

West, Danielle@Labor

From: Eric Moore <emoore@holtca.com>
Sent: Tuesday, March 3, 2026 5:15 PM
To: West, Danielle@Labor; Labor Email
Subject: Employer comment on proposed PAGA rule changes from LWDA

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To Whom It May Concern,

I'm the Director of Employee Services/Human Resources at Holt Of California, a mid-size seller, renter and maintainer of heavy construction equipment based primarily in northern California and I would like to make a public comment on the Labor & Workforce Development Agency's proposed new rules and regulations concerning the Private Attorneys General Act (PAGA).

While I understand the good intent behind the advent of PAGA approximately two decades ago, my observation as a Human Resources leader responsible for dealing directly with some of what I believe to be the unintended consequences of this legislation is that the results have moved substantially away from that original good intent. I believe these proposed rule changes are long overdue and could go a fair way toward redressing some of the imbalance that has been created by how this law has been operationalized and taken advantage of over time in California.

In my experience, there is an "attorney mill" that has gradually sprung up in California due to the lower barrier for entry. These firms focus either primarily or to substantial degree on filing a staggering number of PAGA notices, either standalone or tacked on to other complaints, which are often vaguely,-worded, frivolous and boilerplate in content. These proposed changes would have the effect of raising that barrier by requiring these attorneys to do more work fact-finding and crafting specific allegations. With so little investment required today upfront from these attorneys, even a small settlement multiplied many times over is a moneymaking enterprise for them as employers are willing to settle since contesting is not worth the time and money regardless of fault. These new processes and the proposed stricter oversight from LWDA, if adopted, will in my estimation have a dampening effect on the "throw it against the wall and see what sticks" approach some of these attorneys seem to take.

Other potential remedies in the future to continue to bring this law back toward what I believe was its original fundamental intent, might include eliminating the current "double jeopardy" effect of the law where employers pay a penalty equal to double the cost of the missed meal periods to an employee but still retain full legal liability for those missed meal periods if a PAGA action was ever to be filed by said employee. It should be one or the other. Also, currently an employee who clocks in 29+ minutes at the end of their half-hour break is considered and counted as a PAGA violation by attorneys looking to tally violations after requesting the timekeeping information from an employer on behalf of a client. Again, it seems unlikely this was ever intended when the law was put in place, but this distortion not only artificially increases employer liability for missed meal periods but also leads to unfortunate actions on the part of employers in order to attempt to mitigate this issue with their employees. Again, perhaps the

stricter LWDA oversight proposed by these rule changes would bring some common sense back to this last issue.

I believe California employers would love to treat all their hourly employees like adults with the power to use reasonable discretion on when and how to utilize their meal and rest periods. Hopefully these proposed changes will be adopted and help to bring the state closer to that goal.

Sincerely,

Eric Moore
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Holt Of California
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