



How a Typo Can Be Costly

Publication

3.01.16

Danielle Moore and Collin Cook's article, "How a Typo Can Be Costly," was featured in the March edition of *California Constructor*.

Imagine being sued by all of your employees for the past four years because your paystubs have an extra comma in your company's name, the zip code is missing from your address, or the paystub gives the pay period end date but not the beginning date.

These hyper-technical errors are the focus of the new "claim du jour" in California, often seeking millions of dollars in damages. These cases are particularly offensive because employees are generally not harmed by these minor errors. Instead, these cases seem to only penalize good employers for innocent mistakes. Regardless of the offensive nature of these claims, the recent spike in class actions has reinforced the need for you to pay close attention to the specific itemized wage statement (paystub) requirements in California Labor Code section 226(a).

While it seems elementary that you must follow wage and hour law, compliance is often taken for granted. Companies frequently commit unintentional violations of this paystub law due to a misunderstanding of the technical requirements, leading to significant liability under the Labor Code and Private Attorney General Act of 2004 ("PAGA"). For instance, companies have recently faced lawsuits alleging they missed a space in the company's name, or omitted "Inc." from the end of their name.

In the article, Danielle and Collin explore the following topics:

- What You Need to Know - The Labor Code's Requirements
- Penalties for Non-Compliance
- No Harm, No Foul/ Not Under This Law
- New Law Provided Partial Opportunity to "Cure"
- How to Minimize Your Company's Exposure

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