

# LANDEGGER & BARON

A PROFESSIONAL CORPORATION

## ATTORNEYS AT LAW

EMPLOYMENT AND LABOR LAW  
AND RELATED LITIGATION  
ON BEHALF OF MANAGEMENT

www.Landeggeresq.com

## CORPORATE OFFICE

15760 VENTURA BOULEVARD  
SUITE 1200  
ENCINO, CALIFORNIA 91436

TELEPHONE (818) 986-7561  
FACSIMILE (818) 986-5147

## VENTURA COUNTY OFFICE

751 DAILY DRIVE  
SUITE 325  
CAMARILLO, CALIFORNIA 93010

TELEPHONE (805) 987-7128  
FACSIMILE (805) 987-7148

ALFRED J. LANDEGGER  
LARRY C. BARON

ELIZABETH G. ELLIS  
REBECCA L. GOMBOS  
ROXANA E. VERANO  
LAURA S. WITHROW  
CHRISTOPHER L. MORIARTY  
MICHAEL S. LAVENANT

July 14, 2004

Re: The Labor Code Private Attorney General Act of 2004;  
Better known as the "Bounty Hunter Law".

Dear Clients and Friends:

On June 9, 2004 I sent a letter to all of our clients and friends warning them of the importance of conducting a complete audit concerning compliance with California law. If you did not receive a copy of the letter or would like another copy, please call us.

Our law firm is committed to preventative practices and avoiding costly litigation. Frankly, most companies and not for profit agencies have failed to take our concern about the "Bounty Hunter Law" seriously. The trial lawyers representing employees are advertising on the internet and in major newspapers looking for employees who are willing to file a class action lawsuit against their current or former employers. The penalties for any technical violation is \$100 for each aggrieved employee for the first payroll period and \$200 for each aggrieved employee for any subsequent payroll period. As an example, if your company has 200 employees and has an employee that claims that your company has a minor labor law violation (such as not having the proper IWC poster), the company's liability is \$260,000.00. The employee receives a check from you for \$65,000.00, the State of California receives a check from you for \$195,000.00, you have to pay the employee's attorneys fees that will easily exceed \$50,000.00 and as a bonus you get to pay your own attorneys fees. Don't think that your company or not for profit agency is immune from such litigation.

What should you do? Get serious about the issue and conduct a compliance review without further delay. To get started do the following: First, compare your employment application to the enclosed sample. File your master employment application with the Division of Labor Standards Enforcement at 455 Golden Gate Avenue, 9<sup>th</sup> Floor, San Francisco, CA 94102. Second, compare the enclosed List of Notices to Post with the notices that you have posted. Do not rely on your compliance services that supply the poster because most are incomplete. Third, have your employee handbook reviewed for compliance with California law. If your company has any illegal policy or if you are missing any required policy, you could be legally exposed to damages under this law. Fourth, make sure that your New Hire Checklist is complete including the dissemination of the DFEH pamphlet on sexual harassment and the new EDD Paid Family Leave pamphlet. Finally, make sure that you have all of your employees properly classified as exempt or non-exempt for overtime purposes.

Clients and Friends

July 14, 2004

Page 2

As always, if we can be of any assistance to you concerning compliance with California law or any of your employment law needs, please feel free to contact me.

Very truly yours,

Alfred J. Landegger

AJL:cc

Enclosures

***(Enclosures intentionally not included on website as they are subject to change.  
Please contact Landegger & Baron directly to obtain enclosures.)***