constitutional principle to govern a case which is closely analogous to those which have been previously considered in the prior case law." . . . However, a rule is new, for example, when the decision announcing it overrules precedent, "or

 disapprove[s] a practice this Court had arguably sanctioned in prior cases, or overturn[s] a longstanding practice that lower courts had uniformly approved."

Id., 122 Nev. at 1276, 149 P.3d at 37-38 (quoting Colwell v. State, 118 Nev. 807, 819-20, 59 P.3d 463, 472 (2002)); Cf. Bridgewater v. Warden, Nevada State Prison, 109 Nev. 1159, 1161, 865 P.2d 1166, 1167 (1993) (holding that Court's recent decision created a new "unforeseeable definition" of deadly weapon which was not of "constitutional moment," so the new definition did not apply retroactively).

Thomas did not espouse a new constitutional principle; it squared the readily apparent definition of "employee" contained in the Minimum Wage Amendment with the exemption contained in NRS 608.250(2). In clarifying the Minimum Wage Amendment, Thomas simply applied a well-established constitutional principle. "The principle of constitutional supremacy prevents the Nevada Legislature from creating exceptions to the rights and privileges protected by Nevada's Constitution." Thomas, 130 Nev. Adv. Op. 52, 327 P.3d at 522. "Statutes are construed to accord with constitutions, not vice versa." Id., 130 Nev. Adv. Op. 52, 327 P.3d at 521 (citing Foley v. Kennedy, 110 Nev. 1295, 1300, 885 P.2d 583, 586 (1994)). The Nevada Supreme Court determined the broad definition of employee in the Minimum Wage Amendment augmented the statutory definition: "The Amendment's broad definition of employee and very specific exemptions necessarily and directly conflict with the legislative exception for taxicab drivers established by NRS 608.250(2)(e)." Thomas, 130 Nev. Adv. Op. 52, 327 P.3d at 521. Moreover, Thomas did not overrule precedent or overturn a longstanding practice that lower courts had uniformly approved. Thomas merely interpreted and clarified existing law.

Western Cab argues that the Nevada Supreme Court intended to limit <u>Thomas</u> based upon the Court's use of present tense language instead of, presumably, using strictly past tense language. But this Court is not persuaded that the Nevada Supreme Court was seeking to limit the application of <u>Thomas</u> by its use of present-tense language. In fact, in the first sentence of the <u>Thomas</u> decision, the Nevada Supreme Court described "Article 15, Section 16 of the Nevada Constitution, [as] a constitutional amendment that <u>revised</u>

LINDA MARIE BELL DISTRICT JUDGE DEPARTMENT VII

Nevada's then-statutory minimum wage scheme." <u>Thomas</u>, 130 Nev. Adv. Op. 52, 327 P.3d at 519 (emphasis added). The Nevada Supreme Court's use of the word "revised" in the first sentence of <u>Thomas</u> suggests the Court had no intention of limiting the decision.

Furthermore, the Ninth Circuit Court of Appeals has rejected the argument that Thomas applies only retroactively. See Greene v. Executive Coach & Carriage, 591 F. App'x 550 (9th Cir. 2015); see also CTA9 Rule 36-3 (unpublished decisions of the Ninth Circuit are not precedent, but may be cited). In Executive Coach & Carriage, the Ninth Circuit held "[t]he district court erred in dismissing Greene's claim under the Nevada Minimum Wage Amendment . . . [b]ecause the repeal of § 608.250(2) occurred in 2006 when the amendment was ratified." Executive Coach & Carriage, 591 F. App'x 550.

The Minimum Wage Amendment announced a new, straightforward constitutional right. Thomas simply clarified that nothing in Chapter 608 diminished that right. The Minimum Wage Amendment became law on November 28, 2006, and required nothing more to establish the rights contained within it. Therefore, taxicab drivers' right to bring an action to enforce the provisions of the Minimum Wage Amendment arose on November 28, 2006.

#### 3. Statute of Limitations

The next issue the Court must address is the applicable statute of limitations. Mr. Perera argues the four-year "catch all" statute of limitations of NRS 11.220 applies; Western Cab argues the two-year statute of limitations of Chapter 608 applies. The Minimum Wage Amendment provided taxicab drivers the constitutional right to receive minimum wage, a right previously denied under the Chapter 608 statutory framework. "Our constitution can be amended only after a long time and much labor. When an amendment is made it is reasonable to conclude that, in the minds of the people, there is good reason for the change; that it is wise to avoid a possible recurrence of evils borne in the past, or the happening of those which threaten them in the future, or, it may be, both." State v. Hallock, 16 Nev. 373, 379 (1882). Therefore, when a taxicab driver brings a minimum wage claim, the taxicab

LINDA MARIE BELI District Judge Department VII driver brings that claim under the provisions of the Minimum Wage Amendment, not Chapter 608.

The Minimum Wage Amendment expressly provides a private right of action for an employee claiming violation of the Minimum Wage Amendment. Specifically, the Minimum Wage Amendment provides:

An employee <u>claiming violation of this section</u> may bring an action against his or her employer in the courts of this State <u>to enforce the provisions of this section</u> and shall be entitled to all remedies available under the law or in equity appropriate to remedy any violation of this section, including but not limited to back pay, damages, reinstatement or injunctive relief. An employee who prevails in any action to enforce this section shall be awarded his or her reasonable attorney's fees and costs.

Nev. Const. art. 15, § 16(B) (emphasis added).

On the contrary, Chapter 608 provides a private right of action only for an employee claiming violation of regulations promulgated under NRS 608.250:

If any employer pays any employee a lesser amount than the minimum wage <u>prescribed</u> by <u>regulation of the Labor Commissioner pursuant to the provisions of NRS 6ò8.250</u>, the employee may, at any time within 2 years, bring a civil action to recover the difference between the amount paid to the employee and the amount of the minimum wage.

NRS 608.260 (emphasis added).

The distinction between minimum wage prescribed by regulation of the Labor Commissioner pursuant to the provisions of NRS 608.250 and minimum wage established by the Minimum Wage Amendment is the method by which the minimum wage is established: Chapter 608 grants the Labor Commissioner authority to set and discretion to raise the minimum wage through administrative regulation; while the Minimum Wage Amendment establishes a two-tiered minimum wage floor that is automatically adjusted upward without administrative discretion. See NRS 680.250(1); but cf., Nev. Const. art. 15, § 16(A).

Under Chapter 608's statutory framework, "the Labor Commissioner shall prescribe increases in the minimum wage in accordance with those prescribed by federal law, unless

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the Labor Commissioner determines that those increases are contrary to the public interest." NRS 608.250(1). Chapter 608 affords the Labor Commissioner discretion to refuse minimum wage increases prescribed by federal law if the Labor Commissioner determines such minimum wage increases are "contrary to the public interest." Id.

In contrast, under the Minimum Wage Amendment's formula, the minimum wage floor is to be adjusted upward by "the amount of increases in the federal minimum wage over \$5.15 per hour, or, if greater, by the cumulative increase in the cost of living." Nev. Const. art. 15, § 16(A). Any cost of living increase is "measured by the [annual] percentage increase . . . of the Consumer Price Index . . . as published by the Bureau of Labor Statistics, U.S. Department of Labor or the successor index or federal agency." The only involvement the State's executive branch has in establishing the minimum wage set by the Minimum Wage Amendment is that "[t]he Governor or the State agency designated by the Governor shall publish a bulletin . . . each year announcing the adjusted rates." Id.

The Minimum Wage Amendment and Chapter 608 prescribe different methods for establishing the minimum wage, and so too, for privately enforcing the minimum wage. Thus, an action brought to enforce an employee's right to minimum wage established by the Minimum Wage Amendment is wholly different than an action brought to recover minimum wage as prescribed by regulation of the Labor Commissioner pursuant to the provisions of NRS 608.250. This is not a new notion; in fact, the Attorney General of Nevada issued an official opinion declaring as much before the Minimum Wage Amendment had been ratified. Then Attorney General Brian Sandoval opined:

> Each competing minimum wage scheme provides a complete civil court remedy for evasion of its requirements . . . As the proposed amendment has completely covered the topic of a civil court remedy, providing for even greater relief, its remedy would supplant and repeal by implication the existing civil remedy provision at NRS 608.260.

2005 Nev. Op. Att'y Gen. No. 04 (Mar. 2, 2005); see also Blackjack Bonding v. City of Las Vegas Municipal Court, 116 Nev. 1213, 1218, 14 P.3d 1275, 1279 (2000) ("Opinions of the Attorney General are not binding legal authority or precedent").

LINDA MARIE BELL DISTRICT JUDGE DEPARTMENT VII 1 2

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The Minimum Wage Amendment provides the exclusive private right of action for taxicab drivers to enforce Nevada's minimum wage law. Accordingly, the limitation on a taxicab driver's right to enforce the minimum wage law is defined by the limitations on the Minimum Wage Amendment itself. Although the Minimum Wage Amendment does not provide a claims limitation period for an employee claiming violation of the Amendment, Nevada Revised Statute section 11.220 provides that "[a]n action for relief, not hereinbefore provided for, must be commenced within 4 years after the cause of action shall have accrued." NRS 11.220. So without specific statutory prescription stating otherwise, claims for violations of the provisions of the Minimum Wage Amendment must be brought within four years of the cause of action having accrued. Therefore, Mr. Perera's action to enforce

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Nevada minimum wage law pursuant to the Minimum Wage Amendment is subject to the four-year claims limitation period provided under NRS 11.220.

#### Defendant's Alternative Motion for Summary Judgment and to Preemptively Decertify the Class

Western Cab moves for summary judgment in its favor premised on its argument that Mr. Perera was always paid over \$7.25 per hour worked, the wage rate for employees receiving qualifying health insurance at the time. Western Cab further argues that Mr. Perera is not a proper class representative because Mr. Perera has no individual claim and issues of commonality exist.

#### 1. Plaintiff's Claims

Summary judgment is appropriate "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." NRCP 56(c). An issue is "genuine" if sufficient evidence exists such that a reasonable fact finder could find for the non-moving party. Wood v. Safeway, Inc., 121 Nev. 724, 731, 121 P.3d 1026, 1031 (2005). The underlying substantive law of the cause of action controls which factual disputes are material. Id.

The Minimum Wage Amendment established minimum wage as a two-tiered floor; employees with access to certain health insurance benefits are entitled to a lower minimum wage than employees without access to such benefits. Nev. Const. art. 15, § 16(A). Only certain health insurance benefits qualify under the Amendment: "health insurance [made] available . . . for the employee and the employee's dependents at a total cost . . . for premiums of not more than 10 percent of the employee's gross taxable income from the employer." Id. During the time period covered by Mr. Perera's claims, the minimum wage floor was seven dollars and twenty-five cents (\$7.25) per hour worked if the employer made qualified health insurance available; otherwise, the minimum wage floor was eight dollars and twenty-five cents (\$8.25) per hour worked. Regardless of the minimum wage tier,

Imba Marie Bell District Judge Department VII 8 2 9 5 8 2 2 8 "[t]ips or gratuities received by employees shall not be credited as being any part of or offset against the wage rates required by this section." Id.

Here, summary judgment is inappropriate in light of the genuine issues of material fact that exist. A genuine issue of material fact exists as to whether Western Cab provided Mr. Perera and his dependents access to health insurance at a total cost for premiums of not more than ten percent of the Mr. Perera's gross taxable income. If not, Mr. Perera would have a right to the higher tier of minimum wage. Additionally, a genuine issue of material fact exists as to whether Mr. Perera's earnings were overstated due to his tips or expenses being accounted for incorrectly. Therefore, summary judgment shall not be granted at this time, and so, Mr. Perera's individual claims survive.

#### 2. Class Certification

Seeing as summary judgment is not appropriate and Mr. Perera's claims survive, Western Cab has a remaining argument for preemptive decertification of the class. Western Cab argues the Court should preemptively decertify the class because this case is unsuitable for class certification based upon issues of commonality that exist between Mr. Perera, the class representative, and other prospective members of the class.

Nevada Rule of Civil Procedure 23(c)(1) provides that "[a]s soon as practicable after the commencement of an action brought as a class action, the court shall determine by order whether it is to be so maintained."

[C]lass allegations may be stricken at the pleading stage, [but] the granting of motions to dismiss class allegations before discovery has commenced is rare. Indeed, while there is little authority on this issue within the Ninth Circuit, decisions from courts in other jurisdictions have made clear that "dismissal of class allegations at the pleading stage should be done rarely and that the better course is to deny such a motion because 'the shape and form of a class action evolves only through the process of discovery.'"

In re Wal-Mart Stores, Inc. Wage & Hour Litig., 505 F. Supp. 2d 609, 615 (N.D. Cal. 2007) (quoting Myers v. MedQuist, Inc., No. 05–4608, 2006 WL 3751210, \*4 (D.N.J.2006) (also citing Abdallah v. Coca-Cola Co., No. Civ.A. 1:98CV3679-RW, 1999 WL 527835 (N.D.Ga.1999) (dismissal of class allegations prior to discovery is premature); 7AA Charles

Alan Wright, Arthur R. Miller & Mary K. Kane, Federal Practice and Procedure Civil § 1785.3 (3d 2005) (the practice employed in the overwhelming majority of class actions is to resolve class certification only after an appropriate period of discovery)).

Here, where discovery has not commenced, preemptive decertification of the class would be premature. Decertification of the class should be left for the Court to consider after discovery has sufficiently commenced. Therefore, Defendant Western Cab Company's Motion to decertify the class is denied without prejudice.

#### Plaintiff's Countermotions for Leave to Amend Complaint and Conduct Discovery

Mr. Perera seeks leave to file a Second Amended Complaint. Mr. Perera also seeks leave to conduct discovery under Nevada Rule of Civil Procedure 56(f) regarding class certification and tolling of the statute of limitations.

#### 1. Leave to Amend Complaint

Leave to amend shall be freely given when justice so requires. NRCP 15(a). Mr. Perera seeks to add a ground for relief alleging that Western Cab required Mr. Perera to pay for fuel costs, causing Mr. Perera's hourly wage to drop below the minimum wage. Finding no grounds to justify denial, Mr. Perera shall be freely granted leave to amend his Complaint. Therefore, Mr. Perera's Countermotion is granted as to his request for leave to amend his Complaint.

#### 2. Leave to Conduct NRCP 56(f) Discovery

Mr. Perera further seeks to conduct discovery pursuant to NRCP 56(f). Specifically, Mr. Perera seeks to conduct discovery relevant to the Western Cabs summary judgment motion regarding certification of the class and whether the two-year statute of limitations that Western Cab argued for should be equitably tolled.

Nevada Rule of Civil Procedure 56(f) provides,

Should it appear from the affidavits of a party opposing the motion [for summary judgment] that the party cannot for reasons stated present by affidavit facts essential to justify the party's opposition, the court may refuse the application for judgment or may order a continuance to permit affidavits to be obtained or depositions to be taken or discovery to be had or may make such other order as is just.

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INDA MARIE BELL DISTRICT JUDGE DEPARTMENT VIII 26 27

NRCP 56(f). In light of the Court's denial of Western Cab's motion for summary judgment, Mr. Perera's request to conduct NRCP 56(f) discovery is moot. Therefore, Mr. Perera's Countermotion is denied.

#### Conclusion

The Court finds the Nevada Supreme Court's decision in Thomas v. Nevada Yellow Cab Corp., 130 Nev. Adv. Op. 52, 327 P.3d 518, 519-21 (2014), reh'g denied (Sept. 24, 2014), did not introduce a new rule of law and the Minimum Wage Amendment to the Nevada Constitution became effective November 28, 2006. The Court further finds that Mr. Perera brings his claims under the provisions of the Minimum Wage Amendment and, as such, Mr. Perera's claims are subject to the four-year statute of limitations period provided in Nevada Revised Statute section 11.220. At this point, genuine issues of fact exist regarding the presence of a legitimate class. Consequently, decertification of the class prior to discovery would be premature. Mr. Perera's request for NRCP 56(f) discovery is therefore moot. The Court grants Mr. Perera leave to amend his Complaint. Therefore, Defendant Western Cab Company's Motion to Dismiss First Amended Complaint is denied in its entirety, and Plaintiff Laksiri Perera's Countermotion is granted only as to his request for leave to amend his complaint.

DATED this 15th day of June, 2015.

LINDA MARIE BELL

DISTRICT COURT JUDGE

LINDA MARIE BELL DISTRICT JUDGE DEPARTMENT VII 

#### **CERTIFICATE OF SERVICE**

served the foregoing Decision and Order by faxing, mailing, or electronically serving a copy to counsel as listed below:

Name	Party	Phone	Service Method
Leon Greenberg, Esq. Dana Sniegocki, Esq.	Attorneys for Plaintiff Laksiri		E-Service -or-
	Perera		leongreenberg@overtimelaw.com dana@overtimelaw.com
Malani Kotchka, Esq.	Attorneys for		E-Service
John Moran, Jr., Esq.	Defendant		-01-
	Western Cab Co.		mlk@hmlawlv.com

LAW CLERK, DEPARTMENT VII

#### **AFFIRMATION**

Pursuant to NRS 2395.030
The undersigned does hereby affirm that the preceding <u>Decision and Order</u> filled in District Court case number <u>A707425</u> **DOES NOT** contain the social security number of any person.

/s/ Linda Marie Bell District Court Judge

# EXHIBIT "B"

1 LEON GREENBERG, ESQ., NSB 8094 DANA SNIEGOCKI, ESQ., NSB 11715 Leon Greenberg Professional Corporation 2965 South Jones Blvd- Suite E4 3 Las Vegas, Nevada 89146 Tel (702) 383-6085 4 Fax (702) 385-1827 5 leongreenberg@overtimelaw.com 6 Attorneys for Plaintiff 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 11 LAKSIRI PERERA, Individually and on ) Case No.: A-14-707425-C behalf of others similarly situated, Dept.: V 12 Plaintiff, 13 DECLARATION OF MICHAEL SARGEANT VS. 14 WESTERN CAB COMPANY, 15 Defendant. 16 17 18 19 Michael Sargeant, hereby affirms and declares under penalty of perjury the 20 following: 21 1. I am a former taxicab driver for the defendant, Western Cab Company. I am 22 offering this declaration in support of the plaintiff's motion to amend the complaint to add me as a named plaintiff and to explain the nature of my work for the defendant, 23 24 2. I was employed by Western Cab Company for approximately 3 or 4 months, 25 until approximately June 2014 when my employment ended. 26 3. Taxicab drivers did not receive an "hourly wage" from defendant at any time during the time I was employed. My method of compensation as a taxicab driver for defendant consisted of a 50% "split" of the fares I collected each day, minus certain

 deductions known as "trip charges." Often, that commission split would result in my receiving less than the required minimum wage of \$8.25 per hour for each hour I worked. During my entire period of employment, defendant never furnished me with any written document stating I was entitled to any Nevada mandated minimum hourly wage for my work for defendant. Nor did defendant ever orally advise me that I was entitled to any Nevada mandated minimum hourly wage.

- 4. Myself and all of defendant's taxicab drivers were required to work a 12 shift. During most of my employment with defendant, I was typically required to work 6 days per week all though some weeks I worked fewer days per week.
- 5. During the entire time I was employed by the defendant, defendant mandated that all taxicab drivers purchase and pay for gasoline from their own personal funds for use in the taxicab. At no point did Western Cab Company pay for the gasoline, or reimburse taxicab drivers for the cost of gasoline. All drivers were required to return the taxicabs back to defendant's yard with a full tank of gas that was purchased from the taxicab drivers' own personal funds. I would estimate that during a typical shift, the cost of gasoline I paid from my own personal funds was anywhere from \$28.00 to \$35.00 for each shift I worked.
- 6. Throughout the entirety of my 12 hour shift, I was never allowed to be "off duty" and was instead required to work a continuous shift. By that I mean, I remained "on call" throughout the entirety of my shift and remained eligible to pick up a fare should one be assigned to me. The only regular "break time" I had throughout my 12 hour shift was for a few minutes to use the restroom or to pick up fast food. I always ate my food in my cab while waiting for a fare, and I did not turn off my radio (which dispatch used to get a hold of taxicab drivers) at any time.
- 7. While Western Cab gave me a paystub that included a statement of the hours I worked, I believe that statement of hours worked may not be accurate. I believe that statement of hours worked may not include time I was working that Western Cab treated as non-working break time. I also believe that Western Cab may have failed to

credit to me as "working time" the "show up" time I spent on same days. "Show up" time would occur when I was required to "show up" to possibly work at 2:00 p.m. but there was no taxi available for me to drive. I was required to wait until 4:00 p.m. and then was sent away for the day without driving a taxi or earning any commissions. I believe defendant Western Cab may not have recorded these 2 hour periods as "working time" on my paychecks.

8. I understand that this case was commenced by the plaintiff as a class action for the purpose of collecting unpaid minimum wages owed to all of the taxicab drivers employed by the defendant who did not receive at least the constitutionally required minimum wage for each hour they worked. I understand that if this case is certified as a class action, and I am appointed as a representative plaintiff for the class, I will have a responsibility to take action in this case that is in the best interest of all the class members, meaning all of the taxicab drivers who are part of the class. I understand that as a class representative I cannot act just in my own interests. I understand that responsibility and am comfortable performing that duty.

I have read the foregoing and affirm under penalty of perjury that the same is true and correct.

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7-15-2015 Date

## EXHIBIT "C"

DECL 1 LEON GREENBERG, ESO., NSB 8094 DANA SNIEGOCKI, ESO., NSB 11715 Leon Greenberg Professional Corporation 2965 South Jones Blood-Suite E4 .. 3 Las Vegas, Nevada 89146 Tel (702) 383-6085 4 Fax (702) 385-1827 leongreenberg@overtimelaw.com dana@overtimelaw.com 5 6 Attorneys for Plaintiff 7 .:8 DISTRICT COURT : 9 CLARK COUNTY, NEVADA 10 Case No.: A-14-707425-C LAKSIRI PERERA, Individually and on ) 11 behalf of others similarly situated, Dept.: V 12 Plaintiff, **DECLARATION OF IRSHAD** 13 14 WESTERN CAB COMPANY, 15 Defendant. 16 17 18 Irshad Ahmed hereby affirms and declares under penalty of perjury the 19 following: 20 1. I am a former taxicab driver for the defendant, Western Cab Company. I am 21 offering this declaration in support of the plaintiff's motion to amend the complaint to 22 add me as a named plaintiff. 23 24 2. I previously provided my attorneys with a sworn declaration concerning the nature of my work for the defendant. That statement was given to my attorneys on 25 January 27, 2015. 26 27. 3. In paragraph 6 of that January 27, 2015 declaration, I stated that during my employment with Western Cab, myself and all of Western Cab's other taxicab drivers

were required to pay for gasoline from our own personal funds.

4. The cost of the gasoline I purchased each day varied. On average, that cost for each 12 hour shift I worked for Western cab was approximately \$22.00, 100% of which I paid from my own personal funds.

I have read the foregoing and affirm under penalty of perjury that the same is true and correct.

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Irshad Ahmed

1 Leon Greenberg Professional Corporation 2965 South Jones Blyd-Suite E4 3 Vegas, Nevada 89146 Tel (702) 383-6085 Fax (702) 385-1827 4 5 6 Attorneys for Plaintiff 7 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 LAKSIRI PERERA, Individually and on ) behalf of others similarly situated, Case No.: A-14-707425-C 12 Dept.: V Plaintiff, **DECLARATION OF IRSHAD** 13 14 WESTERN CAB COMPANY, 15 Defendant. 16 17 18 19 Irshad Ahmed hereby affirms and declares under penalty of perjury the following: 20 21 1. I am a former taxicab driver for the defendant, Western Cab Company, I am offering this declaration in support of the plaintiff's motion to amend the complaint to add me as a named plaintiff and to explain the nature of my work for the defendant. 23 2. I was employed by Western Cab Company for more than one year, until 24 approximately July of 2013 when my employment ended. 25 3. Taxicab drivers did not receive an "hourly wage" from defendant at any time 26 during the time I was employed. My method of compensation as a taxicab driver for 27 defendant consisted of a 50% "split" of the fares I collected each day, minus certain

 deductions known as "trip charges." Often, that commission split would result in my receiving less than the required minimum wage of \$8.25 per hour for each hour I worked. During my entire period of employment, defendant never furnished me with any written document stating I was entitled to any Nevada mandated minimum hourly wage for my work for defendant. Nor did defendant ever orally advise me that I was entitled to any Nevada mandated minimum hourly wage.

- 4. Myself and all of defendant's taxicab drivers were required to work a 12 shift. During most of my employment with defendant, I was required to work (7) days per week. Towards the end of my employment, I would sometimes only work (6) days per week.
- 5. Throughout the entirety of my 12 hour shift, I was never allowed to be "off duty" and was instead required to work a continuous shift. By that I mean, I remained "on call" throughout the entirety of my shift and remained eligible to pick up a fare should one be assigned to me. The only regular "break time" I had throughout my 12 hour shift was for a few minutes to use the restroom or to pick up fast food. I always ate my food in my cab while waiting for a fare, and I did not turn off my radio (which dispatch used to get a hold of taxicab drivers) at any time. There were many occasions during which I was sitting in my cab eating my food when I was required to stop eating and pick up a fare that was assigned to me by dispatch.
- 6. During the entire time I was employed by the defendant, defendant mandated that all taxicab drivers purchase and pay for gasoline from their own personal funds for use in the taxicab. At no point did Western Cab Company pay for the gasoline, or reimburse taxicab drivers for the cost of gasoline. All drivers were required to return the taxicabs back to defendant's yard with a full tank of gas that was purchased from the taxicab drivers' own personal funds.
- 7. I understand that this case was commenced by the plaintiff as a class action for the purpose of collecting unpaid minimum wages owed to all of the taxicab drivers employed by the defendant who did not receive at least the constitutionally required

minimum wage for each hour they worked. I understand that if this case is certified as a class action, and I am appointed as a representative plaintiff for the class, I will have a responsibility to take action in this case that is in the best interest of all the class members, meaning all of the taxicab drivers who are part of the class. I cannot act only in what I believe is my best interest. I understand that responsibility and am comfortable performing that duty.

I have read the foregoing and affirm under penalty of perjury that the same is true and correct.

Irshad Ahmed

## EXHIBIT "D"

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1 **RTRAN CLERK OF THE COURT** 2 DISTRICT COURT 3 CLARK COUNTY, NEVADA 4 5 LAKSIRI PERERA, 6 CASE NO: A14-707425-C Plaintiff, 7 vs. DEPT. VII 8 WESTERN CAB COMPANY, 9 Defendant. 10 11 12 BEFORE THE HONORABLE LINDA M. BELL, DISTRICT COURT JUDGE 13 THURSDAY, AUGUST 27, 2015 14 RECORDER'S TRANSCRIPT OF 15 ALL PENDING MOTIONS 16 17 APPEARANCES: 18 For the Plaintiff: DANA SNIEGOCKI, ESQ. 19 20 For the Defendant: MALANI L. KOTCHKA 21 JOHN MORAN, JR. 22 23 24 25 RECORDED BY: RENEE VINCENT, COURT RECORDER

MS. SNIEGOCKI: Okay. Well, I'm just a bit confused because the second amended complaint that we're seeking to file, I mean, would also include the first claim for relief and then the wage, which -- I mean, maybe I'm confused. Is -- are you going to be issuing a ruling on that today or in conjunction with the 608.040 ruling?

THE COURT: I'm going to rule on the issues that were raised in the motion to dismiss because I think that they will impact whatever complaint that you file.

MS. SNIEGOCKI: Sure.

THE COURT: So we may as well just deal with them now. With respect to adding plaintiffs or anything else, I need to look at that and see what the basis is. They need the opportunity to respond to that. So what I'd like to do is just make a ruling on the motion to dismiss on the issues -- I mean, primarily, it's the 608.040 claim and that, all right, and then we'll deal with the countermotion to amend, and then that way you'll know what to include in the third -- the third amended complaint to keep things straight.

But then you can file a third amended complaint that complies with all of the Court orders up till then, and then we should be back on track. I think that will just make things easier than withdrawing something and -- but we're just going to move forward, and then you can file a third amended complaint after they have an opportunity to respond with respect to any additional claims.

MS. SNIEGOCKI: Okay. Just one thing I do want to point out as it relates to the countermotion to amend the complaint. We don't -- I mean, there's no issue with them even wanting additional time to respond to the

Renee Vincent, Court Recorder/Transcriber

District Court 7, 702-671-4339

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## EXHIBIT "E"

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2	Malani L. Kotchka Nevada Bar No. 0283	CLERK OF THE COURT
3	LIONEL SAWYER & COLLINS 300 South Fourth Street	•
4	Suite 1700 Las Vegas, Nevada 89101	
5	(702) 383-8888 (Telephone) (702) 383-8845 (Fax)	
6	Attorneys for Defendant	
7		·
8	DISTRI	CT COURT
9	CLARK CO	UNTY, NEVADA
10		•
11	LAKSIRI PERERA, Individually and on behalf of others similarly situated,	) Case No.: A-14-707425-C
12	Plaintiff,	) Dept. No.; V
13	ν.	) )
14	WESTERN CAB COMPANY,	DEFENDANT'S MOTION TO DISMISS FIRST AMENDED COMPLAINT
15	Defendants,	Date of Hearing: January 16, 2015
16 17		Time of Hearing: 9:00 a.m.
. 18	Pursuant to NRCP 12(b)(5), 23 and 5	6(b), defendant Western Cab Company ("Western
19	Cab") moves this Court to dismiss plaint	iff Laksiri Perera's ("Perera's") First Amended
20	Complaint for failure to state a claim upon wh	nich relief can be granted, for decertification of the
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1 class and for summary judgment as a matter of law. This motion is based upon the First 2 Amended Complaint and all exhibits attached hereto and incorporated herein. 3 Respectfully submitted, 4 5 LIONEL SAWYER & COLLINS б /s/ Malani L. Kotchka Malani L. Kotchka 7 Nevada Bar No. 0283 8 300 South Fourth Street 9 Suite 1700 Las Vegas, Nevada 89101 10 Attorneys for Defendant 11 12 NOTICE OF HEARING 13 TO: Plaintiff Laksiri Perera, and his attorney of record, Leon Greenberg, 14 PLEASE TAKE NOTICE that the hearing on DEFENDANT'S MOTION TO 15 DISMISS FIRST AMENDED COMPLAINT will be brought before Department V of the -16 Eighth Judicial District Court of the State of Nevada in and for the County of Clark, on the 17 18 19 20 Respectfully submitted, 21 LIONEL SAWYER & COLLINS 22 23 /s/ Malani L. Kotchka Malani L. Kotchka 24 Nevada Bar No. 0283 300 South Fourth Street 25 Suite 1700 Las Vegas, Nevada 89101 26 Attorneys for Defendant 27 28 LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 300 SOLTH FOURTH ST, SUITE 1700 LAG VEGAS, IEVARD ORDER (742) 383-1833 2

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LIONEL SAWYER & COLLING ATTORNEYS AT LAW SOLSOUTH FOURTH ST. SUITE 1700 LAS VEGAS, NEVADA 61101 17021 253-8868 Exhibit 4, p. 9. If a two-year statute of limitations is applied to Perera's minimum wage claim, he can seek unpaid minimum wages only from September 23, 2012 until he quit on October 16, 2012. Exhibit 5.

#### V. Perera's Hourly Wage Rate

In 2012 the minimum wage for Nevada employees to whom qualifying health benefits had been made available by the employer was \$7.25 per hour. Exhibit 6. According to Perera's trip sheets which reflect the hours he worked and the non-tipped wages he received on a work week basis, Perera was always paid more than minimum wage. Exhibit 5. Perera started receiving health insurance from Western Cab on February 1, 2011. Western Cab paid the entire premium for Perera's coverage. Exhibit 5. Therefore, the minimum wage due him was \$7.25 an hour. From September 23, 2012 through October 15, 2012, Perera was always paid a minimum hourly wage (which did not include tips) of amounts exceeding \$7.25 an hour, the applicable minimum wage for this time period. Exhibits 5 and 6. Therefore, he fails to state a claim upon which relief can be granted.

Moreover, Perera filed a claim for wages with the Nevada Labor Commissioner. On November 13, 2012, the Labor Commissioner said, "it appears that you have been paid correctly." Exhibit 5. Perera's wage claim with the Labor Commissioner was closed on November 23, 2012. Exhibit 5.

#### VI. The Class Representative

NRCP 23(c)(1) provides, "As soon as practicable after the commencement of an action brought as a class action, the court shall determine by order whether it is to be so maintained." NRCP 23 substantially mimics FRCP 23. Therefore, federal court interpretations of FRCP 23 are relevant to this Court's interpretation of NRCP 23. Executive Management Ltd. v. Ticor Title Ins., 118 Nev. 46, 53, 38 P.3d 872, 876-77 (2002).

# EXHIBIT "F"

1 DANA SNIEGOCKI, ESQ., NSB 11715 Leon Greenberg Professional Corporation 2965 South Jones Blvd-Suite E4 2 3 Vegas, Nevada 89146 4 Fax (702) 385-1827 5 leongreenberg@overtimelaw.com dana@overtimelaw.com 6 Attorneys for Plaintiff 7 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 LAKSIRI PERERA, Individually and on ) behalf of others similarly situated, Case No.: A-14-707425-C 11 12 Dept.: V Plaintiff, 13 DECLARATION OF LAKSIRI PERERA 14 WESTERN CAB COMPANY, 15 Defendant. 16 17 18 Laksiri Perera hereby affirms and declares under penalty of perjury the 19 following: 20 21 1. I am the named plaintiff in this lawsuit seeking unpaid minimum wages from the defendant. 22 23 2. I was employed by defendant, Western Cab Company, as a taxi cab driver from January 2010 until October 2012. 24 3. Taxicab drivers did not receive an "hourly wage" from defendant at any time 25 during the years I was employed. My method of compensation as a taxicab driver for 26 defendant consisted of a 50% "split" of the fares I collected each day. Often, that 50% commission split would result in my receiving less than the required minimum wage of

\$8.25 per hour for each hour I worked. During my entire period of employment, defendant never furnished me with any written document stating I was entitled to any Nevada mandated minimum hourly wage for my work for defendant. Nor did defendant ever orally advise me that I was entitled to any Nevada mandated minimum hourly wage.

- 4. Defendant offered its taxicab driver employees health benefits, but such health benefits were not "qualified" health benefits under the Nevada Constitution. Defendant required drivers to wait a minimum of one year after they became employed to become eligible to receive health insurance benefits. After one year, defendant would provide such health insurance benefits for free to its taxi drivers. However, defendant did not extend such free coverage to the family members of its taxi drivers. I know this is true because after I became eligible for health insurance coverage after one year of employment, I inquired with defendant's general manager, Martha, about obtaining coverage for myself and my wife and children. Martha told me that while the health coverage for myself was free, if I wanted to also include my wife and two children in my plan, I would have to pay \$460.00 per month. Because I could not afford such a great expense each month, I was forced to forego obtaining health insurance coverage for my family.
- 5. Myself and all of defendant's taxicab drivers were required to work a 12 shift. I typically worked six (6) days per week every week. Although each shift was scheduled for 12 hours, often my shifts exceeded 12 hours in length. This was because at the end of the shift when drivers were required to report back to defendant's premises, it could often take 15 minutes or more to return our taxicabs, as defendant's procedure required the drivers to line their cabs up inside defendant's yard, and a mechanic would check each individual taxicab to see whether our gasoline tanks were full. If a taxicab was found to not have a full tank of gasoline, the mechanic would fill the tank to capacity using defendant's gasoline. At that point, the next taxicab in line would be checked by the mechanic.

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6. Throughout the entirety of my 12 hour shift, I was never allowed to be "off duty" and was instead required to work a continuous shift. By that I mean, I remained "on call" throughout the entirety of my shift and remained eligible to pick up a fare should one be assigned to me. The only regular break time I had throughout my 12 hour shift was two 10 minute breaks per day during which I would leave my cab to use the restroom at a store or gas station and pick up fast food or food from a convenience store. I always ate my food in my cab while waiting for a fare, and I did not turn off my radio (which dispatch used to get a hold of taxicab drivers) at any time. There were many occasions during which I was sitting in my cab eating my food when I was required to stop eating and pick up a fare that was assigned to me by dispatch.

7. Prior to January 2012, the gasoline used to operate all of defendant's taxicabs was provided by defendant. Drivers were not required to pay for gasoline. Beginning in January 2012, defendant changed its policy and mandated that taxicab drivers purchase and pay for gasoline at outside gas stations. Since defendant started mandating drivers to pay for their own gasoline, I recorded the cost of such gasoline on the trip sheets that I was required to fill out and utilize daily. Those trip sheets contain an accurate statement of the total cost of gasoline I was required to pay out of my own pocket each shift I drove since January 2012. In the event that myself or another driver did not bring the taxicab back to defendant's facility with a full tank of gas, the drivers were required to pay defendant to fill up the gas tank on the defendant's property. I recall one occasion during which my cab broke down during my shift. It was towed back to defendant's property. Because the cab had to be towed, I could not fill up the gas tank prior to the cab returning to defendant's property. The next day when I reported for my shift, I was approached by one of defendant's supervisors, Tammy, who told me I owed defendant \$22.00 for 6 gallons of gasoline which had to be put into my cab upon its return to defendant's property from the prior shift. I paid that \$22,00 to Tammy, and requested a receipt from her. She gave me a post-it note, which is included as Exhibit "A" hereto, which confirmed my payment to

her for the gasoline used to fill up the gasoline tank of my broken down cab.

I have read the foregoing and affirm under penalty of perjury that the same is true and correct.

MN Law , Laksiri Perera 12/16/14 Date

# EXHIBIT "A"

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# EXHIBIT "G"

Date and Shift H	Hours	Wages without	Hourly Wage	True Wages minus	True Hourly
		shift fuel expense	as calculated by	as calculated by \$22.00 per shift fuel	Wage
		paid by plaintiff	defendant	expense paid by	
		Ahmed		Ahmed	
11/18/12	12	130.65	1117. 4111111111111111111111111111111111	108.65	
11/20/12	12	125.80		103.80	
11/21/12	12	85.60		63.60	
11122/12	12	77.15		55.15	-
11/23/12	12	100.00		78.00	
11/24/12	12	147.85		125.85	
TOTALS:	72	\$667.05	\$9.26	\$535.05	\$7.43
•					·
Date	Hours	Wages Dec. 2-			
		0,2012			
12/2/2012	12	140.90		118.90	
12/4/2012	&	79.80	1	57.80	
12/5/2012	∞	65.70		43.70	
12/6/2012	12	114.00		92.00	
12/7/2012	12	105.35		83.35	,
12/8/2012	12	106.50		84.50	
				•	
TOTALS:	64	\$ 612.25	\$9.57	480.25	\$7.50

Date	Shift	Wages without fuel expense paid by plaintiff Sargeant	Hourly wage as calculated by defendant	True Wages minus \$28.00 per shift fuel expense paid by Sargeant	True Hourly Wage
٠		•			)
2/20/2014	20-01	98.40		70.40	
2/21/2014	20-01	131.25		103.25	
2/23/2014	20-01	91.70		63.70	
2/24/2014	20-01	81.90		53.90	
2/25/2014	21-01	74.75		46.75	
2/26/2014	20-01	102.15		74.15	
2/27/2014	21-01	83.15		55.15	
2/28/2014	21-01	107.55		79.55	
HOURS WORKED 90.94	90.94		8.48		6.0133
Grand total pay		770.85		546.85	
4/13/2014	24-01	93.45		65.45	
4/17/2014	20-01	91.6	,	63.60	
		108.65		80.65	
	20-01	103.45	7	75.45	
4/21/2014	20-01	91.85		63.85	
		108.95	•	80.95	
	20-01	101.6		73.60	
	21-01	96		68.00	
4/25/2014	21-01	107.15	-	79.15	
HOURS WORKED 105.36	105.36		8.57		6.176
Grand Total Pay		902.7		650.70	

## **APPENDIX 18**

## **APPENDIX 18**

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1 2 3 4 5	MALANI L, KOTCHKA Nevada Bar No. 283 HEJMANOWSKI & McCREA LLC 520 South Fourth Street, Suite 320 Las Vegas, NV 89101 Telephone: (702) 834-8777 Facsimile: (702) 834-5262  Attorneys for Defendant Western Cab Company	
7	DISTRICT COURT  CLARK COUNTY, NEVADA	
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9		
10	LAKSIRI PERERA, individually and on behalf of others similarly situated,	) )
11	Plaintiffs,	) ) Dept.: VII
. 12	v.	DEFENDANT'S OPPOSITION TO
- 13	WESTERN CAB COMPANY,	) PLAINTIFF'S COUNTERMOTION TO AMEND THE COMPLAINT
14	Defendant,	) Date of Hearing: October 8, 2015
15		Time of Hearing: 9:00 a.m.
16	MEMORANDUM OF POINTS & AUTHORITIES  I. Facts  Perera's Countermotion to Amend the Complaint seeks to add two additional plaintiffs, Irshad Ahmed and Michael Sargeant. Perera cites no rule or case in support of his Countermotion. The Countermotion consists of three conclusionary sentences. See page 22 of Perera's Countermotion to Amend the Complaint (filed August 14, 2015).	
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24	Exhibit A to the Countermotion should be captioned "Third Amended Complaint." The	
25	proposed Third Amended Complaint simply states that Ahmed and Sargeant are former	
26	employees of Western Cab, nothing more.	
27	Moreover, the proposed Third Amended C	complaint continues to violate this Court's June
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16, 2015 order by requesting a judgment for minimum wage owed since November 28, 2006. This Court ruled that a four-year statute of limitations applied.

#### II. Futility

In Halcrew, Inc. v. Eighth Judicial District Court of the State of Nevada, 129 Nev. Adv. Op. 42, 302 P.3d 1148, 1152 (2013), the Nevada Supreme Court held that leave to amend a pleading should not be granted if the proposed amendment would be futile. The Court specifically said that a proposed amendment may be deemed futile if the plaintiff seeks to amend the complaint in order to plead an impermissible claim. Id. Accord Allum v. Valley Bank of Nevada, 109 Nev. 280, 287, 849 P.2d 297, 302 (1993).

Perera's proposed amendment to add Ahmed and Sargeant as plaintiffs is futile because neither has a claim for minimum wage. Exhibit 5. Both were paid above the second-tier \$8.25 an hour. Exhibit 5. Therefore, neither can serve as a class representative for others who may not have been paid minimum wage.

Moreover, Sargeant is a serial plaintiff. He is the named plaintiff in Sargeant v. Henderson Taxi, Case No. A714136, and he is a proposed class representative in Murray v. A Cab Taxi Service, Case No. A669926. He is represented in both cases by Leon Greenberg. Sargeant was paid above minimum wage at Western Cab. Exhibit 5; Exhibit 5-3. Therefore, this Court should deny the Countermotion to Amend because it would be futile.

#### III. Court's Jurisdictional Limit

Perera's proposed Third Amended Complaint does not allege the existence of the \$10,000 in controversy necessary to invoke this Court's subject matter jurisdiction. As his prayer for relief, Perera simply states: "WHEREFORE, plaintiffs demand the relief on each cause of action as alleged aforesaid." This does not comport with NRCP 8(a) which directs in pertinent part:

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Page 2 of 21

A pleading which sets forth a claim for relief... shall contain (1) a short and plain statement of the claim showing that the pleader is entitled to relief, and (2) a demand for judgment for the relief the pleader seeks. Relief in the alternative or of several different types may be demanded. Where a claimant seeks damages of more than \$10,000, the demand shall be for damages in excess of \$10,000 without further specification of the amount.

In addition, the Appendix of Forms located at the end of NRCP with reference to NRCP 84, provides sample prayers for relief, each stating that the plaintiff is demanding judgment "for the sum of ten thousand dollars."

There is an obvious reason for Perera's deliberate omission of the standard prayer for relief in excess of \$10,000. He does not and cannot meet this Court's jurisdictional threshold even if his class is recognized since each individual member of the class must meet the jurisdictional limit on his or her own. In addition, a plaintiff is not entitled to include a possible award of fees and costs in valuing the amount in controversy for purposes of the jurisdictional threshold. Moreover, Perera's Second Claim does not even state a private right of action and is a mere artifice to bulk up the pleading as it is clear that individual employees lack standing to pursue claims for alleged severance pay under NRS 608.040, since NRS 608.108 defines such a claim as one which must be pursued exclusively by Nevada's Labor Commissioner on an employee's behalf,

Once challenged, the plaintiff bears the burden of proving that the jurisdictional limit is met. Morrison v. Beach City, LLC, 116 Nev. 34, 37-38, 991 P.2d 982, 983 (2000) ("The burden of proving the jurisdictional requirement is properly placed on the plaintiff"); Basic Food Industries, Inc. v. Eighth Judicial District Court, 94 Nev. 111, 113, 575 P.2d 934, 936 (1989) (plaintiff "had the burden to establish jurisdiction once it was challenged"); Christensen v. Northwest Airlines, Inc., 455 F. Supp. 492, 495 (D. Haw. 1978) ("The burden is on the plaintiff to satisfy the court that the jurisdictional amount is really and substantially involved"). Perera,

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Page 3 of 21

HEJMANOWSKI & MCCREA UC ATTONIST® AT IMW 520 SOUTH FOURTH STREET SUITE 320 LAS VECAS, NEVADA 58101 702.034.5777 Ahmed and Sargeant cannot meet that burden here – their remedy, if any, is not in this forum but rests, if anywhere, in the Justice Court as Nevada authorizes individual claims and class actions pursuant to Justice Court Rule 23, which mirrors NRCP 23 and provides class relief for plaintiffs who cannot meet the District Court's \$10,000 jurisdictional limit.

According to Article 6, §6 of the Nevada Constitution, the District Courts lack jurisdiction over actions that fall within the Justice Courts' original jurisdiction. Under NRS 4.370(1)(b), the Justice Courts have original jurisdiction over civil actions for damages where the amount in controversy does not exceed \$10,000. As a result, Nevada's District Courts have jurisdiction over civil actions if the amount in controversy exceeds \$10,000. According to NRCP 12(h)(3), "[w]henever it appears by suggestion of the parties or otherwise that the court lacks jurisdiction of the subject matter, the court shall dismiss the action." See also NRCP 12(b)(1), authorizing dismissal for "lack of jurisdiction over the subject matter."

Perera's attempt to plead a class action does not change the requirement that each plaintiff must satisfy the \$10,000 jurisdictional limit to invoke the District Court's jurisdiction. Zahn v. International Paper Co., 414 U.S. 291, 301 (1973) (to meet jurisdiction requirements in a Rule 23 class action, each plaintiff's claim must satisfy the jurisdiction amount); Troy Bank of Troy, Indiana v. G.A. Whiehead & Co., 222 U.S. 39, 40 (1911) ("When two or more plaintiffs, having separate and distinct demands, unite for convenience and economy in a single suit, it is essential that the demand of each be of the adequate jurisdictional amount"); Snyder v. Harris, 394 U.S. 332, 340 (1969) (in the context of a class action, individual plaintiffs' damages claims may not be aggregated to satisfy the jurisdictional amount requirement unless the individual plaintiffs have a common and undivided interest in a claim for damages); In re Ford Motor Co./Citibank (South Dakota), N.A., 264 F.3d 952, 963 (9th Cir. 2001) (as with compensatory damages, punitive damages asserted on behalf of a putative class may not be aggregated for

HEJMANOWSKI & MCCREA us ATIONATE ATLAW 520 SOUTH FOURTH STREET BUITE 320 CAS VEOLS, NEWDA 00101 purposes of satisfying jurisdictional requirements of the amount in controversy). Were the rule against aggregating claims to reach the requisite jurisdictional dollar limit otherwise, there would be no reason why the Nevada Justice Courts would also have their own version of Rule 23, authorizing the filing of class actions. *See* JCRCP 23, enacted in 1982, virtually identical to NRCP 23 and according class action plaintiffs a forum for claims that do not meet the \$10,000 jurisdictional limit of the District Courts.

Rule 23, either in the Nevada Rules of Civil Procedure or the Justice Court Rules of Civil Procedure, provides only a procedural right, ancillary to the litigation of the substantive claims, not a cause of action or claim in itself. Deposit Guar. Nat'l Bank of Jackson, Miss. v. Roper, 445 U.S. 326, 327 (1980) (analogous FRCP 23 does not establish a substantive claim or right); Vanguard Piping Sys., Inc. v. Eighth Judicial District Court, 129 Nev. Adv. Op. 53, 309 P.3d 1017, 1020 (2013) ("federal cases interpreting [an analogous rule] are strong persuasive authority" (internal citations omitted)). Thus, a party's choice of a procedural device does not afford a court subject matter jurisdiction and this Court has no jurisdiction over Perera's minimum wage claim (or Ahmed's or Sargeant's proposed claims) which, if at all, must be brought in the Justice Court.

The amount in controversy must be determined by the complaint itself, without consideration of any possible fees and costs award. *Morrison*, 116 Nev. at 36, 991 P.2d at 983, citing Royal Insurance v. Eagle Valley Construction, Inc., 110 Nev. 119, 120, 867 P.2d 1146, 1147 (1994) ("Because appellants only claim \$4,308.74 in damages, the district court properly dismissed appellants' complaint for lack of jurisdiction"). This Court may inquire into possible bad faith pleading to meet the District Court's jurisdictional limit. *Morrison*, supra, 116 Nev. at 39, 991 P.2d at 985 ("The district court may conduct a hearing to determine whether the potential damages in a case fall below the jurisdictional threshold....")

Page 5 of 21

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When a defendant challenges the Court's jurisdiction, the Court is required to "look beyond the damages claimed, and evaluate whether those damages were claimed in good faith." Morrison, 116 Nev. at 37-38, 991 P.2d at 984. Fees and costs must be excluded in the jurisdictional threshold analysis. 116 Nev. at 37, 991 P.2d at 984. And, if a plaintiff is relying on punitive damages to meet a jurisdictional threshold, "a judge should exercise more discretion in determining whether exemplary damages can be recovered than when actual damages are at issue." Hupp v. Port Brownsville Shipyard, Inc., 515 F. Supp. 546, 549 (S.D. Tex. 1981) (dismissing where the court was not convinced to a legal certainty that plaintiff had demonstrated that combined compensatory and punitive damages would exceed \$10,000); see also Brown v. Bank of America Nat'l Trust and Savings Ass'n, 281 F. Supp. 82, 84 (N.D. Ill. 1968) (where jurisdictional amount could not be reached without adding exemplary damages, it became "the duty of the court to determine whether it is 'legally certain' that approximately \$7,000 in punitive damages could not be recovered"); Onepoint Solutions, LLC v. Borchert, 486 F.3d 342, 348 (8th Cir. 2007), quoting Larkin v. Brown, 41 F.3d 387, 388-89 (8th Cir. 1994) ("While 'punitive damages are included in the amount in controversy, the existence of the requirement amount must be supported by competent proof" and "when determining the amount in controversy, a claim for punitive damages is to be given closer scrutiny, and the trial judge accorded greater discretion than a claim for actual damages"); Zahn v. International Paper Co., 469 F,2d 1033, 1034, n. 1 (2d Cir. 1972) ("[T]he trial court is plainly not compelled to accept a claim of punitive damages, however unwarranted, made for the purpose of conferring federal jurisdiction" and "in computing jurisdictional amount, a claim for punitive damages is to be given closer scrutiny, and the trial judge accorded greater discretion, than a claim for actual damages"); Christensen, supra, 435 F. Supp. at 495, to the same effect, quoting Zahn and dismissing suit for compensatory and punitive damages of airline passenger who was bumped

Page 6 of 21

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from flight and suffered a 1 hour and 38 minute delay in arrival.

Nevada has adopted the federal courts' standard, which requires cautious review for jurisdiction, including inquiry "into an attorney's possible bad faith in claiming damages to meet the jurisdictional limit of the district court," Morrison, 116 Nev. at 39, 991 P.2d at 985 ("According to NRCP 11, a party is required to have a reasonable basis for alleging damages in a complaint that is 'well grounded in fact and is warranted by existing law or a good faith argument for extension, modification, or reversal of existing law""). In determining whether Rule 11's standards for filing have been met, it is within the District Court's discretion to "conduct a hearing to determine whether potential damages ... fall below the jurisdictional threshold, although it may not rely on statements made in settlement negotiations in making that determination," Morrison, id., at n. 3 (concluding settlement offers are inadmissible as irrelevant in this process).

By filing in this Court, Perera and his counsel implicitly represent that his claims and now Ahmed's and Sargeant's each meet the Court's jurisdictional limit of \$10,000. Morrison, 116 Nev. at 39, 991 P.2d at 985 ("According to NRCP 11, a party is required to have a reasonable basis for alleging damages in a complaint that is 'well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law.' The signature of the attorney constitutes certification that to the best of his or her knowledge the pleading adheres to these guidelines."). NRCP 11 "applies to a jurisdictional allegation and/or a claim of damages which furnishes the basis for subject matter jurisdiction in district court." Id. As a result, the district court has the authority to "conduct a hearing to determine whether the potential damages in a case fall below the jurisdictional threshold," although in so doing, the court "may not rely on statements made in settlement negotiations..." Id. Perera has not met his burden of demonstrating good grounds for filing in this Court, his

Countermotion to Amend the Complaint should be denied and his Second Amended Complaint should be dismissed for lack of subject matter jurisdiction.

#### IV. Preemption - Federal Labor Law

Free collective bargaining is a cornerstone of the structure of labor-management relations carefully designed by Congress when it enacted the National Labor Relations Act. Even though an agreement is sometimes impossible, government may not step in and become a party to the negotiations. Golden State Transit Corp. v. City of Los Angeles, 475 U.S. 608, 619 (1986).

This Court lacks subject matter jurisdiction because the Minimum Wage Amendment is preempted by federal labor policy. Article 15, § 16(A) provides that if an employer provides health benefits, the minimum wage is \$5.15 an hour. If an employer does not provide health benefits, the rate is \$6.15 an hour. According to the Declaration of Danny Thompson, attached hereto as Exhibit 1, the Nevada AFL-CIO drafted the Minimum Wage Amendment to the Nevada Constitution. Thompson states, "This law helped increase the compensation of AFL-CIO members in Nevada and helps level the playing field between non-union employers and unionized employers (who generally have been paying their employees better than non-union employers). Most unionized employers provide health benefits readily meeting the MWA's standard of not costing employees more than 10 percent of their gross income, while a number of nonunion plans are reported to be failing such standard inside Nevada, and we understand many outside Nevada fail such standard." Exhibit 1.

The U.S. Constitution, art. IV, cl. 2, provides, "This Constitution and the laws of the United States which shall be made in Pursuance thereof . . . shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding." In *Chamber of Commerce of U.S. v. Brown*, 554 U.S. 60 (2008), the United States Supreme Court addressed a California statute which

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prohibited several classes of employers who receive state funds from using the funds "to assist, promote, or deter union organizing." *Id.* at 62. The issue was whether this law was preempted by federal law mandating that certain zones of labor activity be unregulated. The Court found that although the National Labor Relations Act ("NLRA") contained no express preemption provision, Congress implicitly mandated two types of preemption as necessary to implement federal labor policy. *Id.* at 65. The first, *Garmon* preemption, was intended "to preclude state interference with the National Labor Relations Board's interpretation and active enforcement of the 'integrated scheme of regulation' established by the NLRA." *Id.* at 65 (citation omitted). *Garman* preemption forbids the states to regulate activity that the NLRA protects, prohibits, or arguably protects or prohibits. *Id.* 

According to the Nevada AFL-CIO, the Minimum Wage Amendment is intended to change the market system between unionized and non-unionized companies. The MWA violates the supremacy clause of the United States Constitution because the National Labor Relations Act completely preempts this area of the law. Thompson states, "[M]embers of some Nevada AFL-CIO affiliates receive wages below \$8.25 per hour but also receive health benefits from their employer which qualify their employer to the lower minimum rate under the State Constitution. They work as cab drivers and casino dealers." Exhibit 2. Thompson added:

Unionized employers in this State compete constantly with non-union employers paying only the state minimum wage, particularly in the restaurant industry. If those non-union employers were allowed to lower wages to pay only the lower federal minimum wage, there would be large amounts of business lost by unionized employers, and hence losses to union members of paid hours worked, tips, and jobs, and losses in dues income to AFL-CIO affiliates.

Exhibit 2. Clearly, the Minimum Wage Amendment regulates activity that the NLRA protects, prohibits, or arguably protects or prohibits.

The second type of preemption, known as Machinists preemption, forbids both the

Page 9 of 21

National Labor Relations Board and the states to regulate conduct that Congress intended be unregulated because the conduct should be controlled by the free play of economic forces. Brown, 554 U.S. at 65. Machinists preemption is based on the premise that "Congress struck a balance of protection, prohibition and laissez-faire in respect to union organization, collective bargaining, and labor disputes." Id. (citation omitted). The Brown Court held that California's law was preempted under Machinists because it regulated within a zone protected and reserved for market freedom. Id. Here, the Minimum Wage Amendment which "helped increase the compensation of AFL-CIO members in Nevada and helps level the playing field between non-union employers and unionized employers" is a law within a zone protected and reserved for market freedom.

The *Brown* court found that the legislative purpose of California's law was not the efficient procurement of goods and services but the furtherance of a labor policy. *Id.* at 70. The Court further found that the law permitted use of state funds for select employer advocacy activities that promoted unions. *Id.* at 71. Here, the purpose of the Minimum Wage Amendment is the furtherance of a labor policy. According to Thompson, the Nevada AFL-CIO drafted the Minimum Wage Amendment to help increase the compensation of AFL-CIO members in Nevada and to help level the playing field between non-union employers and unionized employers. Thus, the State of Nevada, through the Minimum Wage Amendment, is engaged in furtherance of a labor policy which violates federal preemption.

The Brown Court found:

The statute also imposes deterrent litigation risks. Significantly, AB 1889 authorizes not only the California Attorney General but also any private taxpayer—including, of course, a union in a dispute with an employer—to bring a civil action against suspected violators for "injunctive relief, damages, civil penalties, and other appropriate equitable relief." § 16645.8. Violators are liable to the State for three times the amount of state funds deemed spent on union organizing. §§ 16645.2(d), 16645.7(d), 16645.8(a). Prevailing plaintiffs, and certain prevailing taxpayer intervenors,

Page 10 of 21

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HEJMANOWSKI A MCCREA US ATTORIETS AT LAN 620 BOUTH FOURTH STREET SUITE 329 LAS MEDIAS are entitled to recover attorney's fees and costs, § 16645.8(d), which may well dwarf the treble damages award. Consequently, a trivial violation of the statute could give rise to substantial liability. Finally, even if an employer were confident that it had satisfied the recordkeeping and segregation requirements, it would still bear the costs of defending itself against unions in court, as well as the risk of a mistaken adverse finding by the factfinder.

Id. at 72. Here, the MWA also imposes deterrent litigation risks. A trivial violation could give rise to substantial liability because although a back pay award may be miniscule, "an employee who prevails in any action to enforce this section shall be awarded his or her reasonable attorney's fees and costs," Article 15, § 16(B). The MWA is preempted by federal labor policy.

In Golden State Transit Corp. v. City of Los Angeles, 475 U.S. 608, 609 (1986), Golden State Transit sought to renew its franchise to operate taxicabs in the City of Los Angeles. While the franchise renewal application was pending, Golden State's labor contract with its drivers expired and the drivers went on strike. Id. at 609-610. After Teamster representatives argued against renewal of Golden State's franchise because of the pendency of the labor dispute, the City decided not to extend the franchise. The United States Supreme Court found that Machinists preemption precluded state and municipal regulation "concerning conduct that Congress intended to be unregulated," Id. at 614. The Court said:

The Court recognized in *Machinists* that "Congress has been rather specific when it has come to outlaw particular economic weapons." 427 U.S., at 143, 96 S. Ct. at 2555, quoting *NLRB v. Insurance Agents*, 361 U.S. 477, 498, 80 S. Ct. 419, 421, 4 L. Ed. 2<sup>nd</sup> 454 (1960), and that Congress' decision to prohibit certain forms of economic pressure while leaving others unregulated represents an intentional balance "between the uncontrolled power of management and labor to further their respective interests." (Citations omitted.)

Id. at 614. Relying on Machinists, the Court found that the City's insistence on a labor settlement was preempted if the City entered into the substantive aspects of the bargaining process to an extent Congress had not countenanced. Id. at 615-16. The Court said, "The NLRA requires an employer and a union to bargain in good faith, but it does not require them to reach

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MEJMANOWSKI & MCCREA IM ATTORIST AFTLAN 620 SOUTH FOURTH STREET BUILE 326 LAS VEOA9, NEVAOA 89101 agreement." *Id.* at 616. The Court concluded that a city cannot condition a franchise renewal in a way that intrudes into the collective bargaining process. *Id.* at 619.

The Court said:

A local government, as well as the National Labor Relations Board, lacks the authority to "introduce some standard of properly "balanced" bargaining power'... or to define 'what economic sanctions might be permitted negotiating parties in an "ideal" or "balanced" state of collective bargaining.'"... The settlement condition imposed by the Los Angeles City Council, as we read the summary - judgment record before us, destroyed the balance of power designed by Congress, and frustrated Congress' decision to leave open the use of economic weapons.

Id. The same is true in regard to the Minimum Wage Amendment. Danny Thompson clearly states that the Minimum Wage Amendment "helped increase the compensation of AFL-CIO members in Nevada and helps level the playing field between non-union employers and unionized employers (who generally have been paying their employees better than non-union employers). Most unionized employers provide health benefits readily meeting the MWA standard and not costing employees more than 10 percent of their gross income, while a number of nonunion plans are reported to be failing such standard inside Nevada, and we understand-many outside Nevada fail such standard." Exhibit 1. Nevada's leveling of the playing field through the MWA destroyed the balance of power designed by Congress. The Minimum Wage Amendment is preempted by federal labor law.

In Wisconsin Department of Industry, Labor and Human Relations v. Gould Inc., 475 U.S. 282, 283 (1986), Wisconsin maintained a list of every person or firm found by judicially enforced orders of the National Labor Relations Board to have violated the National Labor Relations Act in three separate cases within a five-year period. State procurement agents were statutorily forbidden to purchase any product known to be manufactured or sold by any person or firm included on the list of labor law violators. Id. at 283-84. In 1982, Wisconsin placed Gould on its list of labor law violators and told Gould that it would enter into no new contracts with the

HEJIAANC/NSKI & McCREA tu Attoretiatiasi 620 Gouth Fourth Street Buite 320 Las Vegar, Hendra 88101 702.831,8777 company for three years, until 1985. Id. at 285.

The United States Supreme Court found that through the NLRA, Congress largely displaced state regulation of industrial relations. *Id.* at 286. The Court said:

Because "conflict is imminent" whenever "two separate remedies are brought to bear on the same activity," . . . the *Garmon* rule prevents States not only from setting forth standards of conduct inconsistent with the substantive requirements of the NLRA, but also from providing their own regulatory or judicial remedies for conduct prohibited or arguably prohibited by the Act.

Id. (Emphasis added.) Here, the MWA provides a judicial remedy for conduct "leveling the playing field between non-union employers and unionized employers" which is prohibited or arguably prohibited by the National Labor Relations Act. The MWA adds a remedy to those prescribed by the NLRA.

The Gould Court found that judicial concern had necessarily focused on the nature of the activities which States have sought to regulate rather than on the method of regulation. Id. at 287. The Court held to allow a State to grant a remedy, which has been withheld from the National Labor Relations Board, only accentuates the danger of conflict because the range and nature of those remedies that are or are not available is a fundamental part of the comprehensive system established by Congress. Id. Here, through the MWA, Nevada is granting a remedy to level the playing field between non-union and union companies which has been withheld from the National Labor Relations Board.

Wisconsin argued that it was exercising its spending power rather than its regulatory power but the Supreme Court found that was a distinction without a difference because a debarment statute served plainly as a means of enforcing the National Labor Relations Act. *Id.* Here, the Minimum Wage Amendment by requiring a higher minimum wage if health benefits at a certain cost are not provided serves plainly as a means of adding a remedy in organized labor's quiver which the National Labor Relations Act does not grant.

Page 13 of 21

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Moreover, subsection (B) of the Minimum Wage Amendment provides:

The provisions of this section [section 16] may not be waived by agreement between an individual employee and an employer. All of the provisions of this section, or any part hereof, may be waived in a bona fide collective bargaining agreement, but only if the waiver is explicitly set forth in such agreement in clear and unambiguous terms. Unilateral implementation of terms and conditions of employment by either party to a collective bargaining relationship shall not constitute, or be permitted, as a waiver of all or any part of the provisions of this section.

(Emphasis added.) Nevada is clearly interfering with free collective bargaining in this provision of the Minimum Wage Amendment. A State's defining of collective bargaining waivers and "unilateral implementation" is a clear conflict with the economic tools allowed and defined by the NLRA.

In St. Thomas-St. John Hotel & Tourism Association. Inc. v. Government of the United States Virgin Islands by and through the Virgin Islands Department of Labor, 357 F.3d 297, 298 (3rd Cir. 2004), the issue was whether the application of the Virgin Islands' Wrongful Discharge Act to supervisors was preempted by the National Labor Relations Act. In 1996, the Virgin Islands legislature amended the Wrongful Discharge Act to state "[u]nless modified by union contract...." Id. at 300. The amended provision had been interpreted to apply to all employees in the Virgin Islands absent a collective bargaining agreement setting discharge terms to the contrary. Id.

The Associations argued that the Wrongful Discharge Act as it applied to supervisors was preempted by the National Labor Relations Act. Id. The Third Circuit began by recognizing the supremacy clause of the United States Constitution which it held applied to the laws of the Virgin Islands. Id. at 302. The court then found that a state or territorial law conflicted with the National Labor Relations Act if it stood as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress. Id. The court concluded that the Wrongful

HEJMANCWSKI & McCREA LL ATTORISEATUM 620 SOUTH FOURTH STREET SUITE 320 LAS VEGAS, HEYADA 89101 Discharge Act indirectly compelled an employer to bargain collectively with supervisors by requiring that an employer who wished to alter the Wrongful Discharge Act's grounds for terminating a supervisor enter into a collective bargaining agreement. *Id.* at 304. Since the Wrongful Discharge Act would exert a significant degree of compulsion upon employers to bargain with supervisors as employees, it violated Section 14(a) of the National Labor Relations Act. *Id.* The same is true here. The minimum wage can be waived only in a collective bargaining agreement. Thus, the Minimum Wage Amendment exerts significant pressure to bargain with a union and to actually reach a collective bargaining agreement. It therefore violates the National Labor Relations Act. Exhibit 4.

In Rolf Jensen & Associates, Inc. v. Eighth Judicial District Court, 128 Nev. Adv. Op. 42, 282 P. 3d 743, 745 (2012), the Nevada Supreme Court held that Mandalay Resorts' state law contractual indemnity claim against a consultant was preempted by the Americans with Disabilities Act of 1990. The Court said:

The preemption doctrine emanates from the Supremacy Clause of the United States Constitution, pursuant to which state law must yield when it frustrates or conflicts with federal law . . . The doctrine is comprised of two broad branches: express and implied preemption . . . Express preemption occurs, as its name suggests, when Congress "explicitly states that intent in a statute's language." . . . Implied preemption arises, in contrast, "[w]hen Congress does not include statutory language expressly preempting state law." . . .

Implied preemption contains two sub-branches: field and conflict preemption. Field preemption applies "when congressional enactments so thoroughly occupy a legislative field, or touch a field in which the federal interest is so dominant, that Congress effectively leaves no room for states to regulate conduct in that field." ... Conflict preemption, or obstacle preemption, as it is often times called, occurs when "federal law actually conflicts with any state law." ...

As we have explained:

Conflict preemption analysis examines the federal

Page 15 of 21

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statute as a whole to determine whether a party's compliance with both federal and state requirements is impossible or whether, in light of the federal statute's purpose and intended effects, state law poses an obstacle to the accomplishment of Congress' objectives.

... This petition involves conflict preemption. More precisely, this petition concerns whether, in view of the ADA's purpose and intended effects, Mandalay's state law claims pose an obstacle to the accomplishment of Congress's objectives in enacting the ADA.

282 P.2d at 746 (citations omitted). The Court concluded that the ADA intended to prevent discrimination stemming from neglect and indifference. Thus, Mandalay's indemnification claim against the consultant was deemed to weaken owners' incentive to prevent violations of the ADA and therefore would conflict with the ADA's purpose and intended effects. *Id.* at 748. *Accord Painter's Local Union No. 567 v. Tom Joyce Floors, Inc.*, 81 Nev. 1, 4-5, 398 P.2d 245, 246-47 (1965).

Here, the Minimum Wage Amendment is preempted by federal labor law in several ways. According to the AFL-CIO who drafted the Amendment, it is intended to level the playing field between union and non-union employers. Thus, it interferes with the free market which the National Labor Relations Act permits. It also interferes with the NLRA because it defines and allows a waiver through a collective bargaining agreement and changes the definition of unilateral implementation which the National Labor Relations Board defines and enforces. Exhibit 4. Like the Nevada Supreme Court found in *Rolf Jensen*, Congress intended to preempt State regulation of labor relations through the NLRA.

In Airport Casino v. Jones, 103 Nev. 387, 741 P.2d 814, 819 (1987), the Nevada Supreme Court reaffirmed the State's policy "of maintaining strict neutrality in cases of industrial strife." The Minimum Wage Amendment does not maintain strict neutrality. It was designed to after the balance of industrial strife. Exhibits 1-3. Because the Minimum Wage Amendment is preempted by federal labor policy, this Court lacks subject matter jurisdiction

Page 16 of 21

over Perera's Second Amended Complaint and proposed Third Amended Complaint.

#### V. Severance Damages

NRS 608.180 precludes Perera's, Ahmed's or Sargeant's prosecution and recovery of damages on the second claim for damages under NRS 608.040, stating:

Enforcement of NRS 608.005 to 608.195, inclusive; prosecution. The Labor Commissioner or the representative of the Labor Commissioner shall cause the provisions of NRS 608.005 to 608.195, inclusive, to be enforced, and upon notice from the Labor Commissioner or the representative:

- 1. The district attorney of any county in which a violation of these sections has occurred;
- 2. The Deputy Labor Commissioner, as provided in NRS 607,050;
- 3. The Attorney General, as provided in NRS 607.160 or 607.220; or
- 4. The special counsel, as provided in NRS 607.065, shall prosecute the action for enforcement according to law.

The Court has no jurisdiction over the proposed Second Cause of Action and what, if anything, might be recovered or have been recovered as a result of a claim by the Labor Commissioner cannot be counted toward Perera's jurisdictional threshold. *McDonagh v. Harrah's Las Vegas*, 2014 WL 2742874, \*3 (D. Nev. 2014), citing Descutner v. Newmont USA Ltd., 2012 WL 5387703, \*2 (D. Nev. 2012) (holding that NRS 608.140 "does not imply a private remedy to enforce labor statutes, which impose external standards for wages and hours,' but only provides private rights of action for contractual claims"); *Malecon Tobacco*, *LLC v. State ex rel. Department of Taxation*, 118 Nev. 837, 841-42, 59 P.3d 474, 475-76 (2002) (dismissing taxpayers' class action suit for failure to follow requisite administrative remedy).

#### VI. Punitive Damages

Minimum wage claims arise from an underlying contractual employer-employee relationship and therefore punitive damages cannot be pled or recovered. NRS 42.005; *Hanks v. Briad Restaurant Group, LLC*, 2015 WL 4562755 (D. Nev. Jul. 27, 2015); *Franklin v. Russell* 

Page 17 of 21

Road Food and Beverage, LLC, Case No. A-14-709372-C (Order, June 25, 2015, Judge Kishner); Gilmore v. Desert Cab, Inc., Case No. A668502 (Order, August 24, 2015, Judge Herndon). Moreover, a constitutional tort involves state action, not private employers. Muldrow v. Carabetta Bros., 2015 WL 3606344, at \*2 (D. Ct. 2015); Cunningham v. Bank of New York Mellon, N.A., 2015 WL 4104839 (E.D.N.Y. 2015). The request for punitive damages should be stricken.

#### VII. Injunction

Neither Perera, Ahmed nor Sargeant are current employees of Western Cab. Therefore, none of them have a claim for themselves or anyone to whom they are similarly situated for injunctive relief. They lack standing to seek this relief. This request should also be stricken.

#### VIII. Preemption - ERISA

The Minimum Wage Amendment conflicts with ERISA and is preempted. 29 U.S.C. § 1144(a); Concerned Home Care Providers, Inc. v. Cuomo, 979 F. Supp. 2d 288 (N.D.N.Y. 2013); Cervantes v. Health Plan of Nevada, 263 P.3d 261 (2012).

Removal of the lower wage would be contrary to the AFL-CIO's and the voters' intent. Exhibits 1-3. The MWA creates co-equal rates with no preference for one rate over the other. Therefore, the lower rate whose purpose was to favor union employers cannot be severed from the higher rate. See Sierra Pacific Power Company v. State, 338 P.3d 1244 (2014). The entire scheme is preempted and falls.

#### IX. Separation of Powers

By enacting regulations defining health benefits, the executive department through the Labor Commissioner has violated the separation of powers. Interpreting the Minimum Wage Amendment is left to the judiciary branch separate from the executive department through the resolution of the individual's claims. In *Tate v. State of Nevada Board of Medical Examiners*,

Page 18 of 21

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HEJMANOWSKI & MCCREA ILE ATIONIESSAFEKI 620 SCUTH FOURTH STREET 8UT & 320 Las Vegas, Navada 89101 709 804 8777 131 Nev. Adv. Op. 67 (Sept. 10, 2015), the Nevada Supreme Court found that the legislature provided physicians with the right to seek judicial review of board decisions, thereby empowering the district courts with the ability to determine whether an aggrieved party is entitled to the relief sought on review and if so, to shape that relief accordingly. The Court found that to bar a district court's ability to grant injunctive relief while judicial review was pending effectively rendered the appeal a meaningless and merely ritualistic process. Because the statute's prohibition against stays rendered meaningless the legislative grant of authority to the district courts to judicially review board decisions and encroached on a district court's inherent power to do all things reasonably necessary to administer justice including issuing injunctions, the Nevada Supreme Court concluded that this statute violated the separation of powers doctrine. Here, the Labor Commissioner's regulations on the meaning of health benefits in the Minimum Wage Amendment encroaches on the court's power to interpret what health benefits means. Therefore, the regulations violate the separation of powers.

#### X, Conclusion

Perera's Countermotion to Amend the Complaint should be denied. The Minimum Wage Amendment is preempted by federal labor law and ERISA. None of the proposed plaintiffs has a claim which meets this Court's jurisdictional threshold of \$10,000.00. None of the proposed plaintiffs has standing to allege a claim for relief under NRS 608.040 because the Labor Commissioner has exclusive jurisdiction over these claims. None of the proposed plaintiffs has a right to punitive damages or injunctive relief.

The Labor Commissioner's regulations on qualified health care benefits violate the separation of powers under the State Constitution. Finally, it would be futile to grant Ahmed's and Sargeant's leave to join Perera because neither of them has a claim for minimum wage pursuant to the Minimum Wage Amendment. Exhibit 5. Therefore, Defendant Western Cab

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1	Company respectfully requests that this Court deny Perera's Countermotion to Amend the
2	Complaint and dismiss the Second Amended Complaint.
3	Respectfully submitted,
4.	HEJMANOWSKI & McCREA LLC
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6	Don to Markett Watcher
. 7	By: /s/ Malani L. Kotchka  Malani L. Kotchka
. 8	Nevada Bar No. 283 520 South Fourth Street, Suite 320 Las Vegas, NV 89101
9	Attorneys for Defendant
10	Attorneys for Defendant
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#### CERTIFICATE OF SERVICE Pursuant to Administrative Order 14-2, the undersigned hereby certifies that a true and correct copy of DEFENDANT'S OPPOSITION TO PLAINTIFF'S COUNTERMOTION TO AMEND THE COMPLAINT was electronically served via the Eighth Judicial District Court's ECF System on this 21st day of September, 2015, to the following: Leon Greenberg, Esq. 2965 S. Jones Blvd. Suite E4 Las Vegas, NV 89146 Attorney for Plaintiff /s/ Rosalie Garcia An Employee of Hejmanowski & McCrea LLC HEJMANOWSKI & MCREA LIC ATTORIEVA AT LAY 520 SOUTH FOURTH STREET SUITE 320 LIC VEGAS, NOVADA 80101 702.834.8777

Page 21 of 21

### **EXHIBIT 1**

### **EXHIBIT 1**

Case 2:15-cv-01160-GMN-PAL Document 16 Filed 07/08/15 Page 18 of 19

adoption by voters in 2004 and 2006 of the Minimum Wage Amendment to the Nevada Constitution ("MWA") which we drafted in conjunction with our lawyers at the law firm of McCracken, Stemerman & Holsberry. This law helped increase the compensation of AFL-CIO members in Nevada and helps level the playing field between non-union employers and unionized employers (who generally have been paying their employees better than non-union employers). Most unionized employers provide health benefits readily meeting the MWA's standard of not costing employees more than 10 percent of their gross income, while a number of nonunion plans are reported to be falling such standard inside Nevada, and we understand many outside Nevada fail such standard.

- 2. We are unaware of any MWA enforcement efforts by the Labor Commissioner. We have had serious differences with the Office of the Labor Commissioner and their counsel in recent years, and we recently submitted comments to that office in a rulemaking process over their minimum wage regulations in which we objected to a number of these regulations.
- 3. We are very active in the health benefits arena within Nevada and have developed expertise in this arena as many unionized employers provide health benefits through plans which are jointly administered by union and employer trustees. Even where the plan does not have union trustees, our unions are still involved in negotiating over and monitoring the employer plans.

I declare under penalty of perjury of the laws of the United States and Nevada that the foregoing is true and correct. Executed this \_\_day of \_\_\_\_2015.

DANNY THOMPSON

## **EXHIBIT 2**

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 receive health benefits from their employer which qualify their employer to the lower minimum rate under the State Constitution. They work as cab drivers and casino dealers.

2. Unionized employers in this State compete constantly with non-union employers paying only the state minimum wage, particularly in the restaurant industry. If those non-union employers were allowed to lower wages to pay only the lower federal minimum wage, there would be large amounts of business lost by unionized employers, and hence losses to union members of paid hours worked, tips, and jobs, and losses in dues income to AFL-CIO affiliates.

I declare under penalty of perjury of the laws of the United States and Nevada that the foregoing is true and correct, Executed this \_\_ day of August 2015.

DANNY THOMPSON

## **EXHIBIT 3**

Case 2:15-cv-01160-GMN-PAL Document 35 Filed 08/25/15 Page 1 of 3

 the State Constitution. These include those working as new hires at a number of Las Vegas downtown casinos belonging to Culinary Workers Union Local 226, as its contracts at eight facilities call for such rates for certain benefitted workers hired recently: Binlons, Four Queens, Fremont, Main Street, Plaza, Las Vegas Club, Dupars and Golden Gate.

2. Unionized employers in this State compete constantly with non-union employers paying only the state minimum wage, particularly in the restaurant industry. If those non-union employers were allowed to lower wages to pay only the lower federal minimum wage, there would be large amounts of business lost by unionized employers, and hence losses to union members of paid hours worked, tips, and jobs, and losses in dues income to AFL-CIO affiliates,

I declare under penalty of perjury of the laws of the United States and Nevada that the foregoing is true and correct. Executed this \_\_ day of August 2015.

DANNY THOMPSON

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#### CERTIFICATE OF SERVICE

I hereby certify that on August 25, 2015, I electronically transmitted the attached document to the Clerk's Office using the CM/ECF System for filing and transmittal and a Notice of Electronic Filing was electronically transmitted from the court to the e-mail addresses on file.

/s/ Joyce Archain

## **EXHIBIT 4**

#### AFFIDAVIT OF GREGORY E. SMITH

STATE OF NEVADA	)
	) ss
COUNTY OF CLARK	)

Gregory E. Smith, being duly sworn upon his oath, deposes and says that:

- 1. I am a member of the law firm of Hejmanowski & McCrea LLC. I previously was employed by the National Labor Relations Board and have spent the past 37 years working as a labor lawyer. I have represented Western Cab Company in union negotiations since approximately August 2013. I was retained to represent Western Cab after it had already entered into a recognition agreement under which it officially "recognized" the United Steel Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union (AFL-CIO/CLC) (herein "Union" or "Steelworkers' Union") as the exclusive bargaining representative of Western Cab's employee cab drivers.
- 2. The effect of that recognition was to require Western Cab to "bargain in good faith" with the Union for a collective bargaining agreement to cover Western Cab's drivers. The phrase "bargaining in good faith" also includes the duty to <u>not</u> unilaterally change any material term or condition of employment of employees without first bargaining with the Union. Western Cab did not realize that its bargaining obligation might require it to bargain with the Union about a change in health insurance coverage even when that change, reducing the waiting period from 1 year to 90 days, was mandated by the federal government in the form of the Affordable Care Act ("ACA") and even though the change was clearly in favor of the employees.
- 3. The Union filed unfair labor practice charges against Western Cab, alleging that such compliance with the federal law giving the employees more benefits than they had before,

was a matter that had to be bargained about with the Union first. In my experience as a labor lawyer over the past 37 years, I am aware that this is a recurring problem that many employers face not realizing that changes of employment terms, even if in the employee's favor, still must be subject to bargaining with the Union first. Indeed, in this case the NLRB's Administrative Law Judge recently found that Western Cab violated its bargaining obligation by not giving the Union a chance to bargain about the waiting period for health insurance coverage before the change was made. The Minimum Wage Amendment exerts pressure on Western Cab, that it otherwise would not have had, to reach a collective bargaining agreement with the Union on wages and health benefits.

4. In addition the Minimum Wage Amendment allows waiver of the minimum wage only in a collective bargaining agreement. This fact further exerts pressure to reach a collective bargaining agreement with the Union. Moreover, unilateral implementation under the National Labor Relations Act allows for wages to be unilaterally implemented after an impasse in bargaining. The definition of unilateral implementation in the Minimum Wage Amendment is different from the term defined in cases by the National Labor Relations Board and thus interferes with the implementation of federal labor policy.

Gregory E. Smith

SUBSCRIBED and SWORN to before me this 21 22 day of September, 2015

by Gregory E. Smith.

NOTARVPITELIC

ROSALIE GARCIA
Identify Public State of Nevoda
No. 92-1104-1
My appt. exp. AUG. 7, 2017

## **EXHIBIT 5**

#### AFFIDAVIT OF MARTHA SARVER

STATE OF NEVADA	)
	) ss
COUNTY OF CLARK	)

Martha Sarver, being duly sworn upon her oath, deposes and says that:

- I am the General Manager for Western Cab Company ("Western Cab") and have held this position since 2006.
- 2. Irshad Ahmed worked for Western Cab from February 23, 2012 through June 28, 2013. Attached as Exhibit 5-1 is a true and correct copy of Ahmed's Payroll Detail Report for that time period. Ahmed was paid wages of \$52,302.34 for that time period. This did not include his tips of \$9,869.57. Ahmed often worked between eight and ten hours a shift. Ahmed averaged \$10.87 per hour without tips. This is far above the upper tier minimum wage.
- 3. Although Ahmed was offered health insurance at Western Cab, Ahmed said on June 7, 2012, that he wanted to be on his wife's medical insurance. Ahmed never enrolled in or paid anything for health insurance while employed by Western Cab.
- 4. Attached as Exhibit 5-2 are my calculations of Ahmed's hourly wage from September 23, 2012 to June 28, 2013. Ahmed always made over \$8.25 an hour, the upper tier minimum wage.
- 5. Michael Sargeant worked for Western Cab for three months in 2014. Attached as Exhibit 5-3 is a copy of Sargeant's Payroll Detail Report from February 20, 2014 to May 10, 2014. During these dates Sargeant always made over \$8.25 an hour, the upper tier of the minimum wage rate.
- 6. Neither Ahmed nor Sargeant ever attempted to collect any wages allegedly due from Western Cab.

7. Attached hereto as Exhibit 5-4 is a true and correct copy of the Nevada 2015 poster which Western Cab currently has posted. We have always posted a Nevada poster containing similar provisions for over ten years.

MARTHA SARVER

SUBSCRIBED and SWORN to before me this  $\frac{19}{2}$  day of September, 2015 by Martha Sarver.

NOTARY PUBLIC TAMMY BIGLIN Notary Public State of Nevada APPT, NO. 08-104886-1 My App, Expires April 14, 2018

## Payroll Detail Re, ort Pay period of: 2/23/2012 through 4/17/2012

Page 2-1

Date	Shift	Cab	Trips	Paid Miles	Paid Mile%	Book	Trip Chrg	Book	Wage	0/8	
			,								

#### Ahmed, Irshad

Western Cab

Pay: \$52,302.34

Tips: 9869.57 O\S:

.00 Time: 364.20

2/orx 2/62 10.81 6/46

15.00 175.25 0.00 2/23/2012 365,50 350.50 10-01 15 109 66,9 % 133 0,00 18,00 400.80 200.40 2/24/2012 10-01 18 126 69,2 % 418,80 133 2/25/2012 10-01 13 61.4 % 249.90 13,00 236,90 118.45 0,00 70 141 167.05 0.00 2/26/2012 10-01 17 116 73.0 % 351.10 17.00 334.10 87 2/27/2012 12 61.7 % 229,80 12.00 217,80 108.90 0.00 10-01 66 184 2/28/2012 58.9 % 186,00 93,00 0,00 10-01 10 56 196.00 10.00 24 2/29/2012 162,55 0,00 10-01 13 104 68.9 % 338,10 13.00 325,10 24 3/1/2012 16.00 311.20 155.60 0.00 10-01 16 97 66,9 % 327,20 204 3/2/2012 19 19.00 356,90 178.45 0,00 10-01 107 71.8 % 375.90 205 196,70 98.35 0.00 3/3/2012 10-01 13 61.5 % 209.70 13.00 56 33 163,75 0,00 3/4/2012 10-01 19 99 66.0 % 346,50 19,00 327.50 33 3/6/2012 14 79 269.40 14.00 255.40 127.70 0.00 10-01 67.5.% 75 3/7/2012 10-01 17 110 73,8 % 366.90 17.00 349,90 174.95 0.00 222 3/8/2012 14 59,6% 251.70 14.00 237.70 118.85 0.00 10-01 68 75 226,00 113.00 0,00 3/9/2012 10-01 14 65 66.3 % 240,00 14.00 161 3/10/2012 12 12.00 207,90 103.95 0.00 10-01 62 60.2 % 219,90 75 3/11/2012 18 73,9 % 383,00 18.00 365,00 182.50 0,00 13-01 113 189 3/13/2012 14 56 58.9 % 219.60 14.00 205,60 102,80 0,00 10-01 150 3/14/2012 13 120 61.5 % 358.60 13.00 345,60 172,80 0.00 10-01 142 3/15/2012 10-01 22 61,6% 343,60 22,00 321,60 160.80 0.00 136 93 3/16/2012 10-01 18 101 71.1% 354.40 18.00 336.40 168,20 0,00 100 3/17/2012 10-01 17 132 66.7 % 445.70 17.00 428.70 214,35 0.00 52 3/18/2012 213,60 10-01 18 132 66.7 % 445.20 18,00 427.20 0.00 74 0,00 3/20/2012 10-01 12 -61 62,9 % 224,00 12.00 212.00 106.00 150 3/21/2012 10-01 11 71 62,3 % 242.90 11,00 231,90 115,95 0.00 142 0.00 3/22/2012 10-01 13 76 71.0 % 251.10 13.00 238,10 119.05 210 3/23/2012 144.55 0.00 10-01 13 91 70,0 % 302,10 13.00 289,10 100 0.00 3/24/2012 10-01 98 16 65 65,0 % 249.60 16.00 233,60 116.80 3/25/2012 19 112 70.9 % 381,90 19,00 362,90 181,45 0.00 10-01 102 3/27/2012 10-01 16 104 69,3 % 351,60 16,00 335,60 167,80 0,00 148 3/28/2012 10-01 13 91 63,6 % 303,90 13.00 290,90 145.45 0,00 142 13 13,00 287.10 143.56 0,00 3/29/2012 61.0 % 300.10 10-01 136 89 0.00 3/30/2012 10-01 12 90 64.7 % 302.40 12,00 290,40 145,20 100 3/31/2012 105 67.3 % 347,60 14.00 333,60 166,80 0,00 10-01 14 98 397,90 0,00 4/1/2012 10-01 21 119 68.0 % 418,90 21.00 198.95 98 4/3/2012 81 71.1 % 263,70 11.00 252.70 126.35 0.00 10-01 11 150 194.10 4/4/2012 56 63.6 % 205.10 11.00 97.05 0.00 10-01 11 142 4/5/2012 13,00 279,30 139,65 0.00 13 90 68.7 % 292,30 10-01 136 246.20 123.10 0,00 4/6/2012 10-01 10 75 69,4 % 256,20 10.00 100 4/7/2012 10-01 59 58,4 % 205.50 11,00 194,50 97.25 0.00 11 98 4/8/2012 10-01 14 70 61.4 % 250.80 14.00 236,80 118,40 0,00 98 248.70 4/10/2012 10-01 11 92 71.3 % 259.70 11,00 124,35 0,00 150 4/11/2012 10-01 10 71 **58.7 %** 226.20 10,00 216.20 108,10 0.00 142 312,10 297.10 148,55 0,00 4/12/2012 10-01 15 90 69,2 % 15,00 136 0,00 4/13/2012 10-01 16 100 70.9 % 333,60 16,00 317.60 158,80 100 263,10 15.00 248,10 124.05 0,00 4/14/2012 10-01 15 73 68.9 % 98 0.00 4/15/2012 112 72.3 % 379,90 19,00 360,90 180,45 10-01 19 98 0,00 18,00 321,20 160,60 4/17/2012 10-01 18 94 69.1 % 339.20 150

EXHIBIT 5-1

# Payroll Detail Re, ort Pay period of: 4/18/2012 through 6/13/2012

Page 2-2

Date	Shift	Cab	Trlps	Paid Miles	Pald Mile%	Book	Trlp Chrg	Book	Wage	0/8
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#### Ahmed, Irshad

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4/18/2012	10-01	142	15	106	73.1 %	346.30	15.00	331,30	165.65	0.00
4/19/2012	10-01	136	16	51	41,1 %	283.70	16,00	267.70	133,85	0.00
4/20/2012	10-01	100	14	93	58.5 %	311.60	14,00	297.60	148.80	0.00
4/21/2012	10-01	98	16	113	75.8 %	375.40	16,00	359.40	179.70	0.00
4/22/2012	10-01	71	17	92	68.1 %	344,90	17.00	327,90	163,95	0.00
4/24/2012	10-01	150	11	78	65.5 %	251,50	11,00	240.50	120,25	0,00
4/25/2012	10-01	142	14	66	60,6 %	238.00	14.00	224.00	112.00	0,00
4/26/2012	10-01	. 53	14	110	71.0 %	356,00	14.00	342.00	171.00	0,00
4/27/2012	10-01	115	14	86	68.8 %	290,20	14.00	276,20	138,10	0,00
4/28/2012	10-01	115	17	80	70.8 %	296.70	17.00	279.70	139.85	0,00
4/29/2012	10-01	115	16	123	74.1 %	405.80	16.00	389.80	194,90	0,00
5/1/2012	10-01	101	12	69	65.1 %	241,20	12.00	229,20	114.60	0,00
5/3/2012	11-01	151	18	111	68.5 %	378,00	18,00	360,00	180,00	0.00
5/4/2012	10-01	63	17	83	66,4 %	299,50	17.00	282,50	141.25	0.00
5/5/2012	10-01	100	15	88	72.1 %	303,10	15.00	288,10	144.05	0.00
8/6/2012	10-01	115	21	130	77.8 %	453,50	21.00	432,50	216.25	0,00
5/8/2012	10-01	115	13	82	72.6 %	274.70	13,00	261.70	130.85	0,00
5/9/2012	10-01	115	15	76	65.0 %	280,00	15.00	265,00	132.50	0.00
5/10/2012	10-01	60	13	102	76,1 %	341,30	13,00	328.30	164,15	0.00
5/11/2012	10-01	115	14	82	72.6 %	286,40	14,00	272.40	136.20	0.00
5/12/2012	10-01	163	15	74	62.7 %	262,30	15,00	247.30	123.65	0.00
5/13/2012	10-01	115	16	99	70.2 %	346.60	16,00	330,60	165.30	0.00
5/15/2012	10-01	115	15	88	80.0 %	301,90	15.00	286.90	143.45	0.00
5/16/2012	10-01	115	11	83	62.9 %	278.30	11,00	267,30	133.65	0,00
5/17/2012	10-01	115	14	100	72.5 %	339,60	14,00	325.60	162.80	0.00
6/18/2012	10-01	115	16	79	71.8 %	301,80	16,00	285.80	142,90	0.00
5/19/2012	10-01	115	17	109	69.0 %	373,50	17.00	356,50	178.25	0.00
5/20/2012	10-01	115	22	126	73,3 %	433,80	22.00	411.80	205.90	0,00
5/22/2012	10-01	115	18	75	68,2 %	284,60	18.00	266,60	133.30	0.00
5/23/2012	10-01	115	16	94	65.7 %	326,00	16.00	310,00	155.00	0,00
5/24/2012	10-01	115	12	132	56.9 %	405,00	12.00	393.00	196.50	0,00
5/25/2012	10-01	115	·13	77	70.0 %	273.10	13.00	260.10	130.05	0.00
5/26/2012	10-01	115	17	75	64.1 %	291.30	17.00	274.30	137.15	0,00
5/27/2012	10-01	100	19	94	70.1 %	346.90	19.00	327,90	163.95	0,00
5/29/2012	10-01	75	13	79	68.7 %	272,30	13.00	259.30	129,65	0.00
5/30/2012	10-01	115	12	56	57.7 %	198,20	12.00	186,20	93.10	0.00
5/31/2012	10-01	115	12	76	65.5 %	269,20	12.00	257.20	128.60	0,00
6/1/2012	10-01	115	13	70	64.8 %	246.10	13,00	233,10	116.55	0,00
6/2/2012	10-01	115	12	63	63,6 %	227.00	12,00	215.00	107.50	0.00
6/3/2012	10-01	115	16	99	62.3 %	352.00	16.00	336,00		0.00
6/5/2012	10-01	115	10	61	60.4 %	204.60	10.00	194.60	97,30	0,00
6/6/2012	10-01	115	10	54	63,5 %	190,00	10.00	180,00	90,00	0.00
6/7/2012	10-01	115	14	81	66,4 %	273.00	14.00	259.00	129,50	0,00
6/8/2012	10-01	115	17	118	72.8 %	396.50	17.00	379,50	189.75	0.00
6/9/2012	10-01	115	22	84	67.7 %	337.40	22,00	315,40	157.70	0,00
6/10/2012	10-01	115	27	107	65.6 %	398.60	27,00	371.60	185,80	0,00
6/12/2012	10-01	115	20	95	66.4 %	343,00	20.00	323,00	161,50	0,00
6/13/2012	10-01	115	13	115	64.6 %	367.70	13.00	354,70	177,35	0.00

# Payroll Detail Re, ort Pay period of: 6/14/2012 through 8/8/2012

Page 2-3

Date <sub>.</sub> Shift	Cab	Trips Paid Miles	Pald Mile%	Book	Trip Chrg	Book	Wage	O/S
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### Ahmed, Irshad

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6/14/2012	10-01	115	16	97	69,8 %	331.20	16,00	315,20	157,60	0,00
6/15/2012	10-01	115	15	80	67.8 %	286,30	15,00	271.30	135.65	0.00
6/16/2012	10-01	115	11	58	65.2 %	209.30	11.00	198.30	99.15	0.00
6/17/2012	10-01	115	19	85	64.4 %	314,90	19.00	295,90	147.95	0,00
6/19/2012	10-01	115	11	62	66.7 %	215.90	11.00	204.90	102,45	0,00
6/20/2012	10-01	115	10	54	62.1 %	191.20	10.00	181,20	90,60	0,00
6/21/2012	10-01	115	12	48	61.5 %	187.60	12,00	175.60	87.80	0,00
6/22/2012	10-01	115	13	108	68.8 %	344.10	13,00	331.10	165.55	0,00
6/23/2012	10-01	115	10	67	65.7 %	227,20	10.00	217.20	108.60	0,00
6/24/2012	10-01	115	16	118	67.8 %	377.60	16.00	361,60	180,80	0,00
6/26/2012	10-01	72	9	61	59.8 %	215,90	9.00	206.90	103.46	0,00
		115								
	10-01	115	15	105	67.3 %	347.90	15.00	332,90	166.45	0,00
6/29/2012	10-01	115	11	66	58.9 %	229.50	11,00	218.50	109.25	0,00
	10-01	115	13	58	63.0 %	223.30	13,00	210.30	105.15	0,00
	10-01	115	16	102	69.4 %	345.40	16,00	329,40	164.70	0.00
	10-01	115	12	60	66.7 %	215,20	12,00	203.20	101.60	0,00
	10-01	115	11	60	63.8 %	207.90	11.00	196,90	98.45	0,00
	10-01	115	14	69	61.6 %	257.40	14.00	243.40	121.70	0.00
	10-01	115	12	77	68.8 %	270,00	12.00	258.00	129.00	0.00
	10-01	115	11	51	69.9 %	186.10	11.00	175,10	87.55	0,00
	10-01	135	10	57	66.3 %	195.40	10,00	185.40	92.70	0.00
	10-01	115	9	62	70.5 %	210.30	9,00	201,30	100.65	0,00
	10-01	115	12	78	67.8 %	265.60	12,00	253.60	126.80	0.00
	10-01	115	13	57	65.5 %	215.70	13,00	202.70	101.35	0,00
	10-01	115	13	77	62,1 %	264.90	13.00	251,90	125.95	0,00
	10-01	64	14	77	65.3 %	272.40	14.00	258.40	129.20	
	10-01	115	10	66	68.0 %	225,20	10.00	215,20	107.60 70.10	0,00
7/18/2012	10-01	63	10	39	54.2 %	150,20	10.00	140.20	70.10	0,00
7/19/2012	10-01	115	8	62	63,3 %	212.60	8.00	204.60	102.30	0,00
	10-01	115	9	54	61.4 %	195.50	9.00	186.50	93.25	0,00
	10-01	115 115	11	60	58.3 %	213,50	11.00	202.50	101.25	0,00
	10-01	115	18	108	70.1 %	375.00	18.00	357.00	178,50	0,00
	10-01	5	8	37	56.9 %	134.00	8,00	126.00	63.00	0.00
	10-01	188	12	66	62.9 %	230,60	12,00	218.60	109.30	0.00
	10-01	197	10	87	66,9 %	287,20	10,00	277.20	138.60	0,00
	10-01	209	10	47	58.0 %	173.80	10,00	163,80	81.90	0.00
	10-01	115	12	74	67.3 %	248.80	12.00	236,80		0,00
	10-01	115	17	107	73.8 %	385,50	17,00	368,60	184.25	0,00
<del></del>	10-01	115	12	74	58.3 %	277.80	12.00	265.80	132.90	0.00
	10-01	115	11	76	77.6 %	234.90	11.00	223.90	111.95	0.00
· · · · · · · · · · · · · · · · · · ·	10-01	115	11	68	64.8 %	232.70	11.00	221.70	110.85	0.00
8/3/2012	10-01	115	10	51	59.3 %	190.80	10.00	180,80	90,40	0.00
8/4/2012 1	10-01	115	9	47	52.2 %	164.90	9,00	155,90	77.95	0.00
8/6/2012 1	10-01	115	12	70	62.5 %	259.00	12.00	247,00	123.50	0.00
<del></del>	10-01	115	9	46	57.5 %	167.70	9,00	158,70	79.35	0.00
8/8/2012 1	10-01	115	8	55	59.1 %	180,20	8,00	172.20	86.10	0.00

## Payroll Detail Re, ort Pay period of: 8/9/2012 through 10/4/2012

Page 2-4

Date	Shift	Cab	Trips	Pald Miles	Paid Mile%	Book	Trip Chrg	Book	Wage	0/8	
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### Ahmed, Irshad

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8/9/2012	10-01	115	11	62	62.6 %	215.30	11,00	204,30	102.15	0,00
8/10/2012		, , , ,	11	75	65,2 %	247.50	11.00	236,50	118,25	0,00
8/11/2012		115	10	1	58.9 %	195.80	10,00	185,80	92,90	0,00
8/12/2012		115	17	112	70.4 %	372.30	17,00	355,30	177.65	0,00
8/14/2012	10-01		13		71.3 %	289.70	13,00	276.70	138,35	0.00
8/15/2012		115	13		56.8 %	185.30	13,00	172.30	86,15	0.00
8/16/2012	10-01	110	7	35	55.6 %	127,90	7.00	120.90	60,46	0,00
		115							1	
8/17/2012	10-01	116	10	67	72.8 %	230,80	10,00	220.80	110.40	0.00
8/18/2012			11	68	.62.4 %	234.70	11.00	223,70	111.85	0.00
8/19/2012	10-01	116	9	86	67.2 %	288.70	9,00	279.70	139,85	0.00
8/21/2012	10-01	116	15	91	61.9 %	318.70	15.00	303.70	151,85	0.00
8/22/2012	10-01	116	13	83	81.4 %	231.70	13.00	218.70	109,35	0.00
8/23/2012	10-01	116	14	82	70.1 %	287.80	14.00	273.80	136,90	0.00
8/24/2012	10-01	116	12	75	71.4 %	245.40	12,00	233,40	116,70	0.00
8/25/2012	10-01	116	11	60	62.5 %	211.30	11.00	200,30	100.15	0,00
8/26/2012	10-01	116	15	103	64.0 %	336.10	15.00	321.10	160,55	0,00
8/28/2012	10-01	116	7	36	61.0 %	130,90	7.00	123,90	61,95	0,00
8/29/2012	10-01	116	8	54	65.9 %	180.80	8,00	172.80	86,40	0,00
8/30/2012	10-01	116	7	37	49.3 %	134.30	7.00	127.30	63,65	0,00
8/31/2012	10-01	116	8	44	71.0 %	173.80	8.00	165.80	82,90	0,00
9/1/2012	10-01	116	11	60	69.0 %	217.30	11.00	206,30	103,15	0,00
9/2/2012	10-01	116	14	83	65.9 %	284.60	14.00	270,60	135,30	0.00
9/4/2012	10-01	116	13	62	60,2 %	220.10	13.00	207.10	103,55	0,00
9/5/2012	10-01	116	9	62	66.0 %	204.70	9,00	195.70	97,85	0.00
9/6/2012	10-01	116	10	80	65,0 %	253,60	10,00	243.60	121,80	0.00
9/7/2012	10-01	116	9	80	69.6 %	274.10	9,00	265.10	132,55	0.00
9/8/2012	10-01	116	11	87	69.0 %	277.70	11.00	266,70	133,35	0,00
9/9/2012	10-01	116	14	100	66,2 %	339,00	14.00	325,00	162,50	0,00
9/11/2012	10-01	116	11	82	66.1 %	262,90	11.00	251,90	125,95	0.00
9/12/2012	10-01	116	13	75	65.8 %	268,10	13.00	255,10	127.55	0.00
9/13/2012	10-01	116	12	101	71,6 %	325,80	12.00	313,80	156,90	0,00
9/14/2012	10-01	116	14	76	69.1 %	263,00	14.00	249.00	124,50	0.00
9/15/2012	10-01	116	11	79	59.4 %	259,30	11.00	248.30	124.15	0.00
9/16/2012	10-01	116	14	78	67.8 %	282.60	14.00	268,60	134,30	0,00
9/20/2012	10-01	116	11	68	65.4 %	231.70	11.00	220,70	110,35	0,00
9/21/2012	10-01	116	14	82	68.3 %	295,80	14.00	281.80	140,90	0.00
9/22/2012	10-01	116	11	70	63.1 %	238.50	11.00	227.50	113.75	0.00
9/23/2012	10-01	116	14	104	68.0 %	334.40	14.00	320.40	160.20	0.00
9/25/2012	10-01	116	2	72	66.1 %	260.90	2.00	258.90	129,45	0.00
9/26/2012	10-01	116	15	107	75.9 %	345.90	15,00	330,90	165.45	0,00
9/27/2012	10-01	116	15	95	65.1 %	329,10	15.00	314.10	157,05	0,00
9/28/2012	10-01	116	13	76	66.1 %	260,90	13.00	247.90	123,95	0.00
9/29/2012	10-01	116	13	105	64.8 %	330.70	13.00	317.70	158.85	0.00
9/30/2012	10-01	116	15	96	69.6 %	331.90	15.00	316,90	158.45	0,00
10/2/2012	10-01	116	9	64	71.1 %	213.10	9.00	204.10	102.05	0.00
10/3/2012	10-01	116	10	84	73.0 %	267.80	10.00	257.80	128,90	0,00
10/4/2012	10-01	116	12	91	70.5 %	296.00	12.00	284.00	142,00	0.00
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# Payroll Detail Re, ort Pay period of: 10/5/2012 through 12/4/2012

Page 2-5

Date	Shift	Cab	Trips	Pald Miles	Pald Mile%	Book	Trip Chrg	Book	Wage	0/8	
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#### Ahmed, Irshad

10/5/2012	10-01	116	13	88	69.3 %	293.30	13,00	280.30	140.15	0,00
10/6/2012	10-01	116	13	60	66.7 %	248.30	13.00	235,30	117.65	0.00
10/7/2012	10-01	116	16	100	74.6 %	339.80	16.00	323,80	161.90	0,00
10/9/2012	10-01	116	12	74	67.3 %	258.80	12.00	246,80	123,40	0.00
0/10/2012	10-01	116	14	100	76.9 %	329.80	14.00	315.80	157.90	0,00
0/11/2012	10-01	73	16	60	65.9 %	237.80	16.00	221,80	110,90	0.00
0/12/2012	10-01	116	12	88	73.3 %	294,20	12,00	282,20	141,10	0.00
0/13/2012	10-01	116	12	80	76.9 %	268.80	12.00	256.80	128,40	0.00
0/14/2012	10-01	116	15	107	67.7 %	365,30	15,00	340.30	170.15	0,00
0/16/2012	10-01	116	10	71	67.0 %	231.60	10.00	221.60	110,80	0.00
0/17/2012	10-01	116	13	80	70.2 %	270.10	13.00	257.10	128,55	0.00
0/18/2012	10-01	116	13	110	73.3 %	355.50	13,00	342.50	171,25	0.00
0/19/2012	10-01	116	13	84	70.6 %	289,30	13,00	276,30	138.15	0.00
0/20/2012	10-01	116	12	104	68.0 %	332,40	12.00	320.40	160.20	0.00
0/21/2012	10-01	116	17	117	71.8 %	379.50	17.00	362,50	181.25	0.00
0/23/2012	10-01	116	9	79	62.7 %	252.90	9,00	243.90	121.95	0.00
0/24/2012	10-01	116	11	62	60.2 %	215.70	11.00	204.70	102.35	0,00
0/25/2012	10-01	116	15	91	72.2 %	312.30	15.00	297.30	148,65	0.00
0/26/2012	10-01	116	9	56	52.3 %	219.50	9.00	210.50	105.25	0,00
0/27/2012	10-01	116	10	78	74.3 %	254.00	10.00	244.00	122.00	0.00
0/28/2012	10-01	116	13	88	68.8 %	307.10	13.00	294.10	147,05	0.00
0/30/2012	10-01	116	12	86	61.0 %	287.00	12.00	275.00	137.50	0.00
0/31/2012	10-01	116	3	28	45.9 %	86.70	3.00	83.70	41,85	0.00
11/1/2012	10-01	116	22	127	73.0 %	444.80	22,00	422,80	211.40	0.00
11/2/2012	10-01	116	16	91	72.8 %	317.00	16.00	301.00	150.50	.0.00
11/4/2012	10-01	116	11	99	75.6 %	312.90	11.00	301.90	150.95	0.00
11/9/2012	10-01	146	11	71	71.7 %	251,30	11.00	240,30	120.15	0.00
1/10/2012	10-01	116	12	80	74.8 %	275.40	12,00	263.40	131.70	0.00
1/11/2012	10-01	142	17	121	70.3 %	394.10	17.00	377.10	188.55	0,00
1/13/2012	10-01	116	10	77	67.0 %	253.20	10,00	243.20	121.60	0.00
1/14/2012	10-01	116	10	66	71.7 %	225,80	10,00	215.80	107,90	0.00
1/15/2012	10-01	116	12	85	71.4 %	282,20	12.00	270.20	135,10	0.00
1/16/2012	10-01	116	9	61	70,9 %	210,50	9.00	201.50	100.75	0.00
1/17/2012	10-01	116	11	52	69,3 %	194.30	11.00	183.30	91,65	0.00
1/18/2012	10-01	116	11	84	63.6 %	272.30	11.00	261.30	130.65	0,00
1/20/2012	10-01	116	8	81	75.0 %	259,60	8,00	251.60	125,80	0,00
1/21/2012	10-01	116	6	55	70.5 %	177,20	6,00	171.20	85,60	0,00
1/22/2012	10-01	116	7	48	69,6 %	161,30	7.00	154.30	77.15	0,00
1/23/2012	10-01	116	8	65	69,1 %	208,00	8,00	200.00	100.00	0.00
1/24/2012	10-01	116	7	102	80.3 %	302.70	7,00	295.70	147.85	0,00
1/25/2012	10-01	116	.8	61	58.7 %	195,80	8.00	187.80	93,90	0.00
1/27/2012	10-01	116	.7	52	59.8 %	168.90	7,00	161.90	80,95	0.00
1/28/2012	10-01	116	4	34	50.7 %	106,80	4,00	102.80	51.40	0.00
1/29/2012	10-01	116	8	65	69.1 %	215.20	8.00	207.20	103.60	0,00
		201								
12/1/2012	10-01	116	11	73	65.8 %	248,90	11.00	237.90	118,95	0,00
12/2/2012	10-01	116	10	94	61.0 %	291,80	10.00	281.80	140,90	0.00
12/4/2012	10-01	116	8	51	65.4 %	167.60	8.00	159.60	79,80	0.00
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# Payroll Detail Re, ort

Page 2-6

Date	Shlft	Cab	Trips	Paid Miles	Pald Mile%	Book	Trip Chrg	Book	Wage	O/S	
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#### Ahmed, Irshad

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12/5/2012	10-01	116	8	37	55.2 %	139.40	8,00	131,40	65.70	0,00
12/6/2012	10-01	116	10	72	58,1 %	238,00	10.00	228,00	114.00	0.00
12/7/2012	10-01	116	11	63	70.0 %	221.70	11.00	210.70	105.35	0.00
12/8/2012	10-01	116	10	65	69,9 %	223,00	10,00	213,00	106,50	0,00
12/9/2012	10-01	116	11	91	71,1 %	296.30	11.00	285,30	142.65	0.00
2/12/2012	10-01	116	8	76	75.2 %	238,80	8,00	230.80	115,40	0.00
2/13/2012	10-01	116	10	70	72.9 %	222.00	10.00	212.00	106.00	0.00
2/14/2012	10-01	116	9	50	63.3 %	173.50	9.00	164.50	82.25	0.00
2/15/2012	10-01	116	10	69	67.6 %	227,80	10.00	217.80	108,90	0.00
2/16/2012	10-01	116	11	89	62.7 %	279,70	11.00	268.70	134.35	0,00
2/18/2012	10-01	116	б	44	74.6 %	153,30	5,00	148,30	74.15	0.00
2/19/2012	10-01	116	6	41	62,1 %	134,60	6,00	128,60	64,30	0.00
2/20/2012	10-01	116	5	36	63.2 %	118.10	5.00	113,10	56,55	0,00
2/21/2012	10-01	116	4	29	61.7 %	98.60	4.00	94,60	47.30	0,00
2/22/2012	10-01	116	5	37	68,5 %	128.10	5.00	123.10	61.55	0,00
2/23/2012	10-01	116	5	39	63.9 %	134.50	5,00	129.50	64.75	0.00
2/25/2012	10-01	116	9	40	63,5 %	155.50	9,00	146,50	73.25	0.00
2/26/2012	10-01	116	10	69	76.7 %	228,60	10,00	218,60	109.30	0,00
2/27/2012	10-01	116	6	41	61.2 %	141.00	6,00	135,00	67,50	0,00
2/28/2012	10-01	116	9	71	74,0 %	230.50	9,00	221.50	110.75	0,00
2/29/2012	10-01	116	9	54	65,1 %	188.50	9,00	179,50	89.75	0,00
2/30/2012	10-01	116	12	59	63,4 %	213,00	12.00	201.00	100.50	0,00
1/1/2013	10-01	116	15	108	66.3 %	381.70	15,00	366,70	183.35	0,00
1/2/2013	10-01	116	11	79	65,3 %	261.70	11.00	250.70	125.35	0,00
1/3/2013	10-01	116	7	26	52,0 %	107.10	7.00	100.10	50.05	0,00
1/4/2013	10-01	116	8	53	66.2 %	182.80	8,00	174,80	87.40	0,00
1/5/2013	10-01	116	11	69	65.7 %	230.70	11,00	219.70	109.85	0.00
1/6/2013	10-01	116	10	94	67,1 %	293.00	10.00	283,00	141.50	0.00
1/8/2013	10-01	116	15	92	67,6 %	335,30	15,00	320,30	160,15	0.00
1/9/2013	10-01	116	17	103	77.4 %	352.90	17.00	335,90	167.95	0,00
1/10/2013	10-01	116	18	111	77.6 %	387.00	18.00	369,00	184.50	0.00
1/11/2013	10-01	116	19	106	71.1 %	373,90	19,00	354.90	177,45	0.00
1/12/2013	10-01	116	9	79	64.2 %	248.10	9.00	239,10	119.55	0,00
1/13/2013	10-01	116	11	90	73.8 %	286,50	11.00	275.50	137.75	0.00
1/15/2013	10-01	116	16	76	65,0 %	243.60	16.00	227.60	113,80	0.00
1/16/2013	10-01	116	5	76	67.3 %	251.90	5,00	246.90	123,45	0,00
1/17/2013	10-01	116	11	97	68.3 %	310,70	11.00	299.70	149.85	0.00
1/18/2013	10-01	116	12	100	80,0 %	317.20	12,00	305,20	152,60	0,00
1/19/2013	10-01	116	14	103	74.6 %	. 338.20	14.00	324.20		0.00
1/20/2013	10-01	116	15	91	71.1 %	316,40	15,00	301.40		0,00
1/22/2013	10-01	116	10	53	66.2 %	214.80	10.00	204.80		0,00
1/23/2013	10-01	116	9	63	70.8 %	211,10	9.00	202,10		0,00
1/24/2013	10-01	116	11	73	71.6 %	240.90	11.00	229,90	114,95	0.00
1/25/2013	10-01	116	9	69	71.9 %	226.10	9.00	217.10	108.55	0.00
1/26/2013	10-01	116	5	50	58,1 %	176.80	5.00	171,80	85,90	0,00
1/27/2013	10-01	116	13	107	72.8 %	335,30	13,00	322,30	161.15	0.00
1/29/2013	10-01	116	11	65	66,3 %	227,90	11.00	216.90 320.90	108.45 160.45	0.00
1/30/2013	10-01	154	13	105	78.9 %	333,90	13.00	920,80	100,40	0.00

# Payroll Detail Re, ort

Page 2-7

Date Shift Trips Miles Mile% Book Chrg Book Wa	Date	Shift Cab	Trips	Pald Miles	Pald Mile%	Book	Trip Chrg	Book	Wage	o/s
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### Ahmed, Irshad

1/31/2013	10-01	116	9	69	62.2 %	231.90	9.00	222.90	111.45	0,00
2/1/2013	10-01	116	8	58	71.6 %	201.20	8.00	193.20	96.60	0.00
2/2/2013	10-01	116	9	64	68.1 %	209,90	9.00	200,90	100.45	0,00
2/3/2013	10-01	116	8	49	62.8 %	165.00	8.00	157.00	78.50	0.00
2/6/2013	11-01	182	14	56	56.0 %	221.60	14,00	207,60	103.80	0.00
2/6/2013	11-01	182	19	66	58.4 %	274.90	19.00	255,90	127.95	0.00
2/7/2013	10-01	116	14	78	60,0 %	265,20	14.00	251.20	125.60	0.00
2/8/2013	10-01	116	13	89	73.6 %	309.30	13,00	296.30	148.15	0.00
2/9/2013	10-01	116	15	65	72.2 %	248.30	15.00	233,30	116,65	0.00
2/10/2013	10-01	116	12	100	66,2 %	321.00	12.00	309,00	154.50	0.00
2/12/2013	10-01	116	8	66	66.7 %	207.00	8.00	199.00	99,50	0.00
2/13/2013	. 10-01	116	9	58	65.2 %	195.50	9.00	186,50	93,25	0.00
2/14/2013	10-01	.116	12	93	71.0 %	313,60	12.00	301.60	150.80	0.00
2/15/2013	10-01	116	8	34	63,0 %	134.20	8,00	126,20	63.10	0.00
2/16/2013	10-01	116	12	64	63,4 %	230,20	12.00	218.20	109.10	0,00
2/17/2013	10-01	116	11	103	73,0 %	317.90	11.00	306.90	153.45	0.00
2/19/2013	10-01	116	17	70	66.7 %	269.30	17.00	252.30	126,15	0.00
2/20/2013	10-01	116	12	102	97.1 %	266,60	12.00	254.60	127.30	0.00
2/21/2013	10-01	116	28	101	78,9 %	357.00	28.00	329.00	164.50	0,00
2/22/2013	10-01	116	10	74	71.2 %	249,40	10,00	239.40	119,70	0,00
2/23/2013	10-01	116	10	68	73.9 %	228,40	10,00	218,40	109.20	0,00
2/24/2013	10-01	116	13	88	70.4 %	290.50	13.00	277.60	138.75	0.00
2/26/2013	10-01	116	10	60	75,0 %	204.00	10.00	194.00	97.00	0.00
2/27/2013	10-01	116	10	69	61.6 %	231.40	10,00	221.40	110.70	0.00
2/28/2013	10-01	116	14	79	76.7 %	275.00	14.00	261.00	130.50	0,00
3/1/2013	10-01	116	14	99	68.3 %	328,80	14.00	314.80	157.40	0.00
3/2/2013	10-01	116	13	81	71.1 %	271.50	13.00	258,50	129.25	0.00
3/3/2013	10-01	116	14	94	74.6 %	315.80	14.00	301.80	150.90	0.00
3/5/2013	10-01	73	11	66	69.5 %	228.50	11.00	217,50	108.75	0.00
3/6/2013	10-01	116	11	60	67.4 %	214.10	11.00	203.10	101.55	0.00
3/7/2013	10-01	116	13	87	68.0 %	294.90	13,00	281.90	140,95	0.00
3/8/2013	10-01	116	11	67	60.9 %	236.30	11.00	225.30	112.65	0.00
3/9/2013	10-01	116	8	63	51.2 %	202.00	8.00	194.00	97.00	0,00
3/10/2013	10-01	116	14	83	64.3 %	285.60	14.00	271.60	135,80	00,0
3/12/2013	10-01	116	13	71	68.9 %	251.30	13.00	238.30	119.15	0,00
3/13/2013	10-01	116	11	62	53,0 %	222.90	11,00	211.90	105.95	0,00
3/14/2013	10-01	116	14	72	68,6 %	266,20	14.00	252.20	126,10	0.00
3/15/2013	10-01	116	11	69	69.0 %	247.50	11.00	236.50	118.25	0,00
3/16/2013	10-01	116	15	78	78.0 %	287.10	15.00	272,10	136.05	0,00
3/17/2013	10-01	116	16	112	74.2 %	377.20	16.00	361.20	180.60	0,00
3/19/2013	10-01	116	15	64	65,3 %	245.90	15.00	230,90	115.45	0.00
3/20/2013	10-01	116	17	110	71.4 %	380.70	17.00	363,70	181,85	0.00
3/21/2013	10-01	116	18	157	73.7 %	499,40	18.00	481.40	240.70	0.00
3/22/2013	10-01	149	16	78	73.6 %	295,20	16.00	279.20	139,60	0.00
3/23/2013	10-01	116	12	80	69.6 %	263,60	12.00	251,60	125.80	0,00
3/24/2013	10-01	76	15	137	65.6 %	431.50	15.00	416,50	208,26	0.00
·		116					,			
4/4/2013	10-01	116	10	51	64.6 %	204.00	10.00	194.00	97,00	0.00
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# Payroll Detail Re, ort

Page 2-8

Date Shift Cab	Trips Paid Miles	Pald Mile% Bo	Trip ok Chrg	Book	Wage	0/8
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### Ahmed, Irshad

4/5/2013	10-01	116	15	87	67.4 %	303,70	15.00	288.70	144.35	0.00
4/6/2013	10-01	116	16	111	70.7 %	364.40	16.00	348.40	174.20	0.00
4/7/2013	10-01	116	24	119	78,8 %	427,60	24.00	403.60	201.80	0.00
4/9/2013	10-01	116	17	70	60.9 %	272.30	17.00	255,30	127.65	0.00
4/10/2013	10-01	116	14	74	64,9 %	260.40	14.00	246.40	123.20	0.00
4/11/2013	10-01	116	16	96	73.8 %	337.00	16.00	321.00	160.50	0.00
4/12/2013	10-01	116	16	99	69.7 %	357.00	16.00	341.00	170.50	0,00
4/13/2013	10-01	116	13	92	71.3 %	307.70	13.00	294.70	147.35	0,00
4/14/2013	10-01	116	15	131	70.8 %	416.70	15.00	401.70	200,85	0,00
4/16/2013	10-01	116	12	. 77	68.8 %	263.60	12,00	251.60	125,80	0,00
4/17/2013	10-01	116	7	57	50.9 %	181,70	7.00	174.70	87,35	0,00
4/18/2013	10-01	116	12	80	75,5 %	270.20	12.00	258,20	129,10	0.00
4/19/2013	10-01	116	11	58	53.7 %	215,30	11.00	204.30	102.15	0.00
4/20/2013	10-01	74	13	83	61,0 %	279.70	13.00	266.70	133,36	0.00
		116								
4/21/2013	10-01	116	17	119	66,9 %	402,10	17.00	385,10	192.55	0.00
4/23/2013	10-01	116	11	79	69,3 %	258,90	11.00	247.90	123,95	0.00
4/24/2013	10-01	116	12	78	65.0 %	267.40	12.00	255,40	127,70	00,00
4/25/2013	10-01	116	10	83	76.1 %	283.20	10.00	273,20	136,60	0.00
4/26/2013	10-01	116	11	101	75.9 %	328.30	11.00	317.30	158.65	0.00
4/27/2013	10-01	116	13	99	71.2 %	325,70	13.00	312.70	156,35	0.00
4/28/2013	10-01	116	13	97	71.3 %	316.90	13.00	303,90	151.95	0,00
4/30/2013	10-01	116	8	83	65.9 %	252,40	8.00	244.40	122.20	0.00
5/1/2013	10-01	116	10	71	64.0 %	229.80	10.00	219,80	109,90	0.00
5/2/2013	10-01	116	13	101	71.6 %	326.70	13.00	313.70	156,85	0.00
5/3/2013	10-01	116	14	102	79.7 %	338,40	14.00	324.40	162.20	0.00
5/4/2013	10-01	116	13	79	69.3 %	271.90	13.00	258.90	129.45	0.00
5/5/2013	10-01	116	19	121	77.6 %	417.30	19,00	398,30	199,15	0.00
5/7/2013	10-01	116	12	84	68.9 %	279,00	12.00	267,00	133.50	0.00
5/8/2013	10-01	116	11	76	61.3 %	259.70	11.00	248.70	124,35	0.00
5/9/2013	10-01	116	11	75	64.1 %	250.50	11.00	239.50	119.75	0.00
5/10/2013	10-01	116	11	91	82.0 %	289,30	11.00	278.30	139.15	0,00
5/11/2013	10-01	116	14	65	59,1 %	241.20	14.00	227,20	113.60	0.00
5/12/2013	10-01	116	15	97	70,8 %	324.70	15,00	309,70	154,85	0.00
5/14/2013	10-01	116	10	75	75.8 %	251.80	10,00	241.80	120.90	0.00
5/15/2013	10-01	116	11	63	64.9 %	215.10	11.00	204,10	102.05	0.00
5/16/2013	10-01	116	15	108	76.1 %	357.10	15.00	342.10	171.05	0,00
5/17/2013 5/18/2013	10-01	116	14 12	90	76.3 %	302.00	14.00	288.00 225.00	144.00 112,50	0.00
	10-01	116		68	68.7 %	237.00	22.00	456.20	228,10	0.00
5/19/2013 5/21/2013	10-01	116	22 16	142 90	75.1 % 65.7 %	478.20 318.40	16,00	302,40	161.20	0.00
5/22/2013	10-01	116	15	93	75.6 %	324,90	15.00	309,90	154.95	0,00
5/23/2013	10-01	116	13	59	52.2 %	284.70	13.00	271.70	135,85	0,00
6/24/2013	10-01	116 116	10	62	65.3 %	213,60	10.00	203,60	101.80	0.00
5/25/2013	10-01	116	15	95	72.5 %	325,50	15,00	310,50	155.25	0,00
5/26/2013	10-01	116	21	123	75.9 %	434.70	21.00	413.70	206.85	0.00
5/28/2013	10-01	116	9	94	68,6 %	283.30	9,00	274,30	137.15	0.00
5/29/2013	10-01	116	12	73	65,2 %	248.20	12.00	236,20	118.10	0,00
3/20/20 10	10.01	1.10	14		001A 10	2 10.20	12.00	200,20		7,00

## Payroll Detail Re, ort Pay period of: 6/30/2013 through 6/28/2013

Page 2-9

Date	Shift	Cab	Trips	Pald Miles	Pald Mile%	Book	Trlp Chrg	Book	Wage	O/S
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### Ahmed, Irshad

5/30/2013	10-01	116	14	84	76.4 %	297.80	14,00	283,80	141.90	0,00
5/31/2013	10-01	116	15	88	69.3 %	3,12,10	15.00	297.10	148.55	0.00
6/1/2013	10-01	116	10	75	69.4 %	. 249.00	10,00	239,00	119.50	0,00
6/2/2013	10-01	12	13	108	77.7 %	343.50	13.00	330,50	165.25	0.00
6/4/2013	10-01	116	10	71	78,9 %	236.80	10,00	226.80	113,40	0,00
6/5/2013	10-01	116	8	48	51.6 %	162,20	8,00	154.20	77.10	0,00
6/6/2013	10-01	116	10	71	77.2 %	238,40	10.00	228.40	114.20	0.00
6/7/2013	10-01	116	12	71	67.6 %	251.20	12,00	239,20	119.60	0,00
6/8/2013	10-01	116	13	83	71.6 %	296.30	13.00	283.30	141,65	0,00
6/9/2013	10-01	116	14	107	65,6 %	354.60	14.00	340.60	170.30	. 0.00
6/12/2013	10-01	116	14	84	65.6 %	286,60	14.00	272.60	136.30	0.00
6/13/2013	10-01	116	11	76	61.3 %	256.70	11.00	245.70	122,85	0.00
6/14/2013	10-01	116	14	72	68,6 %	257.10	14,00	243.10	121.55	0.00
6/15/2013	10-01	116	11	63	59.4 %	218.50	11,00	207.50	103,75	0.00
6/16/2013	10-01	116	10	92	63.4 %	284.60	10,00	274.60	137,30	0.00
6/18/2013	10-01	116	8	42	56,0 %	153,80	8,00	145.80	72.90	0.00
6/19/2013	10-01	116	12	73	70.9 %	243.20	12.00	231.20	115.60	0.00
6/22/2013	10-01	116	15	82	59.4 %	302.20	15.00	,287,20	143.60	0.00
6/23/2013	10-01	116	22	116	52.0 %	410.20	22,00	388.20	194,10	0.00
6/25/2013	1.0-01	116	14	105	70.9 %	345,80	14.00	331.80	165,90	0.00
6/26/2013	10-01	116	14	99	68.8 %	324.60	14.00	310,60	155,30	0.00
6/27/2013	10-01	116	12	81	58.7 %	276,80	12,00	264.80	132.40	0.00
6/28/2013	10-01	116	11	72	64.9 %	244.30	11,00	233,30	116,65	0.00

### IRSHAD AHMED 2012

Date	Hours	Wages, Sept. 23 - Hourly W	29, 2012 nge
09/23/12	12	160.20	
09/25/12	12	129.45	
09/26/12	12	165.45	
09/27/12	12	157.05	
09/28/12	12	123.95	
09/29/12	12	158,85	
TOTALS:	72	\$ 894.95	\$12,43

Date	Hours	Wages Sept. 3 2012 Hourly	0 – Oct. 6, Wage
09/30/12	12	158,45	
10/02/12	12	102,05	
10/03/12	12	128,90	
10/04/12	12	142.00	
10/05/12	12	140,15	
10/06/12	12	117.65	
TOTALS:	72	\$ 789.20	\$10,96

Date	Hours	Wages	Oct. 7 - 12, 2012 Hourly Wage
10/07/12	12	161.90	
10/09/12	12	123,40	
10/10/12	10	157.90	
10/11/12	12	110.90	
10/12/12	12	141,10	
10/13/12	12	128,40	
TOTALS:	70	\$ 823.60	\$11.77

Date	Hours	Wages	Oct. 14 - 20, 2012 Hourly Wage
10/14/12	12	170,15	
10/16/12	12	110,80	
10/17/12	12	128,55	
10/18/12	12	171.25	
10/19/12	12	138.15	
10/20/12	12	160,00	,

TOTALS:	72	\$ 878.90	\$12,21
TOTALIS,	14	4	Ψ,21,22

Date	Hours Photos	Wages	Oct, 21 - 27, 2012. Hourly Wage
10/21/12	12	181,25	
10/23/12	12	121,95	
10/24/12	12	102,35	
10/25/12	12	148.65	
10/26/12	12	105,25	•
10/27/12	12 .	122.00	
TOTALS:	72	\$ 781.45	\$10.85

Date	Hours	Wages	Oct. 28 – Nov. 2, 2012
		A state of the sta	Hourly Wage
10/28/12	12	147.05	
10/30/12	12	137.50	
10/31/12	3	41.85	
11/01/12	12	211.40	
11/02/12	12	150,50	
TOTALS:	51	\$ 688.30	\$13,50

Date	Hours	Wages Passer Visite.	Nov. 4 - 10, 2012 Hourly Wage
11/04/12	12	150.95	
. 11/19/12	12	120.15	
11/10/12	12	131.70	
TOTALS:	36	\$ 402.80	\$11.19

Date	Hours	Wages Nov. 1 Hourl	1-17,2012 y Wago
11/11/12	12	188,55	
11/13/12	12	121,60	
11/14/12	12	107,90	
11/15/12	12	135,10	
11/16/12	12	100,75	
11/17/12	12	91,65	
TOTALS:	72	\$ 745.55	\$10.35

Date	Hours	Wages	Nov. 18 - 24, 2012 Hourly Wage
11/18/12	12	130	.65
11/20/12	12	125	.80
11/21/12	12	85	.60
11/22/12	12	77	.15
11/23/12	12	100	,00
11/24/12	12	147	
TOTALS:	. 72	\$ 667	.05 \$9.26

Date	Hours	Wages Nov. 25 — Dec. 1, 2012 Hourly Wage.
11/25/12	8	93.90
11/27/12	7	80.95
11/28/12	4	51,40
11/29/12	8	103,60
12/01/12	12	118.95
TOTALS:	39	\$ 448.80 \$11.51

Date		Hours	Wages		Dec. 2 - 8, 2012 Hourly Wage	;
12/02/12		12		140.90		
12/04/12		8		79.80		
12/05/12		8	•	65,70		
12/06/12		12		114.00		
12/07/12		12		105.35		
12/08/12	,	12		106.50		
TOTALS:		64		\$ 612.25	\$	9.57

Date	Hours	Wages	Dec. 9 : 15, 2012 Hourly Wage
12/09/12	12	142,65	
12/12/12	8	115,40	
12/13/12	12	106.00	
12/14/12	9	82,25	
12/15/12	12	108.90	
TOTALS:	53	\$ 555.20	\$10,48

Date :	Homs	Wages	Dec. 16 - 22, 2012 Hourly Wage
12/16/12	8	134.35	•
12/18/12	8	74.15	
12/19/12	8	64.30	
12/20/12	8	56,55	
12/21/12	8	47.30	
12/22/12	8	61.55	
TOTALS:	48	\$ 438,20	\$9,13

Date	Hours	Wages	Dec. 23 - 29, 2012 Hourly Wage
12/23/12	8	64.75	
12/25/12	8	73.25	
12/26/12	8 .	109.30	
12/27/12	8	67.50	
12/28/12	12	110.75	
12/29/12	12	89,75	
TOTALS:	56	\$ 515,30	\$9.20

Date		Wages	Dec. 30, 2012 - Jan. 5, 2013
		4. (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	Hourly Wage
12/30/12	12	100.50	
01/01/13	12	183,35	
01/02/13	12	125,35	
01/03/13	12	50,05	
01/04/13	12	87,40	
01/05/13	12	109.85	
TOTALS:	72	\$ 656.50	\$9.12

Date	Hours	Wages	Tan. 6. 12, 2013 Hourly Wage
01/06/13	12	141.50	
01/08/13	12	160.15	
01/09/13	12	167.95	
01/10/13	12	184.50	
01/11/13	12	177.45	
01/12/13	12	119,55	
TOTALS:	72	\$ 951,10	\$13,21

Date	Hours,	Wages	Jan. 13 - 19, 2013 Hourly Wage
01/13/13	12	137,75	
01/15/13	12	113.80	
01/16/13	12	123,45	
01/17/13	12	149,85	
01/18/13	12	152.60	
01/19/13	12	162,10	
TOTALS:	72	\$ 839.55	\$11,66

Date	Hours	Wages	Jan. 20 - 26, 2013 Hourly Wage
		· · ·	Hourly Wage
01/20/13	12	150.70	
01/22/13	12	102,40	
01/23/13	12	101,05	
01/24/13	-12	114.95	
01/25/13	12	108.55	
01/26/13	12	85,90	
TOTALS:	72	\$ 663,55	\$9,22

Date	Hours	Wages Jan. 27 – Feb. 02, 2013 Hourly Wage
01/27/13	12	161.15
01/29/13	12	108,45
01/30/13	12	160,45
01/31/13	12	111,45
02/01/13	12	96,90
02/02/13	12	100.45
TOTALS:	72	\$ 738.85 \$10.26

Date .	Hours	Wages	Teb. 8 9 2013 Hourly Wage
02/03/13	 8	78,50	
02/05/13	12	103,80	
02/06/13	12	127.95	
02/07/13	 12	125.60	1
02/08/13	12	148.15	
02/09/13	12	116,65	
TOTALS:	68	\$ 700.65	\$10,30

Date	Hours	Wages	Feb. 10 - 16, 2013 Hourly Wage
02/10/13	10	154,50	LIOULLY TINGO
	12	99,50	
02/12/13	12		
02/13/13	12	93,25	
02/14/13	12	150,80	
02/15/13	12	63,10	
02/16/13	12	109,10	
TOTALS:	72	\$ 670,25	\$9.31

Date	Hours	Wages	Feb. 1723, 2013 Hourly Wage
02/17/13	12	153.45	
02/19/13	12	126.15	
02/20/13	12	127.30	
02/21/13	12	164.50	
02/22/13	12	119.70	
02/23/13	12	109,20	
TOTALS:	72	\$ 800.30	\$11,12

Date	Hours	Wages Feb. 24 – Marcl 2013 Hourly Wage	13,
02/24/13	12	138.75	
02/26/13	12	97.00	
02/27/13	12	110.70	
02/28/13	12	130,50	
03/01/13	12	157.40	
03/02/13	12	129,25	
TOTALS:	72	\$ 763.60 \$1	10.61

Date .	Hours	Wages March Homly	3 - 9 / 2013 Wage
03/03/13	12	150.90	
03/05/13	12	108,75	
03/06/13	12	101,55	
03/07/13	12	140.95	
03/08/13	12	112.65	
03/09/13	12	97,00	
TOTALS:	72	\$ 711,80	\$9.89

Date	Hours	Wages	March 10 - 16, 2013 Hourly Wage
03/10/13	12	135,80	Induly Hugo
03/12/13	12	119.15	
03/13/13	12	105.95	
03/14/13	12	126,10	
03/15/13	12	118,25	
03/16/13	12	136,05	,
TOTALS:	72	\$ 741.30	\$10.30

Date	Hours	Wages	h 17 - 23, 2013
<b>,</b>	3. 3.	Hour	ly Wage
03/17/13	12	180,60	
03/19/13	· 12	115,45	
03/20/13	12	181,85	
03/21/13	12	240.70	
03/22/13	12	139.60	
03/23/13	12	125.80	
TOTALS;	72	\$ 984.00	\$13,67

Date	Hours	Wages	March 24, 2013 Hourly Wage
03/24/13	12	208.26	
TOTALS:	12	\$ 208.26	\$17.36

Date	Hours	Wages	April 4 - 6, 2013 Hourly Wage
04/04/13	12	97.00	
04/15/13	. 12	144.35	,
04/06/13	12	174.20	
TOTALS:	36	\$ 415.55	\$11.54

Date	1	Hours	Wages	April 7 - 13, 2013 Hourly Wage
04/07/13		.2	201.80	
04/09/13	1	.2	127,65	
04/10/13	1	2	123,20	
04/11/13	1	2	160,50	
04/12/13	1	.2	170,50	•
04/13/13	1	2	147.35	
TOTALS:	7	72	\$ 931,00	\$12.93

Date	Hours	TORKET!	Wages	April 1420, 2013 Hourly Wage
04/14/13	12		200,85	
04/16/13	12		125,80	
04/17/13	12		87.35	
04/18/13	12		129.10	
04/19/13	12		102,15	
04/20/13	12		133,36	
TOTALS:	72		\$ 778.61	\$10.81

Date	Hours	Wages April 21 27, 2013 Hourly Wage
04/21/13 .	12	192,55
04/23/13	12	123,95
04/24/13	12	127.70
04/25/13	12	136,60
04/26/13	12	158.65
04/27/13	12	156,35
TOTALS:	72	\$ 895.80 \$12.44

Date	Hours	Wages	April 28 - May 4,
		MASS.	2013 Hourly Wage
04/28/13	• 12	151,95	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
04/30/13	12	122,20	
05/01/13	12	109.90	
05/02/13	12	156,85	
05/03/13	12	162.20	
05/04/13	12	129,45	
TOTALS:	72	\$ 832.55	\$11.56

Date	Hours	Wages	May 5 - 11, 2013 . Hourly Wage
05/05/13	12	199,15	
05/07/13	12	133.50	
05/08/13	12	124,35	
05/09/13	12	119.75	
05/10/13	12	139.15	
05/11/13	12	. 113.60	
TOTALS:	72	\$ 829.50	\$11.52

Date	Hours	Wages	May 12, 48, 2013 Hourly Wage
05/12/13	12	154.85	
05/14/13	12	120.90	
05/15/13	12	102.05	·
05/16/13	12	171,05	
05/17/13	12	144.00	
05/18/13	12	112,50	
TOTALS:	72	\$ 805,35	\$11.19

Date	Homs	Wages	May 19 - 25, 2013 Hourly Wage
05/19/13	12	228,10	
05/21/13	12	151,20	
05/22/13	12	154,95	
05/23/13	12	135,85	
05/24/13	12	101,80	
05/25/13	12	155,25	
TOTALS:	72	\$ 927.15	\$12,88

Date	Homs	Wages	May 26 – June 1, 2013 Hourly Wage
05/26/13	12	206,85	
05/28/13	12	137.15	
05/29/13	12	118,10	
05/30/13	12	141.90	
05/31/13	12	148,55	
06/01/13	12	119,50	
TOTALS:	72	\$ 872,05	\$12.11

Date	Hours	Wages	June 2 - 8, 2013 Hourly Wage
06/02/13	12	165,25	
06/04/13	12	113,40	
06/05/13	12	77,10	
06/06/13	12	114,20	
06/07/13	12	119,60	
06/08/13	12	141.65	
TOTALS:	72	\$ 731.20	\$10.16

Date	Hours	San	Wages	June 9 - 15, 2013 Hourly Wage
06/09/13	12		170,30	
06/12/13	12		136,30	
06/13/13	12		122,85	
06/14/13	12		121,55	
06/15/13	12		103.75	
TOTALS:	60		\$ 654.75	\$10,91

Date	Hours " " " " " " " " " " " " " " " " " " "	Wages	June 16 - 22, 2013
			Hourly Wage
06/16/13	12	137.30	
06/18/13	12	72,90	
06/19/13	12	115.60	
06/22/13	12	143,60	
TOTALS:	48	\$ 469,40	· \$9.78

Date	Hours	Wages	June 23 - 28, 2013 Hourly Wage
06/23/13	12	194.10	
06/25/13.	12	165.90	
06/26/13	12	155.30	
06/27/13	12	132.40	
06/28/13	12	116,65	
TOTALS:	60	\$ 764,35	\$12.74

iaturday, August 01, 2015

### Payroll Detail

. Data	<b>61.</b> 44							From 2/16/2014 through 3/1/			
Date	Shift	Cabs	Trips	Pald Miles	PM%	Gross Book	Trlp	Net	Wage		
16687	Sargeant, N	fichael			<del></del>		Charge	Book	vvayb	O/S	
vestern Cab				Hire Date: 2/19/2014					Shift Credits: 8 of 8		
2/20/2014	20-01	154	18	44 0000							<del></del>
2/21/2014	20-01	154	23	44.0000	51.76	214.80	18.00	196,80	98,40	0.00	
2/23/2014	20-01			69,0000	44.81	285.50	23,00	262.50	131,25	0.00	
2/24/2014	20-01	73	10	37.0000	44.58	193.40	10,00	183,40			
2/25/2014		224	18	52.0000	72,22	181,80	18.00		91.70	0.00	
	21-01	76	19	41.0000	53,95	168,50		163,80	81,90	0.00	
2/26/2014	20-01	119	23	44.0000	55,70		19.00	149,50	74.75	0.00	
2/27/2014	21-01	76	17	44,0000		227,30	23.00	204.30	102,15	0.00	
2/28/2014	21-01	73	25		60,27	183,30	17.00	166,30	83,15	0,00	
ompany To	fals Doss			47.0000	51,65	240,10	25,00	215,10	107,55	0.00	
1-1113 10	tal: Pay:	\$770,85		Tips:	162,	54		•			
Grand To	ial: Pay:	\$770.85						U10. (	.00	Time:	90.94

8.48 PHR

Saturday, August 01, 2015

## Payroll Detail

Date									From 3/2/	/2014 thro	ugh 3/15/2
6687	Shlft Sargeant, I		Trips	Paid Miles	PM%	Gross Book	Trip Charge	Net Book	Wage .	O/S	9 17 147 1
restern Cab		nonnei			Hir	e Date: 2/	19/2014		Chia a		
3/2/2014	20-01	184	23						Snirt Cre	dits:9 of	10
3/3/2014	20-01		-	34,0000	40.96	258,50	23,00	235,50	117,75	2.00	
3/4/2014	21-01	158	24	66,0000	79,52	257.60	24.00	233,60		0.00	
3/5/2014		. 34	18	50.0000	56,82	240,00	18,00		116.80	0.00	
3/7/2014	20-01	20, 152	21	59,0000	62,77	276,50		222,00	111,00	0.00	
3/10/2014	21-01	140	26	56,0000	52,83		21,00	255.50	127.75	0.00	
3/11/2014	20-01	184	19	56,0000	61,54	286,00	26,00	260.00	130.00	0.00	
3/12/2014	20-01	201	19	43,0000	53,09	227,90	19,00	208.90	104.45	0,00	
	20-01	142	17	43,0000	32,33	220,30	19.00	201.30	100,65	0.00	
3/13/2014	20-01	93	22	64.0000	83,12	203,10	17,00	186,10	93.05	0.00	
3/14/2014	24-01	195	9	50,0000		222,40	22,00	200,40	100,20	0.00	
mpany Tota	al: Pay:	\$1,095.00			33,11	195,70	9,00	186,70	93,35	0.00	
		¥ 1/000,00		Tips;	214.	93		O\S; 0.	.00		400.00
<b>Grand Tota</b>	il: Pay:	\$1,095.00		Tips:	214,9					Time;	106.90

1025 phill

laturday, August 01, 2015

### Payroll Detail

_									From 3/16/	/2014 throu	Jah 3/29
Date	Shift	Cabs	Trlps	Pald Miles	PM%	Gross Book	Trip	Net	Wage	O/S	3.1 -7 -2
6687	Sargeant, N	<b>Alchael</b>		· · · · · · · · · · · · · · · · · · ·	1.00		Charge	Book	11490	UIS	
estern Cal					Hire	Date: 2/	19/2014		Shift Cre	dits: 10 of	11
3/16/2014	20-01	202	21	72 0000	40						
3/17/2014	20-01	142		73,0000	60,83	271,70	21,00	25 <b>0.</b> 70	125,35	0.00	•
3/18/2014	21-01		27	67.0000	59,82	311,50	27.00	284,50	142,25	0.00	
3/19/2014	21-01	208	19	21,0000	23.86	204,90	19.00	185,90	92,95		
3/20/2014	21-01	73	19	42,0000	43,30	201,90	19,00	182,90	91.45	0,00	
3/21/2014	21.01	140	20	51,0000	53,13	228.00	20,00	208.00	104.00	0,00	
3/23/2014		170	25	40,0000	43.01	256,90	25.00	231,90		0.00	
3/24/2014	20-01	144	24	55,0000	51.40	274,60	24.00			0.00	
	21-01	32	20	42,0000	44.68	212.80	20,00	250,60	125.30	0.00	
3/25/2014	24-01	4	11	45,0000	38,46	182,90		192.80	96.40	0.00	
3/26/2014	20-01	210	26	59,0000	60.82	•	11.00	171,90	85.95	0.00	
3/28/2014	21•01	36	19	62,0000		293,20	26.00	267.20	133,60	0.00	
mpany To	tal: Pay:	\$1,221,7			57.94	236.10	19.00	217.10	108.55	0,00	
		#1/cc1/1	·	Tips:	240,	70		Ols: c	0.00	Time;	125,59
Grand To	tal: Pay:	\$1,221.76		Tlps:	0.40 5		·				
				Tips;	240.7	U		O\S: 0	.00	Time:	125.59

913. PHIL

laturday, August 01, 2015

### Payroll Detail

ь.								· · · · · · · · · · · · · · · · · · ·	From 3/30,	/2014 thro	ugh 4/12
Date			Trips	Pald Miles	PM%	Gross Book	Trip	Net	Wage	0/8	<del></del>
6687	Sargeant, I	Michael			) 11.		Charge	Book	• • • • • • • • • • • • • • • • • • •	010	
estern Ca	b				riir	e Date: 2,	/19/2014		Shift Cre	edits: 11 of	12
3/30/2014	21-01	208	21	66.0000							
3/31/2014	20-01	212	17		60,00	244.10	21,00	223,10	111.55	0.00	
4/1/2014	20-01	206	•	46,0000	56.10	206,70	17.00	189,70	94,85	0.00	
4/2/2014	20-01	16	20	56,0000	57,73	253,40	20,00	233,40	116.70	0.00	
4/3/2014	21-01	•	25	54,0000	64,29	257,10	25,00	232,10	116,05	0.00	
4/4/2014	24-01	36	19	43,0000	59,72	210.50	19.00	191,50	95,75	0,00	
4/6/2014	21-01	195	11	58,0000	42,96	204,30	11.00	193.30			
4/7/2014	-	208	25	43,0000	34,13	269.90	25.00	244,90	96,65	0,00	
4/8/2014	20-01	86, 96	15	65.0000	59,09	279.20	15,00		122,45	0.00	
	20-01	68	22	59,0000	56,73	273,40		264,20	132.10	0.00	
4/9/2014	20-01	207	23	54.0000	63,53		22,00	251,40	125.70	0.00	
4/10/2014	20-01	122	17	42,0000		263,30	23.00	240.30	120.15	0.00	
4/11/2014	21-01	74	17	54,0000	51,22	216,10	17.00	199,10	99,55	0,00	
mpany To	tal: Pay:	\$1,338.08			50,00	230,10	17.00	213.10	106,55	0.00	
	· · · · · · · · · · · · · · · · · · ·	Ψ 1,000,00		Tips;	261.	75		Ö\8: 0	.00	Time;	141.54
Grand To	tal: Pay:	\$1,338.05		Tips;	261.7	7.5					, , , , ,
				71,001	40111	<del></del>		0/8: 0	.00	Time:	141.54

946 PAR

laturday, August 01, 2015

### Payroll Detail

D.t.					<del>`</del> -				From 4/13/	2014 thro	igh 4/26/2
Date <b>6687</b>	Shift	Cabs	Trips	Pald Miles	PM%	Gross Book	Trip Charge	Ne Book	t	O/S	7-7-
estern Cal	Sargeant, N	//////////////////////////////////////			Hir		/19/2014		·	-	
4/13/2014	•				(1)(	b Date; Z	/19/2014		Shift Cre	dlts:8 of	)
4/17/2014	24-01 20-01	174 · 221	9 17	60,0000	42,25	195.90	9.00	186,9	0 93,45	0,00	•
4/18/2014	21-01	200	19	39,0000 48,0000	56,52 52,17	200.20	17,00	183.20		0.00	
4/20/2014 4/21/2014	20-01 20-01	193	19	49.0000	58,33	236,30 <sub>.</sub> 225,90	19.00 19.00	21 <b>7.</b> 30 206.90		0.00	
4/22/2014	20-01	211 142	19	45.0000	55,56	202,70	19.00	183,70	200110	00,00 00.0	
4/23/2014	20-01	142	19 18	24.0000 47.0000	26.09	236,90	19.00	217,90		0.00	
4/24/2014 4/25/2014	21-01	216	14	51.0000	60.26 52.58	221,20 206,00	18,00 14,00	203,20		0.00	
mpany To	21-01 (al: Pay:	208 \$902,70	23	47.0000	53,41	237,30	23,00	192,00 214,30	44100	0,00 0,00	
		Ψ₹02,70		Tlps:	176,	62		O\S;	0.00	Time;	105,36
Grand To	tal: Pay:	\$902.70		Tips:	176,6	32		0\8;	0.00	Tlme;	

852 P/WR

aturday, August 01, 2015

### Payroll Detail

	ipany: We								From 4/27/	2014 throu	igh 5/10/
Date	Shift		Trips	Paid Miles	PM%	Gross Book	Trip Charge	Net	Mono	O/S	<del></del>
6687	Sargeant, N	/lichael			Lile			Book			
estern Cab	1				(111)	e Date; Z	/19/2014		Shift Cre	dits:11 of	11
4/27/2014	21-01	35	18	42,0000	40.40						
4/28/2014	20-01	156	18		46,15	204.20	18.00	186,20	93.10	0,00	
4/29/2014	20-01	67		50.0000	62,50	228,80	18.00	210.80	105,40	0,00	
4/30/2014	20-01		22	55.0000	63,95	243,20	22,00	221,20			
5/1/2014		93	23	58.0000	63,74	267,30	23,00	244,30	-40100	0.00	
	20-01	94	22	66,0000	63,46	291,80	22,00			0.00	
5/2/2014	21-01	145	16	41.0000	41,41	204,40		269,80		0.00	
5/4/2014	20-01	134	22	55,0000	55.56		17.00	187,40	93,70	0.00	
5/6/2014	20-01	154	25			254.20	22.00	232,20	116.10	0,00	
5/7/2014	21-01	76		42.0000	51.85	301,10	25,00	276.10	138.05	0.00	
5/8/2014	21-01	•	19	37.0000	46.25	220.30	19.00	201.30	100.65	0.00	
5/9/2014	21-01	200	18	38,0000	45.24	202,40	18.00	184,40		0,00	
		36	19	64.0000	65,31	205.90	19,00	186,90			
mpany To	fal; Pay;	\$1,200.30	)	Tips:	236,	40	-7144		93.45	0,00	
				11001	200,	40		O\S;	0.00	Time:	125,99
Grand To	tal: Pay:	\$1,200.30		Tips:	000	10					
		, , , , , , , ,		rips;	236,4	13		0/8:	0,00	Time:	125,99

OS3 BIND



EXHIBIT 5-4

### Wage And Hour Law

### RULES TO BE OBSERVED BY EMPLOYERS

EVERY EMPLOYER SHALL POST AND KEEP CONSPICUOUSLY POSTED IN OR ABOUT THE PREMISES WHEREIN ANY EMPLOYEE IS EMPLOYED THIS ABSTRACT OF THE NEVADA WAGE AND HOUR LAWS (NRS 608)

PLEASE NOTE: Every person, firm, association or corporation, or any ngent, servant, employee or officer of any such firm, association or corporation, ylolating any of these provisions is guilty of a misdemeasor.

The legislature breeby finds and declares that the health and welfare of workers and the employment of passons in private enterprises in this state ere of concern to the state and the health and welfare of passons required to carn their livings by their own endeavors require certain safeguards as to bours of service, working conditions and compensation therefor.

1. Discharge of employee: Whenever an employee discharges an employee, the wages and compensation canted and unpaid at the time of much discharge shall become due and payable immediately.

2. Quitting employee; Whenever an employee resigns or quits his employment, the wages and compensation extinat and ungold at the time of his resignation or quitting must be paid no later than the day on which he would have regularly been paid or 7 days after he realizes or quits,

3. An employer shall not employ an employee for a continuous period of 8 hours viticout permitting the employee to have a meat period of at feast one-half hour. No period of less than 30 minutes interrupts a continuous period of work.

4. Every employer shall authorize and permit covered employees to take rest periods, which, intofar as practicable, shall be in the middle of each work period. The duration of the rest periods shall be based on the total hours worked daily at the rate of 10 minutes for each 4 hours or major fluction thereof. Authorized rest periods shall be counted as hours worked, for which there shall be no deduction from wages.

Suffective July 1, 2010 each employer that Just a wage to each employee of not less than \$7.25 per hour worked if the employer provides installabeneity, or \$3.25 per hour if the employer does not provide health beneity, or \$3.25 per hour if the employer does not provide health beneity, or \$3.25 per hour if the employer does not provide health beneity, of the employee for the employee and the employer's dependents at a total cost to the employee for premiums of not more than 10 percent of the employee for smalls forms from the employee. This or gratuities received by employees shall not be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable means to be credited as being any part of or offset against the reliable me

6. A part of wages or compensation may, if mutually agree upon by an employee and employer in the contract of employment, consist of meals. In no case shall the value of the ontails consumed by such employee be computed or valued at more than 35 ceats for each breakfast actually consumed, 45 ceats for each block actually consumed, and 70 cents for each dinner actually consumed.

7. An employer shall pay 1 1/2 times an employee's regular wages into whenever an employee whose wage sale is less than 1 1/2 times the minimum rate prescribed pursuant to the Constitution of the State of Newgda: (6) Works more than 40 hours in any actuabled week of twork; or (6) Works more than 8 hours in any workday unless by mutual agreement the employee works a scheduled 10 hours per day for 4 calendar days whisin any acheduled week of twork.

An employer shall pay 1 1/2 times an employee's regular wage rato whenever an employee whose wage rate is 1 1/2 times or more than the rainimum rate presented pursuant to the Constitution, works more than 40 hours in any scheduled week of work.

minimum rate prescribed pursuant to the Constitution, werks more than 40 hours in any acheduled weeks of work.

The above provisions of not apply to: (a) Employees who are not covered by the inflamma vage provisions of this Constitution; (b) Outside buyers; (c) Employees in a retail or received outsiness if their regular rate is more than 11/2 times the reliablement wage, and more than half their compensation for a representative period comes from commissions on goods or service, with the representative period being, to the extent illowed paramate to federal law, not less than one month; (d) Employees expected in boans fide executive, administrative or professional expectitions (e) Employees covered by collective bargaining agreements which provide otherwise for overdime; (f) Drivers, drivers 'helpers, loaders and mechanics for motor carriers subject to the Motor CarrierAct of 1935, as annother (f) Employees of a milroad; (h) projecte of a carrier by akt; (f) Drivers or drivers' helpers making local deliveries and paid on a trip-min basis or other delivery payment plan; (f) Drivers of taxicable or limentained primarily engaged in selling or recribing automobiles, trucks or farm equipment; and (n) A mechanic or vookrama for conleasum or remotional optimarily engaged in selling or recribing automobiles, trucks or farm equipment; and (n) A mechanic or vookrama for conbuston to which the provisions of subsection 3 or 4 of NRES 338,020 apply.

Sizery amolecuse shift exhibits and maintain traceride of waser for the benefit of this gentlevees, showing for each to you tried the following

8. Every employer shall establish and maintain records of wages for the benefit of his employees, showing for each pay period the following information for each employees (a) Gross wage or salary; (b) Deductions; (c) Net each wage or salary; (d) Total hours employed in the pay period by noting the number of hours par day; (e) Date of payment.

9. Wages must be paid semimonthly or more often.

10. Every employer shall establish and maintain regular paydays and shall post a notice setting forth those regular paydays in 2 conspicuous places. After an employer establishes regular paydays and the piece of payment, the employer shall not change a regular payday or the piece of payment unless, not favor than 7 days before the changes is mad, not employer provides the employees affected by the change with written notice is a manner that is calculated to provide actual notice of the change to each such complete can be expected.

11, It is unlawful for any passon to take all or part of any tips or gratuitles bestoned upon his employees. Nothing contained in this section shall be construed to provent such employees from entering into an agreement to divide such tips or gratuitles among themselves.

Continues to provint an important improvement antendration in agreement to views both upon a granular attendration of the complete and the com

33. All uniforms or accessory requires a possile cleaning process, and cannot be easily launcheed without cost, to employees by their employer. It a uniform or accessory requires a special cleaning process, and cannot be easily launcheed by an employee, such employee's employer shall clean such uniform or accessory without cost to such couployee.

For additional hyformation or escaptions, contact the Newada State Labor Commissioner; Carson City 775-687-4850 or Las Vega; 702-486-2650 TOLL FREE: 1-800-992-0700 Ext. 4880 Internet: www.Labor Commissioner.com

BRIAN SANDOVAL State of Nevada

THORAN TOWLER Nevada Lobor Commissioner

BRUCEBRESLOW Nevada Department of Business & Industry

### Safety And Health Protection

# NEVADA SAFETY AND HEALTH PROTECTION ON THE JOB

The Nevada Occupational Safety and Health Act, NRS Chapter 618, provides job safety and health protection for workers through the promotion of safe and healthful working conditions throughout the State of Nevada. Requirements of the Act include the following:

#### EMPLOYERS:

Each employer shall furnish to each of his employees employment and a place of employment free from recognized hazards. Intellement that are neuron or are likely to cause deal or serious physical harm to his employees; and shall comply with occupitional safety and health stendards adopted under the Act.

#### EMPLOYEES:

Each employee shall compty with all occupational safety and health stendards, rules, regulations and orders issued under the Act that apply to his own actions and conduct on the job.

The Nevada Occupational Safety and Heelih Administration (Nevada OSHA) of the Division of industrial Relations, Department of Business and Industry, hee the primary responsibility for administering the Act. Nevada OSHA enforces occupational safety and health etenderds, and its Safety and Health Representatives/ industrial Hyglenista conduct jobsite inspections to ensure compiliance with the Act.

#### INSPECTION:

The Act requires that a representative of the employer and a representative authorized by the employees to given an opportunity to accompany the Nevada OSHA inspector for the purpose of elding the inspection.

Where there is no authorized employee representative, the Nevade OSHA Safety and Hoelth Representative, Industrial Hygeinst must cansuit with a reasonable number of employees concerning safety and health conditions in the workblack.

#### COMPLAINT:

Employees, public or private, or their representatives have the right to file a complaint with the nearest Nevada OSHA office requesting an inspection if they believe unsafe or unhealthful conditions exist in their workplace. Nevada OSHA wit hold confidential names of employees complaining.

The Act provides that employees may not be discharged or discriminated against in any way for filling safety and health complaints or otherwise exercising their rights under the Act.

An employee, public or private, who believes he has been discriminated against may file a complete within thirty (30) days of the alleged discrimination with the near Nevada OSHA office or with IJ.S. Department of Lebor/OSHA, Region IX, San Franctsco Federal Building, 90 - 7th Street, Suite 18100, San Francisco, CA 94103.

#### CITATIONS:

If upon inspection Nevada OSHA believes an employer has violated the Act, a citation alleging such violations will be ssued to the employer. Each citation will specify a time period within which the alleged violation must be corrected.

The Nevada OSHA citation must be prominently displayed at or near the place of alleged violation for three days, or until it is corrected, whichever is later, to warn employees of dangers that may exist there.

#### PROPOSED PENALTY:

PROPOSED PRALTY:

The Act provides for mandatory penalias against employers of up to \$7,000 for each serious violation and for optional penalitias of up to \$7,000 for each nonselious violation, Penalitias of up to \$7,000 per day may be proposed for eliture to correct violations within the proposed fune period, Also, any employer who willfully or repeatedly violates the Act may be assessed penalities of up to \$70,000 for each such violation.

Criminal penallies are also provided for in the Act. Any wilfful violation resulting in death of an employee, upon conviction, is punishable by a fine of not more than \$20,000 or by imprisonment for not more than six months, or by both. Conviction of any employer after a first conviction dubles these maximum penaltias. Penallies may be proposed for public employers.

#### VOLUNTARY ACTIVITY:

White providing penalles for ylolations, the Act also encourages efforts by labor and management, before a Nevade OSHA inspection, to reduce injuries and linesses arising out of employment.

The Nevada Occupational Safety and Heath Administration of the Division of Industrial Relations, Department of Business and Industry, encourages employers and amployees to reduce workplace hazards voluntarily and to develop and improve safety and health programs in all workplaces and industries.

Such cooperative action would initially focus on the identification and elimination of hazerds that could cause death, injury, or liness to employees and supervisors.

Further information and assistance will be provided by Nevada OSHA to employees and employers upon request.

#### MORE INFORMATION:

Additional Information and copies of the Act, specific Nevada OSHA safety and health standards, and other applicable regulations may be obtained by calling or whiting the nearest Nevada OSHA district office in the following locations:

Southern Nevada 1301 N. Green Valley Pkwy., Suite 200 Henderson, Nevada 99074 Telephone: (702) 488-9020 Fax: (702) 990-0358 Northern Nevada

Fax: (702) 980-0358 Northern Nevada 4600 Kletzke Lane, Sulle F-153 Reno, Nevada 89502 Telephone: (775) 824-4600 Fex: (775) 688-1378

#### NOTE:

Persons wishing to register a complaint elleging inadequacy in the administration of the Novada Occupational Safety and Health Pian may do so at the following address:

U.S. Department of Labor/OSHA, Region IX Sen Francisco Federal Building 90 - 7th Street, Sulte 18100 San Francisco, CA 94103 Telephone: (415) 625-2547

EMPLOYERS: This poster must be displayed prominently in the workplace, (Rov. 12-09)

### Workers Compensation

State of Nevada
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS

### ATTENTION

Brief Description of Your Rights and Benefits If You Are Injured on the Job or have an Occupational Disease

Notice of Injury or Occupational Disease (Incident Report Form C-1): If an Injury or occupational disease (OD) arises out of and in the course of employment, you must provide written notice to your employer as soon as practicable, but no later than 7 days after the accident or OD. Your employer shall maintain a sufficient supply of the forms.

Claim for Compensation (Form C-4): If medical treatment is sought, the form C-4 is evellable at the place of initial treatment. A completed "Claim for Compensation" (Form C-4) must be filed within 80 days after an accident or OD. The treating physician or chiropractor must, within 3 working days after treatment, complete and mail to the employer, the employer's insurer and third-party administrator, the Glaim for Compensation.

Medical Treatment: If you require medical treatment for your on-thejob injury or OD, you may be required to select a physician or chiropractor from a list provided by your workers' compensation insurer, if it has contracted with an Organization for Managed Care (MCO) or Preference Provider Organization (PPO) or providers of health care, if your employer has not entered into a contract with an MCO or PPO, you may select a physician or chiropractor from the Panel of Physicians and Chiropractors. Any medical costs related to your industrial injury or OD will be paid by your insurer.

Temporary Total Disability (TTD): If your doctor has certified that you are unable to work for a period of at least 5 consecutive days, or 5 cumulative days in a 20-day period, or places restrictions on you that your employer does not accommodate, you may be entitled to TTD compensation.

Temporary Partial Disability (TPD): If the wage you receive upon reemployment is less than the compensation for TTD to which you are entitled, the insurer may be required to pay you TPD compensation to make up the difference. TPD can only be paid for a maximum of 24 months.

Permanent Partial Disability (PPD): When your medical condition is stable and there is an indication of a PPD as a result of your injury or OD, within 30 days, your insurer must arrange for an evaluation by a rating physician or chiropractor to determine the degree of your PPD. The amount of your PPD award depends on the date of injury, the results of the PPD evaluation and your age and wage.

Permanent Total Disability (PTD): If you are medically certified by a treating physician or chiropractor as permanently and totally disabled and have been granted a PTD status by your insurer, you are entitled to receive monthly benefits not to exceed 66 2/3% of your average monthly wage. The amount of your PTD payments is subject to reduction if you proviously received a PPD award.

Vocational Rehabilitation Services: You may be eligible for vocational rehabilitation services if you are unable to return to the job due to a permanent physical impairment or permanent restrictions as a result of your injury or occupational disease.

Transportation and Per Diem Reimbursement: You may be eligible for travel expenses end per diem associated with medical treatment.

Reopening: You may be able to reopen your claim if your condition worsens after claim closure.

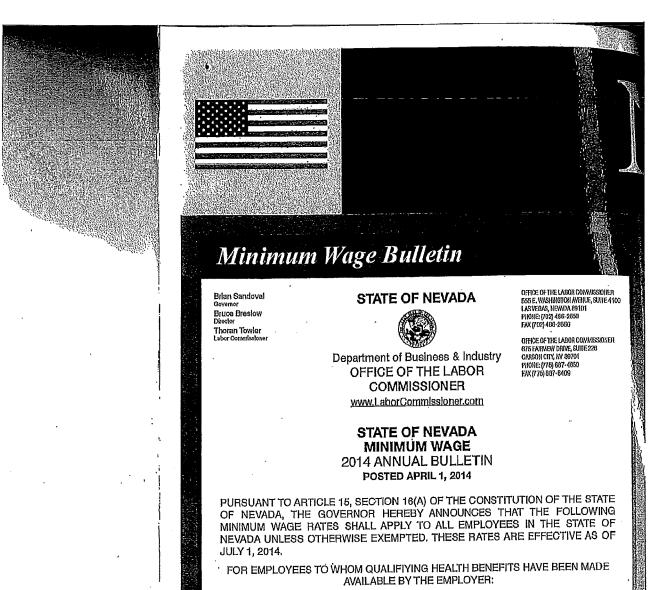
Appeal Process: If you disagree with a written determination issued by the insurer or the insurer does not respond to your request, you may appeal to the Department of Administration, Hearing Officer, by following the Instructions contained in your determination letter. You must appeal the determination within 70 days from the date of the determination letter at 1050 E. William Street, Suite 400, Carson City, Nevada 89701, or 2200 S, Rancho Drive, Suite 210, Las Vegas, Nevada 89102. If you disagree with the Hearing Officer decision, your may appeal to the Department of Administration, Appeals Officer. You must file your appeal within 30 days from the date of the Hearing Officer decision letter at 1050 E. William Street, Suite 450, Carson City, Nevada 89701, or 2200 S. Rancho Drive, Suite 220, Las Vegas, Nevada 89102, if you disagree with a decision of an Appeals Officer, you may file a petition for judicial review with the District Court. You must do so within 30 days of the Appeal Officer's decision. You may tepresented by an attorney at your own expense or you may contact the NAIW for possible representation.

Nevada Attorney for Injured Workers (NAIW): If you disagree with a hearing officer decision, you may request that NAIW represent you without charge at an Appeals Officer hearing. NAIW is an independent state agency and is not affiliated with any insurer, For-Information regardiantal of henefits, you may contact the NAIW at: 1000 E. William Street, Sulte 208, Carson Gly, NV 89701, (775) 684-7655, or 2200 S. Rancho Drive, Sulte 230, Las Vegas, NV 89102, (702) 486-2880.

To File a Complaint with the Division: If you wish to file a complaint with the Administrator of the Division of industrial Relations (DIR), please contact Workers' Compensation Section, 400 West King Street, Sulfe 400, Carson City, Nevada 89703, telephone (775)684-7270, or 1301 North Green Valley Parkway, Sulte 200, Henderson, Nevada 89074, telephone (702) 488-9080.

For Assistance with Workers' Compensation Issues: You may contact the Office of the Governor Consumer Health Assistance, 555 E. Washington Avenue, Suite 4800, Las Vegas, Novada 89101, Toll Free 1-888-333-1597, Web site; http://govcha.state.nv.us E-mail; cha@govcha.state.nv.us

Insurer/Adm Address:	Inlstrator:			Contact Person:	
Audi 000%	City	State	Zlp		
MCO/Health Address:	Care Provider: _			Contact Person: Telephone Number:	~



NO LESS THAN \$7,25 PER HOUR FOR ALL OTHER EMPLOYEES: NO LESS THAN \$8,25 PER HOUR

Copies may also be obtained from the Labor Commissioner's Offices at:

675 Fairview Drive, Suite 226 Carson City, Nevada 89701 (775) 687-4850

. or

555 East Washington, Suite 4100 Las Vegas, Nevada 89101 (702) 486-2650

### Daily Overtime Bulletin

BRIAN SANDOVAL GOVERKOR BRUCE BRESLOW DIRECTOR THORAN TOWLER LABOR COMMISSIONER

### STATE OF NEVADA



Department of Business & Industry
OFFICE OF THE LABOR
COMMISSIONER

www.LaborCommissioner.com

STATE OF NEVADA
DAILY OVERTIME
2014 ANNUAL BULLETIN
POSTED APRIL 1, 2014

OFFICE OF THE LABOR COMMISSIONER 555 E.WASHINGTON AVENUE, GUITE 4100 LAS YEARS, NEWADA 69101 PHONE (702) 486-2650 FAX (702) 468-2660

OTTICE OF THE LABOR COMMISSIONER 076 FARMEN DRIVE, BUTE 22B CAISON CITY, NY 89701 PHONE (776) 687-4850 FAX (776) 807-8409

EMPLOYERS MUST PAY 1-1/2 TIMES AN EMPLOYEE'S REGULAR WAGE BATE WHENEVER AN EMPLOYEE WHO IS PAID LESS THAN 1-1/2 TIMES THE APPLICABLE MINIMUM WAGE BATE WORKS MORE THAN 40 HOURS IN ANY WORKWEEK OR MORE THAN 8 HOURS IN ANY WORKDAY, UNLESS OTHERWISE EXEMPTED, EMPLOYERS SHOULD REFER TO NRS 608,018 FOR FURTHER DETAILS ON OVERTIME REQUIREMENTS,

THE FOLLOWING AMOUNTS ARE THE WAGE RATES BELOW WHICH DAILY OVERTIME MAY BE APPLICABLE. THESE RATES ARE EFFECTIVE AS OF JULY 1, 2014.

FOR EMPLOYEES TO WHOM QUALIFYING HEALTH BENEFITS HAVE BEEN MADE AVAILABLE BY THE EMPLOYER:

IF THE EMPLOYEE IS PAID LESS THAN \$10.875 PER HOUR FOR ALL OTHER EMPLOYEES: IF THE EMPLOYEE IS PAID LESS THAN \$12.375 PER HOUR

Goples may also be obtained from the Labor Commissioner's Offices at:

675 Fairview Drive, Suite 226 Carson City, Nevada 89701 (775) 687-4850

or

555 East Washington, Suite 4100 Las Vegas, Nevada 89101 (702) 486-2650

### Lie Detector Test



### STATE OF NEVADA



### Office of the Labor Commissioner

# NOTICE OF LIMITATIONS AFFECTING THE APPLICATION OF LIE DETECTOR TESTS

NRS 613.460(2) requires that each employer shall post and maintain this notice in a conspicuous location at the place of employment where notices to employees and applicants for employment are customarily posted and read.

Pursuant to NRS 613.440(2), "Lie detector" means polygraph, voice stress analyzers, psychological stress evaluator or any other similar device, whether mechanical or electrical, which are designed to determine the honesty or dishonesty of an individual.

NRS 613.480(1) prohibits employers or anyone acting in the employer's behalf from requiring or requesting that an employee or prospective employee take or submit to any lie detector test except as provided in NRS 613.510.

NRS 613.510 contains several exceptions which permit an employer to request polygraph examinations. An employer may request that an employee or prospective employee take a polygraph examination administered by a qualified person as part of an investigation of theft or similar wrongdoing affecting the employer's business which appears to involve the employee.

The employer may also request a polygraph examination administered by a qualified person with regard to prospective employees who would be employed to protect certain kinds of sensitive or valuable property or facilities. The use of a polygraph examination is also permitted to employers in businesses that handle controlled substances. Such permission exists only in situations where job applicants or employees have direct access to the controlled substances or where suspected abuse or theft is involved.

NRS 613.480(3&4) prohibit an employer from taking adverse action against any employee or prospective employee based on the results of any lie detector test or refusal to take any lie detector test.

Employers who violate the provisions in NRS 613.440 to 613.510 are subject to civil liability in court, as well as fines imposed by the Nevada Labor Commissioner.

For additional information contact our offices at 702-486-2650 in Las Vegas or 775-687-4850 in Carson City or via Email at mail1@laborcommissioner.com

### **Unemployment Insurance**

EMPLOYER: THIS NOTICE IS TO BE POSTED AT EACH WORK PLACE (NRS 612.455)

State of Nevada
Department of Employment, Training &
Rehabilitation
EMPLOYMENT SECURITY DIVISION

### NOTICE TO EMPLOYEES

The employees of this establishment are protected by Unemployment Insurance. This employer is required by law to contribute to the Nevada Unemployment Compensation Fund. No part of the contribution is deducted from the wages of employees.

If you are separated from your job or if your hours have been substantially reduced, immediately:

- File an unemployment insurance claim online or by calling the nearest Nevada Telephone Claim Center, as shown below, for full or partial unemployment benefits.
- Request employment services from the nearest Nevada JobConnect Career Center or find
  employment information online at www.NevadaJobConnect.com. If you are disabled and
  require assistance, contact the Nevada JobConnect Career Center prior to your visit to
  arrange special accommodations.

### To be eligible for unemployment benefits an unemployed person must:

- 1. Be unemployed through no fault of your own and meet all other conditions of the law regarding unemployment benefits.
- 2. File a claim online or with the Nevada Telephone Claim Center.
- 3. Be physically able to work.
- 4. Be available and willing to accept suitable employment if offered.
- 5. Make a reasonable and sincere effort to find a job.

### Reasons an unemployed person may not be eligible for unemployment benefits are:

- 1. Separation from employment due to quitting without good cause.
- 2. Being discharged for misconduct in connection with your work.
- 3. Refusal of an offer of sultable work without good cause.
- 4. Giving misinformation or withholding information about the reason for separation from your job.
- 5. Fallure to properly report wages.





- · An equal opportunity employer/program
- Auxillary aids and services available upon request for individuals with disabilities
- · Relay Nevada 711 or (800) 326-6868 (TTY)

NUCS-4324 (Rev 04/14)

To file a claim for unemployment benefits call the Telephone Claim Center:
In Southern Nevada call (702) 486-0350
In Northern Nevada call (775) 684-0350
In Rural Nevada call toll-free (888) 890-8211
OR File online at <a href="https://ui.nv.gov/">https://ui.nv.gov/</a>

To report suspected fraud, go to: https://ulfraud.nvdet.org
OR call (775) 684-0475



### Discrimination



a division of the Nevada Department of Employment, Training and Rehabilitation

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### **Nevada Equal Rights Commission**

### **NEVADA LAW PROHIBITS DISCRIMINATION**

- Employers may not discriminate based on race, color, national origin, age (40+), sex (including pregnancy), religion, disability, sexual orientation, genetic information, or gender identity or expression.
- Housing discrimination is prohibited based on race, color, national origin, sex, religion, disability, ancestry, familial status, sexual orientation, or gender identity or expression.
- Businesses offering services to the public may not discriminate based on race, color, national origin, sex, religion, disability, sexual orientation or gender identity or expression.



Persons who believe they have been discriminated against in employment, public accommodation or housing, may file a complaint with the Nevada Equal Rights Commission

An equal opportunity employer/program Auxiliary elds and services are available upon request for Individuals with disabilities.

Relay 711 or 800.326.6868

Rev 1.14

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### IN THE SUPREME COURT OF THE STATE OF NEVADA

WESTERN CAB COMPANY,

Petitioner,

Case No.: \_

Electronically Filed Dec 18 2015 03:07 p.m.

District Court Case No. A-Clerk of Supreme Court

VS.

EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, in and for the COUNTY OF CLARK; and THE HONORABLE LINDA MARIE BELL, District Judge,

Respondents,

and

LAKSIRI PERERA, IRSHAD AHMED, MICHAEL SARGEANT Individually and on behalf of others similarly situated,

Real Parties in Interest.

# PETITIONER'S APPENDIX IN SUPPORT OF PETITION FOR WRIT OF MANDAMUS OR PROHIBITION Volume 3 of 3

Malani L. Kotchka Nevada Bar No. 283 HEJMANOWSKI & McCREA LLC 520 South Fourth Street, Suite 320 Las Vegas, NV 89101

Telephone: (702) 834-8777 Facsimile: (702) 834-5262 Email: mlk@hmlawlv.com

Attorneys for Petitioner Western Cab Company

APPENDIX #	DOCUMENT DESCRIPTION P.	<u>AGES</u>
16	Perera's 8/21/15 Reply in Support of Countermotion To Amend the Complaint and for Sanctions	10-612
17	Reporter's Transcript of 8/27/15 Hearing of All Pending Motions	13-640
18	Western Cab's 9/21/15 Opposition to Plaintiff's Countermotion to Amend the Complaint 64	41-713
19	Perera's 10/1/15 Reply to Defendant's Opposition To Defendant's Opposition to Plaintiff's Countermotion to Amend the Complaint	14-769
20	Reporter's Transcript of 10/8/15 Hearing of All Pending Motions	70-796

# **APPENDIX 16**

# **APPENDIX 16**

Electronically Filed 08/21/2015 04:11:12 PM

CLERK OF THE COURT

Time of Hearing: 9:00 a.m.

RPLY
LEON GREENBERG, ESQ., NSB 8094
DANA SNIEGOCKI, ESQ., NSB 11715
Leon Greenberg Professional Corporation
2965 South Jones Blvd- Suite E3
Las Vegas, Nevada 89146
Tel (702) 383-6085
Fax (702) 385-1827
leongreenberg@overtimelaw.com
dana@overtimelaw.com

Attorneys for Plaintiff

## DISTRICT COURT CLARK COUNTY, NEVADA

LAKSIRI PERERA, Individually and on behalf of others similarly situated,

Plaintiff,

vs.

WESTERN CAB COMPANY,

Defendant.

Defendant.

Case No.: A-14-707425-C

Dept.: XIV

PLAINTIFF'S REPLY IN SUPPORT OF COUNTER-MOTION TO AMEND THE COMPLAINT AND FOR SANCTIONS

Date of Hearing: Aug. 27, 2015

Plaintiff, by and through his attorney, Leon Greenberg Professional Corporation, submits this reply in partial opposition to defendant's request (raised in opposition to plaintiff's counter-motion to amend the complaint) that the Court defer hearing and determining the plaintiff's counter-motion until a date after September 3, 2015.

# THE COURT SHOULD ACT TO STOP DEFENDANT FROM ABUSIVELY DELAYING THIS CASE AND BURDENING PLAINTIFF AND THE COURT

Parties to litigation have a right to be heard. But they do not have a right to vacuously hide behind non-existent "procedural" structures of this Court solely to delay these proceedings. Yet that is precisely what defendant's counsel is doing.

Defendant does not dispute plaintiff's counsel has consented to the absolute, unconditional, withdrawal of the filed and served Second Amended Complaint which defendant asserts is null and void based upon its allegedly improper filing

 and service. (Ex. "5" of defendant's opposition) Yet it still insists it is allowed to treat the Second Amended Complaint as before this Court solely so it can engage in the fiction of making a motion to dismiss against that pleading (which plaintiff agrees should be stricken) and delay the interposition of *any* answer in this case.

Defendant's conduct is undertaken solely for the purpose of delay. It also has the collateral effect of needlessly burdening this Court. Despite such improper conduct, the Court may choose to afford defendant additional time to oppose the plaintiff's counter motion by continuing until after September 3, 2015 its consideration of the same. Setting aside that defendant has no basis to oppose the counter-motion (it offers none, or even an explanation of why it needs more time to file its opposition), the Court should only grant such a continuance if:

- (1) Defendant answers the existing First Amended Complaint immediately; and
- (2) The Court determines the counter-motion on its chambers' calendar without further oral argument so that plaintiff's counsel is not burdened with a second appearance in connection with the same.

#### **CONCLUSION**

Wherefore, for all the foregoing reasons, the plaintiff's counter-motion should be granted in its entirety or continued for determination subject to the foregoing conditions.

Dated: August 21, 2015

Respectfully submitted,

/s/Leon Greenberg Leon Greenberg, Esq. (Bar # 8094) A Professional Corporation 2965 S. Jones Blvd., Suite E-3 Las Vegas, Nevada 89146 (702) 383-6085 Attorney for Plaintiffs

### CERTIFICATE OF SERVICE

The undersigned certifies that on August 21, 2015, she served the within:

PLAINTIFF'S REPLY IN SUPPORT OF COUNTERMOTION TO AMEND THE COMPLAINT AND FOR SANCTIONS

by court electronic service:

TO: Malani Kotchka HEJMANOWSKI & MCCREA LLC 520 S. 4<sup>th</sup> St., Suite 320 Las Vegas, NV 89101

> <u>/s/ Dana Sniegocki</u> Dana Sniegocki

# **APPENDIX 17**

# **APPENDIX 17**

		Electronically Filed 09/08/2015 04:09:29 PM
1	RTRAN	Alma L. Column
2		CLERK OF THE COURT
		OT COURT
3	CLARK COU	NTY, NEVADA
4		
5	LAKSIRI PERERA,	}
6	Plaintiff,	CASE NO: A14-707425-C
7	vs.	DEPT. VII
8	WESTERN CAB COMPANY,	{
9	Defendant,	<b>{</b>
10		{
11		}
12	DEFORE THE HONORARIE LINDS	)
13		M. BELL, DISTRICT COURT JUDGE UGUST 27, 2015
14		
15		TRANSCRIPT OF NG MOTIONS
16	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	ina me nene
17		
18	APPEARANCES:	
19	For the Plaintiff:	DANA SNIEGOCKI, ESQ.
20		
21	For the Defendant:	MALANI L. KOTCHKA
22		JOHN MORAN, JR.
23		
24		
25	RECORDED BY: RENEE VINCENT, COU	
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ļ	, ,	-1-

THE COURT: Page 7, Perera versus Western Cab. This is a motion for

reconsideration and a countermotion to amend and for sanctions. All right.

MS. SNIEGOCKI: And, right, and then there's a separate -
THE COURT: Motion.

MS. SNIEGOCKI: -- Defense motion to dismiss the second amended complaint.

THE COURT: Yes, there is.

MS. SNIEGOCKI: This is a lengthy one.

THE COURT: Okay.

MS. SNIEGOCKI: Good morning. Dana Sniegocki for the Plaintiff.

MS. KOTCHKA: Malani Kotchka for the Defendant Western Cab, and with me I have --

MR. MORAN: Good morning, Your Honor. John Moran, Jr., appearing with the owners of Western Cab, my wife and her two sisters. And it's a pleasure to be in front of you, and I thank you.

THE COURT: Thank you. I'm going to start first with the motion to reconsider because I don't really need argument on that. I'm going to deny that. There isn't any basis for reconsideration.

I'm aware that other judges have looked at this issue differently. They've also had some different facts in front of them. I don't think that that is a basis for reconsideration, and we'll figure out what -- what the Nevada Supreme Court decide, I guess, who came down on -- correctly on this one, so that will be denied. Let's go ahead and go to the motion to dismiss then.

MS. KOTCHKA: Okay, Your Honor. We have several -- several things are involved with the motion to dismiss. The first thing is that the second amended complaint when it was filed, it did not comply with this Court's June 16th, 2015, decision and order.

You held in that order, Your Honor, that Perera could amend his complaint only as to his request for leave to amend --

THE COURT: Right.

MS. KOTCHKA: -- to add a claim related to cab drivers being required to pay for fuel costs. Perera ignored the order and filed a second amended complaint and added Irshad Ahmad as a named plaintiff.

THE COURT: Right.

MS. KOTCHKA: In addition, despite the Court's ruling on the four-year statute of limitations, Perera in his second amended complaint sought a judgment against the Defendant for minimum wages owed since November 28th, 2006, and that should be amended to since September 23rd, 2010. So for those reasons the second amended complaint should be dismissed because of non-compliance with the Court's order.

THE COURT: Right. Those are the easy ones. Let's get to the complicated thing.

MS. KOTCHKA: Yes. Okay. Now for the more complicated things. Okay. The first -- the first ground concerns the NRS 608.040 claim, and that particular claim provides for a 30-day penalty if an employee isn't paid when they quit or when they're terminated. This statute does not apply to the Minimum Wage Amendment or the minimum wage at all. According to this statute, NRS 608.012, Perera was paid the wages Western Cab agreed to pay

him, computed in proportion to time and the commissions owed to him at the time that he quit. Therefore, under the terms of this statute, we complied.

THE COURT: So as I understand their argument, though, what they're saying is, because he wasn't paid the minimum wage, that the check that he got at the termination of his employment was not the full amount owed.

MS. KOTCHKA: That's his argument, but what we're saying, Your Honor, is under the terms of 040, you have to look at the definition of wages under 012. If you look at that definition, it does not refer to minimum wage. It refers to the agreed-upon amount of wages paid in proportion to time and the commissions owed. And because it doesn't have a definition that includes minimum wage for saying on its face, it's not applicable.

But also, before an employee can file a claim for unpaid wages, the employee has to make a good faith attempt to collect any wages due from the employer at the normal place and in the normal method the payment is made to employees of the employer pursuant to NAC 608.155(1), and we're saying prayer never made such a good faith attempt.

But most critically, Your Honor, you lack subject matter jurisdiction over the 040 claim because 608.180 provides that the labor commissioner shall cause the provisions of NRS 608.005 to 608.195 inclusive to be enforced. Therefore, the enforcement of NRS 608.040 is within the jurisdiction of the labor commissioner and not this Court.

THE COURT: Not entirely, though, right? Because there's definitely some indication from the Nevada Supreme Court that 608.140, there's some enforceable private right of action, right?

MS. KOTCHKA: There -- there --

 THE COURT: I mean, not -- I understand this is a different statute, this is a different circumstance, but that isn't true all the time.

MS. KOTCHKA: Well, the Nevada Supreme Court has never hit the issue head on. What it did was drop a footnote in the *Baldonado* case and indicated that 140 indicates that there must be a private action because it allows for the recovery of attorney's fees --

THE COURT: Right.

MS. KOTCHKA: -- if a demand is made five days before the wages are due. However, that statute was enacted in 1925 before the other statutes such as 608.040 were enacted by the legislature, and the legislature expressly said this is within the purview, the 608.040 penalty, the 30-day penalty, is within the enforcement mechanism of the labor commissioner.

Back in 1990 -- or 2009 -- I'm sorry -- we have furnished you with the legislative history on SB 189, which would have provided a private cause of action for any of those sections enforced by the labor commissioner. It was considered by the Nevada Legislature, and it was rejected. So, therefore, the legislature by not enacting it affirmed its prior interpretation of 608.040 and the other statutes within the enforcement of the labor commissioner by saying first people have to go to the labor commissioner, give them a chance to see if there's any merit to the claim and to see if they'll jurisdiction over it. And that was not done in this case.

You will recall that Perera himself filed the claim with the labor commissioner for minimum wage, but he never filed a 608.040 claim, and he is outside the 24 months within the labor commissioner's jurisdiction.

So the federal court case as we have referred you to have done

a lengthy, lengthy analysis of 608.140 and recovery of the penalty under 608.040. They're all set out in our brief, and they come to the --

THE COURT: So some of this was actually my case, not Judge Walsh's, so --

MS. KOTCHKA: Oh, was it really?

THE COURT: -- I'm very familiar with that case.

MS. KOTCHKA: Okay. Well, that case, too, is unreported, I mean, and is not supposed to be --

THE COURT: Right.

MS. KOTCHKA: -- precedential, so --

THE COURT: It's not precedential, but I just wanted someone to know that it's actually my case, so I'm grateful --

MS. KOTCHKA: It's reported as Judge Walsh.

THE COURT: No, it was mine.

MS. KOTCHKA: Okay. Well, anyway, the federal cases, you know, go through the analysis, the lengthy history of 140 and say that that entire cause of action is really contract based. It's based on trying to recover attorney's fees -- or based on recovering wages that just have not been paid. 608.040 is a penalty statute. It says you haven't paid everything, wages and compensation, then you do this 30-day penalty.

THE COURT: Right.

MS. KOTCHKA: Of course, we contend that we did pay that and that minimum wage isn't included in that statute at all.

THE COURT: I think the footnote where they suggested that the court could ignore that analysis, so it was just intended to be humorous, so --

MS. KOTCHKA: Okay.

THE COURT: Somewhat.

MS. KOTCHKA: Would you like to take this issue by issue and have her respond to that --

THE COURT: No.

MS. KOTCHKA: -- or do you want me just to go on to the others?

THE COURT: Just keep going.

MS. KOTCHKA: Okay. The next issue, Your Honor, is the punitive damages. Perera seeks punitive damages, but does not allege any cause of action which does not arise from contract; therefore --

THE COURT: Actually, we have the next issue being the federal preemption.

MS. KOTCHKA: Okay. Then we'll go to the federal preemption.

THE COURT: All right.

MS. KOTCHKA: All right. The term health benefits is not defined under the constitutional amendment, that they are now a component of the calculation of minimum wage in Nevada. The Minimum Wage Amendment conflicts with ERISA and the Affordable Care Act --

THE COURT: All right. So my note here was be careful what you ask for on this one. So if -- let's say -- because I don't think anything about the Minimum Wage Amendment requires an employer to have health benefits. I don't think it's -- sets out how they have to run their health benefits or anything like that.

But if you assume that ERISA or ACA are implied here, isn't the thing that would happen would be simply to strike the benefit given the

employer in the Minimum Wage Amendment to strike that language altogether because the statute could otherwise stand?

MS. KOTCHKA: Okay. So you're asking me if you could just strike the first tier, the 7.25 plus health benefits?

THE COURT: Wouldn't that be -- wouldn't that be what would be natural consequence of your argument?

MS. KOTCHKA: No.

THE COURT: No.

MS. KOTCHKA: And the reason I say that is because they're inextricably tied together. When the ballot issue went to voters, it went as a joint -- as a joint issue. You get 7.25 if you provide health benefits. You can pay 8.25 if you don't provide health benefits. They're actually in the same sentence as the Minimum Wage Amendment, and there's no way to sever one part of it without the other part of it and still meet the voters' intent in the Minimum Wage Amendment.

THE COURT: Well, their intent was to give employers some credit for providing health insurance to their employees, but if the employers are saying we think there's a problem with giving us credit under federal law because it says health benefits, then isn't the answer to that to just say the minimum wage is 8.25?

MS. KOTCHKA: | don't --

THE COURT: I don't -- I don't know why you couldn't just strike that.

MS. KOTCHKA: Well, because the Nevada Supreme Court's decision in Sierra Pacific Power Company v. State located at 338 Pacific 3rd 1244 where the Nevada Supreme Court concluded that the offending matter had to

be

 be stricken in its entirely and could not be remedied by severance.

Because the Court has to consider the effect of severance on the purpose of a vaguely inactive statute, the Minimum Wage Amendment is meaningless without the distinction of two rates of minimum wage. The distinction of wage rates based on an undefined provision of health benefits or health insurance is obviously central to the amendment. So that's why we believe that it cannot be severed in the manner that you're suggesting.

THE COURT: I just -- I guess I'm a little confused by that argument, I think, from an employer because I think that definitely could backfire if the -- if I or the Supreme Court did not see it that way. I mean, you understand the result of that is that provision of the statute would be stricken, and the employers would be stuck paying everybody the 8.25 regardless of health benefits provided.

MS. KOTCHKA: I understand that that could be a result, but I'm saying that I don't think it's the result here because I think the two rates are inextricably tied together, and that's what was put before the voters.

(Defense counsel confer)

MS. KOTCHKA: Yes, and we would still have -- I mean, we would still have federal minimum wage because we have the federal law that is relied upon by the labor commissioner.

THE COURT: Well, and we have state law for minimum wage as well, right?

MS. KOTCHKA: Yes.

THE COURT: I mean, it's not --

MS. KOTCHKA: Which is the federal law.

THE COURT: There wouldn't be any minimum wage if the statute was stricken -- or if the constitutional amendment was stricken entirely, but I think you could -- if there's a problem with federal preemption, I think that the solution to that is just to strike that portion of the amendment.

MS. KOTCHKA: Should I address the federal preemption or -- THE COURT: Sure.

MS. KOTCHKA: Okay. ERISA's objective is to maintain a uniform regulatory scheme over employer sponsored pension and health benefit plans; thus ERISA expressly preempts any and all state laws that relate to any employee benefit plan, and that's found in 29 USC 1144(a). The United States Supreme Court has determined this language to preempt state laws that have a connection with or a reference to employee benefit plans, and *Travelers* and *Dillingham* rely on the same analysis.

The Minimum Wage Amendment requires employers to have health plans if the employer wants to pay the lower minimum wage, and the labor commissioner's regulations dictate some specific benefits that must be provided. NAC 608.1 --

THE COURT: Right. So is the problem there then the amendment or the NAC really?

MS. KOTCHKA: Well, the problem is both. The problem with the amendment itself, it's said it's vague. It uses health benefits twice, and then it talks about a health insurance premium, and it doesn't tell you what has to be covered within those health benefits or the health insurance premium.

The labor commissioner tried to fix it to some extent by enacting this regulation, this 608.102, but in the very definitions it uses, it refers to

ERISA plans. It refers to Taft-Hartley trusts, which are ERISA plans, it expressly names ERISA in it, and then it provides for a few substantive things. For example, they provide that you don't have to provide the -- or offer the health insurance until the employee's been employed for six months. We pointed out under the Affordable Care Act, you can only do 90 days. So you've got a conflict between a federal law specifically to address health benefits and then the state law -- or state regulation which says you can wait for six months.

THE COURT: Well, but a state can always provide its -- I mean, they're not talking about the employer having to provide healthcare, and they're providing a broader time that's more favorable to the employer than the ACA. I mean, I don't see how that -- I don't see how that works the employer or how -- I mean, if the employer has to do it in 90 days under ACA, then they're in compliance with the NAC that gives them six months. I mean, it's just -- it's more flexible.

MS. KOTCHKA: Yes, but it's a direct conflict that an employer could not rely on state law and do the six months. If the employer did, they'd be in violation of the ACA which requires the 90 days. And that's the whole thing about ERISA and the ACA. They have taken over, really, the regulation of healthcare and health benefits in the United States.

ERISA's a very broad preemptive statute that says that when you try -- when the legislature or the constitution or, you know, any sort of regulatory body in a state imposes a requirement that refers to or has a connection with the way ERISA plans are governed, that that entire law is preempted.

THE COURT: But this isn't really governing the ERISA plan. This is saying under what circumstances an employer will get a benefit of a reduction in minimum wage. So if they offer certain benefits, then they get the dollar an hour credit, right?

MS. KOTCHKA: Right.

THE COURT: So --

MS. KOTCHKA: So what are the health benefits that an employer is supposed to offer? How do we figure out what it is?

THE COURT: Right. So that's why the NAC, but that doesn't --

MS. KOTCHKA: But the NAC doesn't even tell us what subjects we have to have. Do you have to offer well baby care? Do you have to offer physician visits, you know, just as a physical checkup? Do you only have to offer health benefits for actual injuries or illnesses? I mean, there is -- that is not present in the Minimum Wage Amendment. That's not present in the regulations.

I don't know how an employer decides -- assuming they want to get the lower wage and they offer some form of health benefits, I mean, does any kind of health benefit entitle them to the lower minimum wage?

THE COURT: As long as they --

MS. KOTCHKA: What?

THE COURT: -- comply with the NAC regulations, I think it would. It seems it would, right?

MS. KOTCHKA: So any level would be okay.

THE COURT: Anything that complies with the NAC requirements, I think so.

MS. KOTCHKA: But the NAC requirements expressly refer to ERISA and the Taft-Hartley trusts. So if you have an ERISA plan of any kind, then you provided the health benefits? I mean --

THE COURT: It seems like that would be beneficial to the employer.

MS. KOTCHKA: It would be beneficial to the employer if they could offer a very low level of health benefits and then get the additional dollar per hour on minimum wage.

### [Defense Counsel confer]

MS. KOTCHKA: Okay. So I'd like to bring Your Honor's attention to the concern, *Home Care Providers, Inc. v. Cuomo case.*, 979 Fed Sub 2d 288, in the context of a wage parody statute, with a referral to Taft-Hartley trusts. The New York federal court held that it was preempted and then our own Nevada Supreme Court in *Cervantes v. the Health Plan of Nevada*, 263 P.3d 261 in 2012.

The Nevada Supreme Court concluded that a plaintiff's claim for negligence against a managed care organization under a state statute was preempted by ERISA because a reference to prohibition reach laws that they have an impermissible connection within the ERISA plan, even if the challenged law does not itself reference ERISA or an ERISA plan as where statutes mandate employee benefit structures.

And, certainly, the regulations in this case mandate an employee benefits structure because they specifically refer to health insurance, which is different than a self-insured plan. They reference ERISA. They reference Taft-Hartley.

(Defense counsel confer)

MS. KOTCHKA: Yes, and we've cited cases in our brief for the Court to review, including the Ninth Circuit where they also found some ERISA preemption. And now are we ready for the punitive damages?

THE COURT: I think you have a due process argument, too.

MS. KOTCHKA: Huh?

THE COURT: Due process?

MS. KOTCHKA: Yes. Well, the due process argument is -- is obvious, I guess. It's -- the due process argument is that nobody knows what health benefits means, and nobody knows what health insurance premium means in the sense that you don't know what kind of health insurance you have to -- an employer has to get, and this can provide for arbitrary enforcement when an employer doesn't know exactly what it's supposed to have.

And the enforcement that would be affected here would be the enforcement by the courts because the Minimum Wage Amendment gives employees the right to file civil actions in the courts of the State of Nevada.

And different -- I mean --

THE COURT: I was a little curious why you cited to criminal cases because, obviously, that's a really different analysis.

MS. KOTCHKA: Well, it -- the police are the enforcement mechanism in criminal cases, but courts are the enforcement mechanism under the Minimum Wage Amendment. And our point is, that whenever you have something that's so open ended that you just can't understand, it doesn't give you fair notice of what you're supposed to do, it leaves a way for arbitrary and discriminatory enforcement. Different departments of this court. Justice courts could differ from -- you know, those departments could differ from

. 

 different departments of this court, and an employer doesn't have fair notice of what kind of health benefits it's supposed to provide to get that -- that minimum wage.

And that is the fundamental essence of due process, due process under both the State Constitution and the Federal Constitution. We're supposed to have notice of what kind of conduct we need to enter into in order to get the lower rate for the minimum wage, and it simply doesn't give us that.

THE COURT: Okay.

MS. KOTCHKA: Okay. Now --

THE COURT: Now punitive damages.

MS. KOTCHKA: Huh?

THE COURT: Punitive damages.

MS. KOTCHKA: Punitive damages. Okay. Perera seeks punitive damages, but he does not allege any cause of action which does not arise from a contract; therefore, pursuant to NRS 42.005, he has no punitive damages claim.

THE COURT: What about his argument that this is a constitutional claim, not a contract claim?

MS. KOTCHKA: Okay. If it's -- he uses the words constitutional tort, and our response to that is that a constitutional tort is against a government for a state actor, someone acting under color of state law. Constitutional tort is not used against private employers, and so his constitutional tort analysis simply doesn't stand up. And the --

THE COURT: Let me ask you a question. How do you have a due

inconsistent to you're saying we have state actions sufficient to bring a due process claim, but there's not really state action if they want to call it a constitutional tort?

process issue if there's no state action? Aren't those arguments a little bit

MS. KOTCHKA: No, and I'll explain why, Your Honor. The state action in the due process claim are the courts. The courts are a branch of the government, and if courts do not enforce a statute or constitutional amendment in the same way, apply the law in the same way, that's what leads to the due process violation in the administration of the Minimum Wage Amendment.

He's not saying that, I'm entitled to punitive damages because of anything the court does or because of any other branch of the government does something. He's saying, I'm entitled to punitive damages because you, employer, didn't follow the Minimum Wage Amendment; didn't pay me the correct amount of minimum wage. And our point is, that is not -- it involves no governmental action, it's a private employer, and the Doctrine of Constitutional Torts simply doesn't apply. He's trying to use cases that were decided under one theory and apply them to private employers, and he doesn't have that.

And the reason we say that even though he says it's a constitutional amendment issue, the basic relationship between an employer and an employee is contractual. You agree to hire someone. They work for you. You them pay a wage. And so because the amendment itself is based on the contractual relationship between the employer and the employee, the 42.005 simply wouldn't be applicable.

And we've given you the *Hanks* decision by Judge Navarro where she went through this kind of analysis as recently as the end of July 2015. Several other state courts -- I believe Judge Herndon is one that comes to mind -- also has addressed this issue recently and held that punitive damages are not available, the violation or an alleged violation of the Minimum Wage Amendment.

## (Defense counsel confer)

MS. KOTCHKA: And the last thing I wanted to bring to Your Honor's attention is that we have a countermotion to set Perera's countermotion to amend his complaint for sanctions to a date after September 3rd when our opposition is due. I tried to handle this outside of the Court just by putting that one motion --

THE COURT: I'm not inclined -- I'm not going to impose sanctions, so I think there's really no --

MS. KOTCHKA: Well, it also includes the opposition to the motion to amend. He filed a motion to amend and put it on -- I mean, it was on this calendar --

THE COURT: Right.

MS. KOTCHKA: -- and we didn't have time to file our opposition. We get a certain amount of time, and our opposition isn't due till September 3rd.

THE COURT: Right. All right.

MS. KOTCHKA: And so I just wanted to ask Your Honor for the opportunity to be able to file our opposition, and then if you want to have oral argument on their motion to amend set that for a date after September 3rd.

THE COURT: All right. I was hoping we could deal with it all today, if

that's possible. I was, frankly, a little bit confused about what is going on with the complaint then, but that's really a question for you, so --

MS. KOTCHKA: Okay.

THE COURT: So let me see if I feel like I need anything after I've had a chance to talk to Plaintiff's counsel --

MS. KOTCHKA: Thank you.

THE COURT: -- and then I'll let you know. But I'll tell you right now, there's really no need to respond to the motion for sanctions because I'm not going to impose sanctions.

MS. KOTCHKA: Okay.

THE COURT: All right.

MS. SNIEGOCKI: Good morning, Your Honor. As Your Honor is aware, everything is pretty fully briefed. I'd ask if -- I mean, if you had any specific questions that you want me to discuss --

THE COURT: I do have a specific question. Why did you file a complaint if you needed really mean to file a complaint? I am incredibly confused by that argument.

MS. SNIEGOCKI: Okay. How I'll explain is that, the complaint that was filed was, from our point of view, pursuant to Your Honor's order. We were given, you know, right to file an amended complaint.

THE COURT: Right.

MS. SNIEGOCKI: If you can recall, and perhaps you don't, there was some supplemental briefing back in the first round of the motion to dismiss.

THE COURT: Uh-huh.

MS. SNIEGOCKI: Apparently, Your Honor, I guess, struck the

supplemental briefs, including our addition of Plaintiff. So when we filed the amended complaint that we were granted leave to do, it included -- and Defendant's counsel is right -- and we agreed to wholly withdraw that -- that complaint. It included additional plaintiffs that apparently we do not have leave to file. So there is an agreement that the Plaintiff has withdrawn.

THE COURT: I mean, I think the order was pretty clear.

MS. SNIEGOCKI: I believe it was honestly just a mistake on the part of our office because --

THE COURT: All right.

MS. SNIEGOCKI: -- we had prepared -- prior to this we had prepared a proposed complaint, and the wrong one was just filed. I think that's how it went, honestly. So we've agreed to withdraw it. We don't agree that there is this, you know sort of second amended complaint even technically in front of the Court at this point because we've agreed to withdraw. We've answered, obviously, the argument as to why it should be dismissed.

THE COURT: So you haven't withdrawn it. There was no -MS. SNIEGOCKI: Well, we tried to -- to sort of work out with
Defendant's counsel. You know, we said it seemed withdrawn. You know,
you're not required to respond to it. Just please file an answer to the first
amended complaint that's properly before the Court, and I think that --

THE COURT: Well, except until you formally withdraw the complaint from the Court's record, that's the complaint they're obligated to respond to. They can't -- that doesn't make any sense to me. I understand what you're saying, but until you take some action to formally -- I mean, you could've sent a stipulation and order over to withdraw the second amended complaint, I

would have signed it, you would've had it back in a couple of days, and that would've taken care of that, but they can't --

I mean, that -- while there is a second amended complaint filed on the record, that first amended complaint doesn't really exist anymore. I mean, it's not -- they can't respond to that. That would be inappropriate.

MS. SNIEGOCKI: I'm -- to be honest with you, I know that Ms. Kotchka's communications were with Mr. Greenberg, who's the other attorney representing. I -- I don't want to represent that I know entirely what their discussions were about, but I believe it was something along the lines that, we'll agree that it's withdrawn. Will you at least file an answer to the first amended complaint? And the response we were given was, we won't file an answer to any first amended complaint. We're only filing a motion to dismiss the second amended complaint.

THE COURT: Well, I mean, it doesn't -- because -- that doesn't really make sense either to make them answer a first amended complaint. The Court's already ordered a second amended complaint to be filed. Why would they do that?

MS. SNIEGOCKI: Because it was -- it was the improper form. So the second amended complaint that Your Honor allowed was never the one that was actually ever filed. I think that -- that was sort of where we got confused, is that --

THE COURT: Okay. Well, I mean, that doesn't really make any sense either because they can't -- I mean, why would they waste their time and their clients' money to file an answer to something that the Court had already ordered, wasn't going to be the operative pleading in the case? There was

supposed to be a second amended complaint, and your client had a certain amount of time to get that filed, and then they needed to answer that complaint. I mean, I don't know that that's a reasonable request.

MS. SNIEGOCKI: No. I believe that the first amended complaint that is on file is in accordance with the Court's order, so I -- I think, and my understanding is is that one is --

MR. MORAN: No, it's not. No, it isn't.

THE COURT: I don't think so. Anyway, I'm just letting you know where I am with it. I think that, you know, they're -- which is why I said I am not going to impose sanctions because I think their motion under the circumstances was a reasonable motion because they're entitled to have the operative pleading be the thing that they answer, and clearly what was filed in the second amended complaint is -- is not what was contemplated by the Court. So let's just -- let's -- and as I understand it from the countermotion to amend, I mean, it really doesn't change anything anyway, right?

MS. SNIEGOCKI: We're just -- right. We're seeking to add --

MS. KOTCHKA: They're supposed to have --

THE COURT: They're seeking to add additional Plaintiffs.

MS. KOTCHKA: Right.

THE COURT: And I suppose that's something that we need to talk about. It wasn't really addressed other than it wasn't in the Court's order, so I don't know what -- I don't even know what the basis of that is, so I can't make them. But then -- and the issue with the statute of limitations, those are the easy issues, right? But the claim under 601.040, that is not something that's going to change, right? That is a claim that you still attempt to pursue?

MS. SNIEGOCKI: Correct. That claim over me.

THE COURT: I got that.

MS. SNIEGOCKI: Okay. Well, you know, we heard the argument from Defendant's counsel regarding this sort of last paycheck theory, and it sounds like to me what they're saying is, look, the employer can agree with the employee to pay him one cent an hour, right, in violation of the law -- the minimum law. Their agreement is he pays them one penny an hour. The last paycheck comes, the guy works one hour, gives him a check for a penny. Does that mean then that he's paid him all his wages that he's owed? And the position here is no. I mean, unless what they're arguing is that minimum wage is not really a wage --

THE COURT: Why wasn't that claim raised in front of the labor commissioner?

MS. SNIEGOCKI: By our client?

THE COURT: Right.

MS. SNIEGOCKI: Well, he -- when he went to the labor commissioner, he was unrepresented. He went, I think, immediately after he left the Defendant's employ. I don't know why he raised something or did not raise something in front of the labor commissioner.

THE COURT: Do you think it needs to be raised in front of the labor commissioner?

MS. SNIEGOCKI: No, I do not believe that there is a requirement that he, you know, exhaust an administration remedy. Prior to that -- and Your Honor did point out a decision of *Baldonado* which references this 608.14. And what it says here is that there's -- there's a -- we'll allow this claim for

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attorney's fees for a claim that is otherwise brought to the Court. So how can -- how can 608.140 provide for an additional benefit to the employee for the attorney's fees if the original claim for the unpaid wage or the unpaid penalty, which is specifically referenced in Baldonado, is not allowed in the first place? I mean, that's what the issue is.

And we've given you copies of -- I believe it's Judge Cory and Barker's order of this Court, and I understand Your Honor's position on the other judges of this court and how that could affect Your Honor's position, buy I think it's pretty well laid out in --

THE COURT: Well, I'm not saying, you know, I don't consider it. In fact, I've had conversations with Judge Kischner about this issue. I mean, we're, you know, permitted under the ethical rules to discuss things as long as it doesn't interfere with our independent ability to decide. We can talk to other judges, and I've had more than one conversation with her about this. We just -- you know, I think reasonable minds differ. People see things differently.

So it's not that I don't consider or respect the decisions of my colleagues. It's just -- if I have a difference of opinion, I have, you know, an obligation to decide the cases independently as well, so --

MS. SNIEGOCKI: Sure. Yeah, I --

THE COURT: It means I just want to -- I didn't mean to suggest that I don't care what my colleagues say. I just -- I don't think that that's a basis to reconsider. That's -- that's all I meant by that.

MS. SNIEGOCKI: Understood. So, again, I mean, I think it's pretty well pointed out in our brief, Your Honor. It begins on page ten. We talk

about this manifests -- you know, it's illogical here. If you can allow the same plaintiff to ask for attorney's fees and have this private right of action, how can he ask for attorney's fee if he doesn't necessarily already possess the right to bring the claim before the Court? I mean, it just doesn't make sense, and that's essentially what we're resting on here.

THE COURT: This is what I'd like to do. I'd like to set -- when is the countermotion to amend set? The 29th of September? The 28th?

MS. KOTCHKA: We get to file our opposition September 3rd.

THE COURT: Oh, it's set today but --

MS. KOTCHKA: So it's not set, the countermotion isn't set except for today, but we haven't had a chance to file our opposition and complete the briefing schedule.

THE COURT: What I'd like to do is just set this towards the end of September, give you the opportunity to respond to the countermotion to amend. In the meantime, I'll make a decision on the 608.040 issue, and then I think with the countermotion to amend, then we can figure out how to go forward from there because it's a little bit of a -- things have gotten a little bit tangled up here.

MS. KOTCHKA: Okay.

THE COURT: So I'd like to try to get everything back on track. I can get you that decision before, so you can proceed with the 608.040 claim, and then we can figure out about the additional two plaintiffs and any other issue that is raised with the countermotion to amend. All right? So they need the opportunity to respond to that, and then we can sort it all out then.

MS. KOTCHKA: Okay.

MS. SNIEGOCKI: Okay. Well, I'm just a bit confused because the second amended complaint that we're seeking to file, I mean, would also include the first claim for relief and then the wage, which -- I mean, maybe I'm confused. Is -- are you going to be issuing a ruling on that today or in conjunction with the 608.040 ruling?

THE COURT: I'm going to rule on the issues that were raised in the motion to dismiss because I think that they will impact whatever complaint that you file.

MS. SNIEGOCKI: Sure.

THE COURT: So we may as well just deal with them now. With respect to adding plaintiffs or anything else, I need to look at that and see what the basis is. They need the opportunity to respond to that. So what I'd like to do is just make a ruling on the motion to dismiss on the issues -- I mean, primarily, it's the 608.040 claim and that, all right, and then we'll deal with the countermotion to amend, and then that way you'll know what to include in the third -- the third amended complaint to keep things straight.

But then you can file a third amended complaint that complies with all of the Court orders up till then, and then we should be back on track. I think that will just make things easier than withdrawing something and -- but we're just going to move forward, and then you can file a third amended complaint after they have an opportunity to respond with respect to any additional claims.

MS. SNIEGOCKI: Okay. Just one thing I do want to point out as it relates to the countermotion to amend the complaint. We don't -- I mean, there's no issue with them even wanting additional time to respond to the

 countermotion. You know, if they want till October, it doesn't matter.

One request made is that this be decided whether or not Plaintiffs have leave to file this next, I guess, third at this point amended complaint. Something -- that would be set on the chambers calendar, and I don't know, are you -- because there is no hearing set for -- it was filed as a countermotion, which means technically it all gets heard today.

THE COURT: Right, but I'm setting it for --

MS. SNIEGOCKI: So we're going to set it up. That's fine.

THE COURT: I'm going to set it out --

MS. SNIEGOCKI: For a hearing.

THE COURT: If I don't feel like I need to hear from you, I'll tell you not to come, but I -- this is -- this is complicated, and it's gotten procedurally -- I mean, the legal issues are complicated here, and it's gotten procedurally just a hair complicated. I think I would prefer to meet with you again. Not with the intention of wasting anybody's time, but just to make sure that we're all on the same page because I think it will help the case go forward more smoothly. And that way if anybody has any questions, we can sort it all out at that time. All right?

MS. SNIEGOCKI: Okay.

THE COURT: So I'm going to set it for the -- the 29th, right?

Actually, let's put it on the -- I'm going to put it on October 1st. Our Thursday calendars are usually just a little bit -- not today, but normally our Thursday's calendar are real small.

MS. KOTCHKA: October 1st at 9?

THE COURT: October 1st at 9:00. And then that way we can just

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have one additional conversation about what the third amended complaint is going to look like, and, hopefully, that will avoid any additional motion to dismiss, and then they'll file an answer, and we'll just get on with everything.

All right? I try to make things straight out.

MS. KOTCHKA: Okay. Oh, Your Honor, could --

THE COURT: Is that a bad date?

MS. KOTCHKA: Is that a bad date?

MR. MORAN: That's a bad date. Can I have the --

THE COURT: We can put it another --

MS. KOTCHKA: Can we do it the following week, October the 8th?

THE COURT: October 6th? The 8th? That's fine.

THE CLERK: The 8th?

MS. KOTCHKA: October 8th.

MR. MORAN: Perfect.

MS. KOTCHKA: Perfect. Thank you. And one other issue before we leave, Your Honor, and that is on the motion for reconsideration. I know you denied it --

THE COURT: I'll take care of the order when I do the other order.

MS. KOTCHKA: Okay. But I just wanted to say that in addition to the decisions by the other courts, we also raised the issue of the records, the retention --

THE COURT: Which obviously it could've been raised in the motion in the first place, so --

MS. KOTCHKA: Well, it was cited. It was cited in our brief. We did --

THE COURT: Okay. So --

MS. KOTCHKA: -- raise it, but the Court didn't address it, so --

THE COURT: All right. But it was --

MS. KOTCHKA: So I just wanted to point out that that was one of the bases.

THE COURT: It wouldn't have made a difference -- if we would've had a long conversation about it, it would not have made a difference, but thank you.

MS. KOTCHKA: All right. Okay.

THE COURT: So all right.

MS. SNIEGOCKI: So then is there no further argument that you --

THE COURT: Nothing now.

MS. SNIEGOCKI: Perfect.

THE COURT: We'll talk again. Thank you.

MS. SNIEGOCKI: Thank you.

[Proceedings concluded at 10:03 a.m.]

ATTEST: I do hereby certify that I have truly and correctly transcribed the audio-visual recording of the proceeding in the above entitled case to the best of my ability.

Rener Vincent

Renee Vincent, Court Recorder/Transcriber District Court 7, 702-671-4339