

N E W S R E L E A S E

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California Labor Commissioner Fines 18 Los Angeles Garment Manufacturers \$682,344 for Labor Law Violations

Illegally manufactured garments valued at \$155,457 confiscated

Los Angeles—Investigators from the California Labor Commissioner’s Office issued [\\$682,344 in fines to 18 garment manufacturers and contractors](#) in a two day enforcement operation in the Los Angeles area. The penalties included a total of \$603,043 in fines and stop orders for six employers with no workers’ compensation insurance, and \$42,300 in penalties issued to 14 businesses for garment registration violations. Investigators confiscated 85 bags of illegally manufactured garments with an estimated street value of \$155,457 at nine of the businesses.

“Sweatshop operators threaten garment workers’ rights and undermine honest employers in the industry, making it difficult for legitimate garment businesses to stay in operation,” said Labor Commissioner Julie A. Su. “These illegal entities should take note: we will shine a light on the underground economy and those who contract with unregistered contractors will also be held accountable.”

The two day enforcement sweep began on September 7 and included 22 worksite inspections. The 18 garment businesses cited employ 296 workers. The Labor Commissioner’s office is pursuing wage theft investigations on those employers who also failed to pay proper wages under the California Labor Code.

The Garment Manufacturing Act of 1980 requires that all industry employers [register](#) with the Labor Commissioner and demonstrate adequate character, competency, and responsibility, including workers’ compensation insurance coverage. Garment manufacturers who contract with unregistered entities are automatically deemed joint employers of the workers in the contract facility. Clothing confiscated from illegal operations cannot be sold, and will be donated to a non-profit agency which will provide the items to homeless and domestic violence shelters in the Los Angeles area.

The Labor Commissioner also administers a special wage claim adjudication process for garment workers pursuant to California’s AB 633, passed in 1999. This law provides not only an expedited process for garment workers to file wage claims but also provides a wage guarantee where garment manufacturers are responsible for wage theft at their contractors’ facilities.

The [Wage Theft is a Crime](#) website was launched as part of a multilingual public awareness campaign in 2014 by the Department of Industrial Relations (DIR) and its

Labor Commissioner's Office. The Wage Theft is a Crime campaign informs workers of their rights and employers of their responsibilities. Workers and employers with work-related questions may also contact DIR's Call Center in English or Spanish at 844-LABOR-DIR (844-522-6734).

DIR protects and improves the health, safety and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws.

DIR's Division of Labor Standards Enforcement (DLSE), also known as the [Labor Commissioner's Office](#), inspects workplaces for wage and hour violations, adjudicates wage claims, investigates retaliation complaints, issues licenses and registrations for businesses, enforces prevailing wage rates and apprenticeship standards in public works projects, and educates the public on labor laws.

Members of the press may contact Peter Melton or Paola Laverde at (510) 286-1161, and are encouraged to [subscribe to get email alerts](#) on DIR's press releases or other departmental updates.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.