CalChamber
AIMS
ACCLAMATION INSURANCE MANAGEMENT SERVICES
ASA
ALLIED MANAGED CARE INCORPORATED
NFIB
NAIOP
COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION
SoCAL CHAPTER
WINE INSTITUTE
ANAHEIM CHAMBER OF COMMERCE
SINCE 1895
AED
Associated Equipment Distributors
FLASHER BARRICADE ASSN.
YORBA LINDA CHAMBER OF COMMERCE
WHERE BUSINESS MEETS OPPORTUNITY
WILMINGTON CHAMBER OF COMMERCE
ESTABLISHED 1904
CIVIL JUSTICE ASSOCIATION OF CALIFORNIA
California Business Properties Association
CALIFORNIA HOTEL & LODGING ASSOCIATION
CALIFORNIA RESTAURANT ASSOCIATION
ASSOCIATED GENERAL CONTRACTORS CALIFORNIA
California Staffing and Recruiting Association
CALCIMA
California Construction And Industrial Materials Association
CFLCA
CALIFORNIA TRUCKING ASSOCIATION
GREATER BAKERSFIELD CHAMBER
BUILDING Something Better
CALA
CNCDA
California New Car Dealers Association
CALIFORNIA BANKERS ASSOCIATION
CCBA
BREA CHAMBER
CATALYST. CONVENER. CHAMPION.
CFSA
California Farm Bureau.
Standing up for all farmers and ranchers
CAL SMACNA
California's Credit Unions
CALIFORNIA FRAMING CONTRACTORS ASSOCIATION
CFCA
California Association of Winegrape Growers
CMTA
California Hospital Association
cga
CALIFORNIA GROCERS ASSOCIATION
CALIFORNIA RETAILERS ASSOCIATION
Consumers Economy Jobs
CHINO VALLEY
CHAMBER OF COMMERCE
CITRUS HEIGHTS CHAMBER
CONNECTING BUSINESS EDUCATION COMMUNITY
CEA
CONSTRUCTION EMPLOYERS' ASSOCIATION
CORONA CHAMBER OF COMMERCE
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Chamber of Commerce
Gateway Chambers Alliance
GREATER RIVERSIDE CHAMBERS OF COMMERCE
GREATER
High Desert
CHAMBER OF COMMERCE
ADELANTO · APPLE VALLEY · HESPERIA · VICTORVILLE
LODI
CHAMBER OF COMMERCE
danville area
CHAMBER OF COMMERCE
HAYWARD CHAMBER of COMMERCE
LCF
HOUSING CONTRACTORS OF CALIFORNIA
Los Angeles Area Chamber of Commerce
The Chamber
Long Beach Area Chamber of Commerce
HAIC
HARBOR ASSOCIATION OF INDUSTRY & COMMERCE
HEALTH & FITNESS ASSOCIATION
MISSION VIEJO
Making Business Happen
CHAMBER OF COMMERCE
MURRIETA/WILDOMAR
CHAMBER OF COMMERCE
Oceanside
CHAMBER of COMMERCE
ADVANCING OCEANSIDE
ORANGE COUNTY BUSINESS COUNCIL
RANCHO CUCAMONGA
CHAMBER OF COMMERCE
NORWALK
Chamber of Commerce
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REDLANDS
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redondo
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SANTA FE SPRINGS
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SANTA ROSA METROCHAMBER
SANTA CLARITA VALLEY
CHAMBER OF COMMERCE
SEAL BEACH
CHAMBER OF COMMERCE
TEMECULA VALLEY CHAMBER OF COMMERCE
TORRANCE
Area Chamber of Commerce
SHRM California
SOUTH BAY ASSOCIATION OF
CHAMBERS of COMMERCE

March 23, 2026

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Subject: Chapter 9. Labor Code Private Attorneys General Act of 2004 (PAGA): Proposed Regulatory Action to Adopt New Sections: 17400, 17401, 17410, 17411, 17412, 17413, 17414, 17415, 17420, 17420.5, 17421, 17422, 17423, 17424, 17430, 17430.5, 17431, 17432, 17433, 17434, 17435, 17436, 17437, 17438, 17439, 17439.5, 17440, 17441, 17442, 17443, 17450, 17450.5, 17451, 17460, 17461, 17462 and 17463

California Labor and Workforce Development Agency:

The California Chamber of Commerce and the undersigned organizations are submitting the following comments and recommendations regarding the California Labor and Workforce Development Agency's ("Agency") proposed regulatory action regarding the Labor Code Private Attorneys General Act of 2004 (PAGA) ("Proposed Regulations").

We commend the Agency for developing proposed regulations to provide guidance and clarity to employees and employers regarding PAGA's requirements and procedures, particularly considering the sweeping PAGA reforms in 2024 (the "2024 Reforms"). For the 2024 Reforms to succeed, they must be carried out with effective regulations.

We write to identify provisions we support as well as concerns and potential unintended consequences in the proposed regulations that risk undermining PAGA's purpose and intent, and to offer recommended revisions and solutions for the Agency's consideration that will help the Agency, the parties, and the courts achieve PAGA's goals while deterring abuse. Our members' largest concern with the Proposed Regulations is the blanket prohibition on amending PAGA notices in connection with a PAGA settlement as proposed in Sections 17420.5(d) and 17450.5(c), which is discussed below beginning on page nine.

We have an interest in ensuring that the Agency's proposed PAGA regulations, when applied in practice, will promote the Agency's goals of (1) curtailing the rampant abuse of PAGA by certain attorneys and firms, (2) providing guidance and structure for PAGA's notice and cure process, and (3) facilitating a fair and balanced application of PAGA that promotes Labor Code compliance and deters Labor Code violations, while preventing costly, frivolous litigation of unmeritorious claims.

To Be Effective, "High-Frequency" and "Vexatious Filer" Designations Must Have Tangible Consequences

In adopting the 2024 Reforms, the legislature sought to curtail the manipulation of PAGA by some attorneys as a "money-making scheme." *Williams v. Alacrity Solutions Group, LLC*, 110 Cal.App.5th 932, 944 (2025) [citing Assem. Floor Analysis, Assem. Bill No. 2288 (2023–2024 Reg. Sess.) June 27, 2024, p. 5]. As the Agency has observed in proposing these regulations—and as our membership has experienced first-hand

—certain attorneys and firms exploit PAGA to force employers into costly settlements, regardless of the merits of the claims. There are also documented cases of attorneys utilizing PAGA to increase settlement values and then allocating very little to PAGA in the settlement.[1] To effectively deter abuse of PAGA, claimants and their representatives must be held accountable for the representations they make to the Agency, to respondent employers, and to the courts.

Section 17415, which would implement rules relating to "high-frequency" and "vexatious" filers, offers solid preliminary steps to curtail abuse by certain attorneys and firms. We submit, however, that additional protections are needed to strengthen the safeguards that Section 17415 aims to provide for employees and employers and to ensure that "high-frequency" and "vexatious" filers face tangible consequences when they file generic, conclusory boilerplate notices that frustrate the intent and defeat the purpose of PAGA's administrative notice obligation. Without meaningful consequences, the designations are unlikely to have the intended deterrent effect and may even be viewed by some firms as a badge of honor.

We recommend the following revisions to the proposed regulations to enable the Agency, respondent employers, and the courts to more effectively curtail abuse of PAGA.

Recommendation 1: Certifications of the content of PAGA notices should be required from both "high-frequency" filers *and* their clients, and the certifications should be made under penalty of perjury.

For attorneys and firms with a "high-frequency" filer designation, requiring both claimants and their representatives to certify the contents of their notices under penalty of perjury will encourage compliance with PAGA's notice provisions and impose material consequences for filing inaccurate information.

We recommend revising Section 17415(c)(1)(B), and adding new subdivision (c)(1)(C), as follows:

§ 17415. High-Frequency and Vexatious Filers; Additional Notice Requirements and Prefiling Screening Orders.

(c)(1)(B) In addition to the certification and signature requirement applicable to PAGA notices under regulation 17420, subdivision (e), or regulation 17450, subdivision (d), the cover letter described in subpart (A) of this paragraph shall be signed by the claimant under the following certification:

I have reviewed the PAGA notice included with this letter and certify *under penalty of perjury that* the violations alleged (1) accurately describe the violations I believe I personally suffered during my employment within the past year, and (2) are not presented for an improper purpose, such as to harass or annoy the employer or employers named in the PAGA notice.

[*new*] *(c)(1)(C) In addition to the certification and signature requirement applicable to PAGA notices under regulation 17420, subdivision (e), or regulation 17450, subdivision (d), the cover letter described in subpart (A) of this paragraph shall be signed by the claimant's representative under the following certification:*

I certify under penalty of perjury that the violations alleged in the PAGA notice included with this letter (1) accurately describe the violations I believe the claimant personally suffered during the claimant's

[1] *See*, *e.g.*, *Ruch v. AM Retail Group, Inc.*, 2016 WL 5462451 (N.D. Cal. Sept. 28, 2016) (approving settlement agreement allocating $10,000 to PAGA and attorney's fees of $365,000 out of a total settlement amount of $1.15 million); *McLeod v. Bank of America, N.A.*, 2018 WL 5982863 (N.D. Cal. Nov. 14, 2018) (approving settlement agreement allocating $50,000 to PAGA and attorney's fees of $3.3 million out of a total settlement amount of $11 million); *Lacy T. v. Oakland Raiders*, 2016 WL 7217584 (Cal. Ct. App. Dec. 13, 2016) (affirming trial court's approval of allocating $10,000 to PAGA and attorney's fees of $400,000 out of total settlement amount of $1.25 million); *Diamond Reports Wage and Hour Cases*, 2020 WL 4188098 (Cal. Ct. App. July 21, 2020) (affirming trial court's approval of allocating $130,000 to PAGA and attorney's fees of $933,333.33 out of total settlement amount of $2.8 million).

employment within the past year, and (2) are not presented for an improper purpose, such as to harass or annoy the employer or employers named in the PAGA notice.

Recommendation 2: Section 501(c)(3) non-profit organizations that meet the definition in Section 17415(b)(1)(B) should not be exempted from being labeled as high-frequency filers.

While it is true that those non-profit organizations may serve as counsel to plaintiffs who have not personally suffered every violation alleged as stated in Labor Code Section 2699(c)(2) of the 2024 Reforms, there is nothing in statute indicating those entities should not be monitored for abusive conduct. It is critical that all attorneys purporting to represent employees be held to the same ethical standard as others, especially in an arena that has been subject to so much abuse during its 20-year history. **We therefore ask that Section 17415(b)(1)(B) be stricken.**

Recommendation 3: The regulations should allow the Agency to apply a "vexatious filer" designation to *law firms* that repeatedly file PAGA notices that do not comply with legal requirements, not only individual attorneys.

Allowing the definition of "vexatious filer" to be applied to law firms, in addition to individuals, will avoid creating a loophole where a law firm is able to evade the screening and other procedures that apply to "vexatious filers" by merely having a different attorney or staff member file a PAGA notice on behalf of the firm's client. Allowing a "vexatious filer" designation for law firms will offer additional protections beyond those contemplated in Section 17415(d)(3)(A), relating to prefiling screening orders.

We recommend revising proposed Section 17415(b)(2), and related provisions, as follows:

§ 17415. High-Frequency and Vexatious Filers; Additional Notice Requirements and Prefiling Screening Orders.

(b)(2) The term "vexatious filer" means any person, ~~or~~ attorney, *or law firm* ~~*who*~~ *that* has repeatedly filed PAGA notices that do not comply with legal requirements, including, but not limited to, on grounds the PAGA notices fail to allege adequately the facts and theories supporting the violations alleged or where the violations alleged are frivolous or appear intended to harass.

[*Appropriate revisions to regulation 17415, subdivision (d) should also be made, to reflect that the Agency can designate a law firm as a "vexatious filer."*]

Recommendation 4: The regulations should articulate a clear process through which the Agency determines which individuals, attorneys, or law firms are "vexatious filers".

The proposed regulations do not currently set forth a process or framework through which the Agency proposes to identify which attorneys or firms are "vexatious filers." We recommend adding provisions to the regulations that set forth a clear mechanism for identifying vexatious filers, including audits by the Agency. To assist the Agency, we also recommend that the regulations include a mechanism for interested claimant employees, respondent employers, and attorneys to report individuals, attorneys, or firms whom they believe to be "vexatious filers," based on their direct experience.

As part of its review process, if the Agency identifies a PAGA notice that fails to comply with the requirements of Labor Code Section 2699.3 and Sections 17420 and 17450 of the Proposed Regulations, we recommend that the notice be rejected by the Agency and deemed withdrawn, such that it cannot be relied upon to satisfy the administrative prerequisites to filing a civil PAGA action.

We offer suggestions as to what that process might look like:

§ 17415. High-Frequency and Vexatious Filers; Additional Notice Requirements and Prefiling Screening Orders.

[*new*] *(d)(1)(A) The Agency will consider the facts, circumstances, and evidence available to it in determining whether to designate an individual, attorney, or law firm as a vexatious filer. In making its determination, the Agency will evaluate all new notices filed by any individual, attorney, or law firm designated as a high-frequency filer and will audit 10% of new filings filed by all other individuals, attorneys, and firms to assess compliance with Labor Code section 2699.3 and regulation 17420, subdivision (d) and 17450, subdivision (c). Notices that the Agency determines fail to comply with Labor Code section 2699.3 and regulation 17420, subdivision (d) and 17450, subdivision (c) shall be rejected by the Agency and deemed withdrawn for purposes of the notice provisions set forth in Labor Code section 2699.3, subdivisions (a)(1), (b)(1), and (c)(1).*

(B) Any claimant, respondent, or attorney who has been directly affected by an individual, attorney, or law firm that they believe should be designated as a vexatious filer may file a written request to the Agency, together with any facts or evidence that the person or attorney relies upon in requesting the Agency's potential designation of the individual, attorney, or law firm as a vexatious filer, supported by declaration. A request to the Agency shall be submitted in accordance with regulation 17410, subdivision (a)(6).

It would also be beneficial to include a requirement stating that if an employer does submit a response to a PAGA notice pursuant to Section 17421, that the Agency review and respond to it. This would help the Agency more easily identify deficient notices which are likely to be pointed out in the employer response.

Recommendation 5: The Agency should include a mechanism for enforcing Section 17460.

Section 17460 requires plaintiffs to submit certain documents related to civil actions that include claims under PAGA to the Agency, but does not include a consequence for non-compliance. Some version of these requirements has existed for years with low compliance rates. To ensure compliance with these requirements, we recommend adding new section 17460(c), as follows:

§ 17460. Submitting Court Filings and Records to Agency; Service.

[*new*] *(c) Failure by any person, attorney, or law firm to comply with the requirements of this section may serve as the basis for designation as a vexatious filer pursuant to regulation 17415, subdivision (d).*

Recommendation 6: A claimant's failure to comply with Labor Code Section 2699.3 and Sections 17420(d) and 17450(c) of the Proposed Regulations or any other regulatory requirements imposed on a high-frequency filer should be a basis for a respondent employer to ask a court to dismiss a PAGA action by motion or application, including at the pleadings stage.

PAGA notices are filed with the Agency by the dozens per day, with thousands of PAGA notices filed per year. As the Agency has recognized, many of these notices are based on templates that allege conclusory, boilerplate violations of the Labor Code, without regard for the individual employees and employer purportedly at issue. For PAGA notices filed in the usual course, there is no mechanism for enforcement provided in Sections 17420 and 17450 and there is no enforcement mechanism for the required additional steps for high-frequency filers. Even in the case of a designated vexatious filer, the regulations provide that

"[i]f the Agency does not provide [] notice [regarding whether the proposed PAGA notice complies with applicable statutory and regulatory requirements] within 30 days of submission of the proposed notice, the PAGA notice will be deemed accepted for filing." (§ 17415, subd. (d)(3)(C).)

We understand and appreciate that the Agency may lack the resources to meticulously review each and every PAGA notice and proposed PAGA notice that is submitted to ensure universal compliance with the applicable regulations. We therefore recommend that the regulations should specifically authorize a respondent employer to assert a defense that the PAGA notice is inadequate and fails to satisfy statutory and regulatory requirements, and such a defense should be a basis for a respondent employer to ask a court to dismiss a PAGA action at the pleadings stage. For example, if a court determines that a law firm has filed a "boilerplate" PAGA notice that fails to identify the "specific provisions" of the Labor Code that the employer allegedly violated, or fails to include "the facts and theories" supporting each alleged violation, the regulations should provide that a PAGA action based on the defective notice is barred and must be dismissed.

We recommend adding new Section 17420(g), and new Section 17450(f), as follows:

§ 17420. Written Notice by Aggrieved Employee or Representative (PAGA Notices).

[*new*] *(g) If, on a motion, application, or pleadings challenge made by an employer in a civil action filed pursuant to Labor Code section 2699, a court determines that a claimant's notice fails to comply with Labor Code section 2699.3 or applicable regulations, the court shall dismiss the action for failure to satisfy the statutory and regulatory prerequisites to suit.*

§ 17450. Written Notice by Aggrieved Employee or Representative (Claims Arising Under Division 5).

[*new*] *(f) If, on a motion, application, or pleadings challenge made by an employer in a civil action filed pursuant to Labor Code section 2699, a court determines that a claimant's notice fails to comply with Labor Code section 2699.3 or applicable regulations, the court shall dismiss the action for failure to satisfy the statutory and regulatory prerequisites to suit.*

To ensure high-frequency filers follow all requirements, the Agency should also consider publicizing the list of those who have received the label so that employers or other plaintiff-side law firms know when attorneys or law firms are not complying with regulations.

Recommendation 7: We recommend that the Agency monitor high-frequency filers to ensure they are not referring cases to evade the high-frequency filer label.

We encourage the Agency to develop a process by which it monitors attorney and law firm behavior to ensure that "high-frequency filers" are not simply referring out cases to avoid hitting the 200 PAGA notice threshold. Our concern is that these firms will simply send cases to other firms in exchange for a referral fee to avoid the label, rendering the proposed high-frequency filer label moot. The Agency may also consider lowering the 200 number to help avoid those who use these tactics to evade hitting that number.

Recommendation 8: All law firms that represent a PAGA plaintiff in a civil action should be required to certify the content of the underlying PAGA notice.

Many PAGA actions are filed by multiple firms (sometimes three, four, or more) that team up together as co-counsel for the plaintiff(s), often with only one firm filing the underlying PAGA notice. Permitting law firms to jointly represent a PAGA plaintiff in litigation, even though only one law firm filed the underlying PAGA notice, will frustrate the purposes of PAGA and enable certain attorneys and firms to evade designation as "high-frequency filers," simply by divvying up the PAGA notice filing responsibilities among themselves.

To close this potential loophole, we suggest that the regulations should require all law firms representing a PAGA plaintiff in a civil action to sign onto and endorse the content of the underlying PAGA notice. This certification should be done (1) when the PAGA notice is initially filed, (2) by amendment made before a PAGA civil action is commenced, or (3) by amendment within 30 days after a new law firm associates or substitutes in as counsel in the PAGA civil action.

We recommend adding a new Section 17420(h) and new Section 17450(g), as follows:

§ 17420. Written Notice by Aggrieved Employee or Representative (PAGA Notices).

[*new*] *(h) Any law firm representing a PAGA plaintiff in a civil action filed pursuant to Labor Code section 2699 shall be identified in and sign the PAGA notice: (1) when the PAGA notice is initially filed pursuant to Labor Code section 2699.3, subdivisions (a) or (c); (2) in an amended PAGA notice that complies with regulation 17420.5, filed before a PAGA civil action is filed; or (3) in an amended PAGA notice that complies with regulation 17420.5 and is filed within 30 days after the law firm associates or substitutes in as counsel in the civil action. For purposes of determining whether an attorney or law firm is a "high-frequency filer" under regulation 17415, subdivision (b)(1)(A), or a "vexatious filer" under regulation 17415, subdivision (b)(2), every attorney and law firm identified on a PAGA notice shall be deemed to have filed that notice.*

§ 17450. Written Notice by Aggrieved Employee or Representative (Claims Arising Under Division 5).

[*new*] *(g) Any law firm representing a PAGA plaintiff in a civil action filed pursuant to Labor Code section 2699 that alleges safety and health violations of Division 5 shall be identified in, and shall sign, the PAGA notice: (1) when the PAGA notice is initially filed pursuant to Labor Code section 2699.3, subdivision (b); (2) in an amended PAGA notice that complies with regulation 17450.5, filed before a PAGA civil action is filed; or (3) in an amended PAGA notice that complies with regulation 17450.5 and is filed within 30 days after the law firm associates or substitutes in as counsel in the PAGA civil action. For purposes of determining whether an attorney or law firm is a "high-frequency filer" under regulation 17415, subdivision (b)(1)(A), or a "vexatious filer" under regulation 17415, subdivision (b)(2), every attorney and law firm identified on a PAGA notice shall be deemed to have filed that notice.*

The Proposed Regulations Should Provide Deference to DOSH Regarding Alleged Violations of Division 5

We propose three revisions to the Proposed Regulations regarding PAGA claims alleging violations of Division 5. First, we recommend requiring the claimant to identify the specific Labor Code sections *or agency regulations* that provide civil penalties for the alleged violations. Second, we recommend clarifying that if a claimant's PAGA notice fails to provide DOSH with the information needed for it to initiate an inspection or investigation, the claimant cannot file or maintain a PAGA civil action alleging safety and health violations under Division 5. Third, we recommend that where DOSH investigates or inspects an alleged violation and declines to issue a citation, no claimant can file a PAGA civil action based on the same alleged violation.

Recommendation 1: A claimant's written notice of safety and health violations under Division 5 should be required to identify the specific Labor Code sections *or agency regulations* that provide civil penalties for the alleged violations.

Penalties for violations of Division 5 are primarily set forth in regulations, set forth in Title 8 of the California Code of Regulations, section 336. We therefore recommend revising Section 17450(c)(2)(C), as follows:

§ 17450. Written Notice by Aggrieved Employee or Representative.

(c)(2)(C) For each violation alleged, the specific Labor Code sections *or agency regulations* providing the civil penalties the claimant seeks to recover.

Recommendation 2: If DOSH cannot commence an investigation due to inadequate information provided by the claimant, the claimant should not be permitted to file or maintain a PAGA action, and the claimant's failure should be determinable by either the Division or the court.

We appreciate that the proposed regulations provide important guidance to claimants who seek to bring PAGA actions alleging violations of Division 5. Too often, the PAGA notices in such matters fail to provide sufficient information and specificity to enable DOSH to commence an investigation as Labor Code Section 2699.3(b)(2)(A) requires. The proposed regulations represent a positive step forward in providing the Agency and its divisions, as well as employers, with a better understanding of the specific safety and health violations a purported PAGA plaintiff seeks to assert.

However, the Proposed Regulations should also clarify that the time for DOSH to conduct investigation does not start to run until the alleged aggrieved employee provides all necessary information for DOSH to commence an investigation. We additionally recommend that if either the Agency or the court determines a claimant's notice to DOSH is deficient, the claimant should not be permitted to pursue or maintain a PAGA action alleging safety and health violations under Division 5.

We recommend revising Section 17451(d)(1), and adding new subdivision (e)(1), as follows:

§ 17451. Investigation; Citation.

(d)(1) For purposes of this subdivision, a "failure by the Division to commence an inspection or investigation" does not include circumstances where the Division *or the superior court* has determined a PAGA notice is invalid or does not meet the requirements of Labor Code section 2699.3 and regulation 17450.

…

[*new*] *(e)(1) If the Division does not issue a citation to the employer within the time permitted for doing so under subdivision (b), and the reason therefore is the claimant's failure to provide sufficient information necessary to enable the Division to commence an inspection or investigation of the safety and health violations alleged in the claimant's PAGA notice, the claimant may not commence a civil action under Labor Code section 2699 for alleged violations of Division 5.*

(2) The time periods permitted for the Division to commence an inspection or investigation or to issue a citation shall not commence where the Division or the superior court has determined a PAGA notice is invalid or does not meet the requirements of Labor Code section 2699.3 and regulation 17450.

Recommendation 3: If DOSH commences an investigation under Labor Code Section 2699.3(b)(2) in response to a notice submitted pursuant to Labor Code Section 2699.3 (b)(1) and regulation 17450 or 17450.5, no claimant may commence an action pursuant to Labor Code section 2699 based on the same alleged violations.

In enacting the particular notice requirements in Labor Code Section 2699.3 (b), the Legislature recognized that DOSH has specialized knowledge and expertise. PAGA claimants should not be permitted to second-guess DOSH's enforcement determinations and substitute their own judgment for DOSH's on technical

workplace safety issues. Where DOSH investigates and does not issue a citation, the statute is not clear about what happens if it did not issue a citation because it determined no violation had occurred. Our members have encountered situations where DOSH investigates, determines that no citation is warranted because the employer is in compliance with the law, and yet plaintiff's counsel nonetheless contends that the PAGA case should proceed.

We recommend that deference be afforded to DOSH's determinations to ensure consistency across matters and to conserve Agency resources by avoiding a situation where DOSH must conduct multiple, redundant investigations based on the same alleged violations asserted by different claimants.

We recommend adding new Section 17451(f) as follows:

§ 17451. Investigation; Citation.

[*new*] *(f) If the Division commences an inspection or investigation of the safety and health violations alleged in a claimant's PAGA notice submitted under Labor Code section 2699.3, subdivision (b)(1) and regulation 17450 or 17450.5, no claimant may commence a civil action under Labor Code section 2699 for the same alleged safety and health violations.*

The Proposed Regulations Should Promote Fair, Fast, and Final Resolution to Claims, Which Includes Amending Claims for Settlement Purposes

We have concerns about the practical implications of the proposed regulations that will impede parties from achieving full, fair, and final settlements in PAGA actions. We are concerned that some of the proposed regulations related to settlements will encourage a multiplicity of actions against the same employers, allow for abuse of the PAGA device, and prevent parties from reaching fair and just resolutions of PAGA claims.

Amending PAGA Notices in Connection with a Settlement Should be Permitted

Our members' number one concern with the Proposed Regulations is the blanket prohibition on amending PAGA notices in connection with a PAGA settlement in Sections 17420.5(d) and 17450.5(c). These proposed provisions would, without exception, "prohibit an employee from filing an amended PAGA notice adding new claims not previously alleged as part of, or after an employee has reached, a proposed settlement agreement with an employer in a pending civil action." We fear that the improvements created by the 2024 Reforms to reign in litigation abuse and promote swift resolution will be significantly undermined by this provision.

As proposed, these regulations would obstruct parties from resolving disputed issues that arise in the course of litigating a case. It is common for new disputed issues to arise, often in the context of parties' settlement communications, including at mediation. When this occurs, to bring full resolution to the case for both parties, there is an agreement to amend the PAGA notice in order to create one global settlement that encompasses all disputed issues so that both parties have finality. Similarly, sometimes there is another party that is not named in the notice that needs to be added. Preventing amendment of PAGA notices in those scenarios would create barriers to resolution that could be difficult or impossible to surmount, resulting in more costly and protracted litigation, and preventing swift, favorable resolutions that would serve the interests of the parties, alleged aggrieved employees, and the state. The alternative would be requiring an entirely new notice and therefore a new civil case to be filed, which is an unnecessary use of the parties' and courts' time and resources and delays resolution. It would also create more work for the Agency because the claims would be split among multiple lawsuits rather than in one global settlement for the Agency to review. We also fear that these provisions would invite plaintiff's law firms to settle a PAGA action, only to immediately file their next action, asserting slightly different violations than the case they just settled.

Further, our members have experienced situations where they have had multiple pending PAGA actions, and a plaintiff's attorney or law firm in one action refuses to settle on reasonable terms that consider the merits of the claims alleged, rather than a mechanical "dollars per pay period" and "cost of litigation" approach. Many times, the attorneys and firms who take unreasonable positions in settlements are the same attorneys and firms that would qualify for designation as "high-frequency" or "vexatious" filers. They have built litigation mills, and if barriers to achieving full, fair, and final resolutions exist, they will be even more empowered to hold a PAGA action hostage to pressure an employer to pay a higher settlement than the action warrants. This is true even where an employers' compliance is exemplary.

We note that if the Agency were pursuing an action against an employer, all alleged violations would be addressed in a single proceeding. And, the Agency would exercise prosecutorial discretion in deciding which claims to pursue, in a way that plaintiff-side law firms currently have no incentive to exercise—and, in fact, generally do not exercise, as seen by the abuse of the PAGA device discussed in the Notice of Proposed Rulemaking (pp. 9-10) and Initial Statement of Reasons (pp. 5-7). In the absence of prosecutorial discretion, many employers find themselves facing multiple, redundant PAGA actions alleging overlapping (but not always identical) claims that lack substantive merit.

For the reasons above, we believe Sections 17420.5(d) and 17450.5(c) must be stricken. Importantly, courts already have the ability to reject settlements they believe are unfair or unreasonable, an important safeguard that should not be discounted.

If the Agency is not inclined to strike those provisions, then we propose an alternative. We would propose that PAGA claimants be permitted to amend their PAGA notices in connection with a proposed settlement in a pending PAGA action, if the amended notice includes an explanation justifying the amendments and otherwise meets the requirements set forth in regulation 17420, subdivision (d), 17450, subdivision (c), and, if applicable, 17415.

Proposed language would be:

§ 17420.5. Amendments to PAGA Notices.

(d) Notwithstanding subdivision (a), *if* a claimant ~~*may not*~~ *seeks to* amend a PAGA notice to add violations not alleged in a prior PAGA notice as part of, or at any time after the claimant has reached, a proposed settlement agreement with the employer in a pending civil action*, the amended notice must specifically identify the amendments and include a short and plain statement explaining the reasons and justification for the amendments, in addition to the information required by subdivision (d) of regulation 17420 and, if applicable, regulation 17415. This provision applies only to PAGA notices filed on or after the effective date of these regulations*.

§ 17450.5. Amendments to PAGA Notices (for Claims Arising Under Division 5).

(c) Notwithstanding subdivision (a), *if* a claimant ~~*may not*~~ *seeks to* amend a PAGA notice to add violations not alleged in a prior PAGA notice as part of, or at any time after the claimant has reached, a proposed settlement agreement with the employer in a pending civil action*, the amended notice must specifically identify the amendments and include a short and plain statement explaining the reasons and justification for the amendments, in addition to the information required by subdivision (c) of regulation 17450 and, if applicable, regulation 17415. This provision applies only to PAGA notices filed on or after the effective date of these regulations*.

Nothing in PAGA's Statutory Language Requires Notice to Be Provided to Other Employees

The proposed regulations impose an affirmative obligation on a settling employee to locate all overlapping cases using the LWDA website's PAGA case search function and require a settling employer to verify that the list of overlapping actions is both "accurate and complete." Our members are concerned that this imposes a new requirement never contemplated by the statutory text of PAGA and undermines the California Supreme Court's decision in *Turrieta v. Lyft*, which held that notice to other employees was not required under PAGA and noted differences between PAGA and class actions, where that is a requirement. When settlement is reached, it is beneficial for all parties to move towards court approval and not invite any gamesmanship from other attorneys. While we understand that the LWDA intends to review settlements, there is some concern that requiring notice and allowing for the submission of comments will encourage gamesmanship by competing attorneys that could stall or upend a settlement at the LWDA level when *Turrieta* explicitly held that overlapping employees and their attorneys have no right to intervene at the trial court. **We therefore believe Section17461(b) as well as relevant language in Section 1761(c)(2) should be stricken.**

If the Agency moves forward with this requirement, at the very least it should be clear that the notices should only be sent to counsel for people with an active PAGA civil action pending against the same employer based on the same or overlapping alleged Labor Code violations and that case has not been dismissed. Further, where the Agency considers comments provided about a settlement, it should take into account whether the attorney has been designated as a high-frequency filer or vexatious litigant under Section 17415.

Courts Should Have Deference About When to Set Settlement Hearings

The proposed regulations provide that the parties may not consent to a court settlement approval process that gives the LWDA less than 45 days to review a proposed settlement. Our concern is that the Agency is effectively imposing a mandatory stay on court proceedings and preventing a court from setting its own docket. While it is true that submitting proposed settlement documents to the Agency is intended to further the Agency's oversight and monitoring of PAGA cases, we have some concern about the Agency using the parties to delay a court's handling of a case.

Thank you for your consideration.

Sincerely,

Ashley Hoffman
Vice President and Deputy Chief of
Staff for Advocacy
California Chamber of Commerce

AH:kas

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Allied Managed Care (AMC), Philip Vermeulen
American Staffing Association, Toby Malara, Vice President Government Affairs
Anaheim Chamber of Commerce, Dara Maleki, President & CEO
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California Bankers Association, Vanessa Lugo, Senior Legislative Advocate
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California Restaurant Association, Matt Sutton, Senior Vice President of Government Affairs & Public Policy
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Corona Chamber of Commerce, Tim Gramling, LP.D.
Danville Area Chamber of Commerce, Amy Millington, President
Flasher Barricade Association (FBA), Caren Spilsbury
Garden Grove Chamber of Commerce, Claudette Baldemor, CEO
Gateway Chambers Alliance, Caren Spilsbury
Greater Bakersfield Chamber, Janelle Capra, President & CEO
Greater High Desert Chamber of Commerce, Mark Creffield, President & CEO
Greater Riverside Chambers of Commerce, Nicholas Adcock, President & CEO
Harbor Association Industry Commerce, Henry Rogers, Executive Director
Hayword Chamber of Commerce, Lucy Lopez, President & CEO
Health and Fitness Association, Charles Regnante
Housing Contractors of California, Bruce Wick
La Cañada Flintridge Chamber of Commerce, Pat Anderson
Lodi District Chamber of Commerce, J.P. Doucette, CEO & Director
Long Beach Chamber of Commerce, Celeste Wilson
Los Angeles Area Chamber of Commerce, Chris Micheli
Mission Viejo, Doug Zielasko, CEO
Murrieta/Wildomar Chamber of Commerce, Patrick Ellis, President & CEO
NAIOP SoCal, Tim Jemal, CEO
Norwalk Chamber, Caren Spilsbury
Oceanside Chamber of Commerce, Scott Ashton, CEO
Orange County Business Council, Amanda Walsh, Vice President of Government Affairs
Palm Desert Area Chamber of Commerce, Patrick Klein
Rancho Cucamonga Chamber of Commerce, Robert Hufnagel
Redlands Chamber of Commerce, Evan Sanford
Redondo Beach Chamber of Commerce, Mara Santos, CEO
Sacramento Metropolitan Chamber of Commerce, Robert Heidt, CEO
San Juan Capistrano Chamber of Commerce, Benjamin Medina
San Marco Chamber of Commerce, Rick Rungaitis
Santa Ana Chamber of Commerce, David Elliott, President & CEO
Santa Clarita Valley Chamber of Commerce, Ivan Volschenk, President & CEO
Santa Fe Springs Chamber of Commerce, Leah Skinner, CEO
Santa Rosa Metro Chamber of Commerce, Amanda Sweet

Seal Beach Chamber of Commerce, Richie Barnes, President
SHRM California, Eric De Wames
Slavic-American Chamber of Commerce, Sergey Terebkov, President & CEO
South Bay Association Chamber of Commerce, Jeremy Harris, 2026 Board Chair
Temecula Valley Chamber of Commerce, Brooke Nunn, President & CEO
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Torrance Area Chamber of Commerce, Donna Duperron
Valley Industry & Commerce Association (VICA), Stuart Waldman, President
Vista Chamber of Commerce, Rachel Beld, President & CEO
West Ventura County Business Alliance, Andy Conli, President & CEO
Western Electrical Contractors Assn. Inc., Don Black, Executive Director & CEO
Western Growers Association, Matthew Allen Vice President State Government Affairs
Wine Institute, Tim Schmelzer, Vice President of Government Affairs
Yorba Linda Chamber of Commerce, Anthony Johnson