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CLERK, U.S. DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA  
BY   
DEPUTY CLERK

9 UNITED STATES DISTRICT COURT  
10 EASTERN DISTRICT OF CALIFORNIA

11 **HILDA L. SOLIS,**  
12 Secretary of Labor  
13 United States Department of Labor,

14 Plaintiff,

15 v.

16 **JASMINE HALL CARE HOMES,**  
17 **INC.,**  
18 A California corporation, *et al.*,

19 Defendants.

Case No. 2:05-cv-1306-GEB-KJM

**CONSENT JUDGMENT**

Judge: Hon. Garland Burrell

1 Plaintiff Hilda L. Solis, Secretary of Labor, United States Department of Labor  
2 (“Secretary”), and Defendants JASMINE HALL CARE HOMES, INC., a  
3 corporation, HALL CARE HOMES, INC., a corporation, GEORGE K. HALL, an  
4 individual, and ESTELA HALL an individual (hereafter collectively referred to as  
5 the “Employer” or “Defendants”), have agreed to resolve the matters in controversy  
6 in this civil action and consent to the entry of this Consent Judgment in accordance  
7 herewith:

8 A. The Secretary has filed a Complaint and Amended Complaint, alleging  
9 that the Defendants violated provisions of Sections 15(a)(2) and 15(a)(5), 29 U.S.C.  
10 § 215(a)(2) and 29 U.S.C. § 215(a)(5), of the Fair Labor Standards Act of 1938, as  
11 amended (“FLSA”).

12 B. The Defendants have appeared through counsel, have answered the  
13 complaint, have been duly advised on the proceedings, and have agreed to resolve  
14 the matters in controversy in this civil action by entry of this Consent Judgment.

15 C. The Secretary and Defendants waive Findings of Fact and Conclusions  
16 of Law, and agree to the entry of this Consent Judgment in settlement of this action,  
17 without further contest.

18 D. The Defendants admit that the Court has jurisdiction over the parties  
19 and subject matter of this civil action and that venue lies in the Eastern District of  
20 California.

21 It is therefore, upon motion of the attorneys for the Secretary, and for cause shown,

22 **I. INJUNCTIVE RELIEF**

23 **ORDERED, ADJUDGED, AND DECREED** pursuant to section 17 of the FLSA  
24 that the Defendants, their officers, agents, servants, and employees and those per-  
25 sons in active concert or participation with them be, and they hereby are,  
26 permanently enjoined and restrained from violating the provisions of Sections  
27 15(a)(2) and 15(a)(5), 29 U.S.C. § 215(a)(2) and 29 U.S.C. § 215(a)(5) of the Fair

1 Labor Standards Act of 1938, as amended (“FLSA”), in any of the following  
2 manners:

3 **A. Minimum Wage**

4 Defendants shall not, contrary to sections 6 and 15(a)(2) of the FLSA, pay any of  
5 their employees who in any workweek is engaged in commerce or in the production  
6 of goods for commerce or who are employed in an enterprise engaged in commerce  
7 or in the production of goods for commerce, within the meaning of the FLSA,  
8 wages at a rate less than the applicable minimum hourly rate prescribed by said § 6  
9 as now in effect or which hereafter may be made applicable by amendment thereto  
10 for each Hour Worked (or at a rate less than such other applicable minimum rate as  
11 may hereinafter be established by amendment to the Act); the term Hours Worked is  
12 defined in Paragraphs E through G below.

13 **B. Overtime**

14 Defendants shall not, contrary to sections 7 and 15(a)(2) of the FLSA, employ any  
15 of their employees who in any workweek is engaged in commerce or the production  
16 of goods for commerce, or who are employed in an enterprise engaged in commerce  
17 or in the production of goods for commerce, within the meaning of the Act, for  
18 workweeks longer than forty hours, unless such employee receives compensation for  
19 his or her employment in excess of forty Hours Worked at a rate not less than one  
20 and one-half times the regular rates at which he or she is employed.

21 **C. Recordkeeping**

22 Defendants shall not, contrary to Sections 11(c) and 15(a)(5) of the FLSA, fail to  
23 make, keep and preserve records of their employees and of the wages, hours and  
24 other conditions and practices of employment maintained by them, as prescribed by  
25 the regulations promulgated under Section 11(c) of the Act at 29 C.F.R. Part 516,  
26 and, in particular, to keep records of all Hours Worked by employees, including  
27

1 during each shift, all sleep interruptions and the total straight time and overtime  
2 earnings for each workweek.

3 **D. Withholding of Back Wages**

4 Defendants shall not withhold payment of unpaid minimum wage and overtime  
5 compensation, as set forth in Paragraph II(A) below, for the period from June 1,  
6 2002, through the date of entry of this Consent Judgment, to Defendants' present  
7 and former employees named in Exhibit A, attached hereto and made a part hereof.  
8 Payment of the monetary terms prescribed below in Paragraph II (A) below shall be  
9 deemed to satisfy any and all obligations for back wages owing to said employees  
10 through the date of entry of this Consent Judgment.

11 **E. Hours Worked**

12 The parties intend that the term "Hours Worked" as used will in this Consent  
13 Judgment shall mean Hours Worked as provided by 29 CFR Part 785, and shall  
14 specifically include all hours that Defendants' employees are on-duty, as follows:

15 1. All hours that an employee is on-duty during a 24-hour shift constitute  
16 compensable Hours Worked within the meaning of 29 C.F.R. Section 785.14  
17 and 785.15, except for those time periods which meet all applicable criteria  
18 listed in either Section F for Off-Duty time or Section G for Sleep time  
19 (below). Each of the criteria applies unless an exception is specified in this  
20 document.

21 2. Hours Worked shall include all hours during which employees,  
22 including employees who reside on Defendants' premises on a permanent  
23 basis or for extended periods of time, are required to be On-Duty in order for  
24 Defendants to comply with conditions of their licenses, contracts, governing  
25 state regulations and Alta California Regional Center.

26 3. Hours Worked include all hours spent providing direct client care,  
27 including supervision and monitoring, and such hours are not rendered non-

1           compensable solely because the employee also engages in normal personal  
2           pursuits at the same time.

3           **F. Off-Duty**

4           The only non-sleep hours during the employees' shifts that Defendants will exclude  
5           from Hours Worked as non-compensable are periods meeting all of the following  
6           criteria:

- 7                   1. All meal breaks which are 30 minutes long or longer AND for  
8                   which the employee is completely relieved from supervising or  
9                   monitoring clients for the entire period;
- 10                   2. All hours in which an employee is given a break from duty at  
11                   least four (4) consecutive hours long, is scheduled in advance in  
12                   writing with a definite start and end time, during which he or she  
13                   is relieved of all duties, including client monitoring, and can  
14                   leave the premises, which details are recorded by Defendants.

15           **G. Sleep Time**

16           For employees on duty for 24 hours or more, Defendants may exclude from  
17           compensable daily Hours Worked no more than eight (8) sleep hours per 24-hour  
18           shift, if all of the following criteria are met:

- 19                   1. With the exception of a married couple or some other  
20                   consenting pair of individuals sharing a sleeping room with each  
21                   other, no one may be requested to share a sleeping room with  
22                   any other person and no sleeping room may accommodate more  
23                   than two persons;
- 24                   2. Defendants will establish and actively implement a bona fide  
25                   system to record all interruptions in sleep and count all calls to  
26                   duty as Hours Worked; and
- 27                   3. Defendants will count the entire sleep period as Hours Worked  
28                   if the sleep period is interrupted to such an extent that the  
                 employee cannot get five hours of uninterrupted sleep.

**H. Right to Inspect**

          Defendants agree that they will provide to Plaintiff such documents as it shall  
          request without the requirement of a subpoena or other formal legal process.  
          Defendants shall not withhold any documents or information from Plaintiff on the  
          basis of client confidentiality, but shall provide any documents containing

1 confidential client information to Plaintiff under the same terms of confidentiality  
2 as the Protective Order entered into and filed previously in this action. Nothing in  
3 this Judgment is intended to limit Plaintiff's right to conduct investigations into  
4 Defendants' FLSA compliance.

5 **I. Surrender of License Upon Adjudicated Violation**

6 Defendants agree to surrender their care home operating license if any of them or  
7 any entity they own or control is adjudicated in a final, enforceable judgment to be  
8 in violation of any state or federal minimum wage or overtime law (an  
9 "Adjudicated Violation") in any proceeding before a state or federal court or any  
10 state or federal administrative tribunal, subject to all rights of appeal or  
11 reinstatement that might otherwise be available to care home licensees who suffer  
12 license suspensions or revocations. Defendants agree that Plaintiff may intervene  
13 and participate in any proceeding in which Defendants' licensing status is at issue  
14 following an Adjudicated Violation so that it may raise any wage and hour concerns  
15 or objections that it may have.

16 **II. MONETARY RELIEF**

17 **JUDGMENT IS HEREBY ENTERED**, pursuant to Section 16(c) of the FLSA, in  
18 favor of the Secretary and against George Hall, Jasmine Hall, Inc. and Hall Care  
19 Homes in the total amount of \$850,000, as follows:

20 **A. Payment Terms**

21 George Hall, Jasmine Hall, Inc. and Hall Care Homes shall pay to the Secretary a  
22 total sum of \$850,000 upon the following payment schedule. The first payment of  
23 \$100,000 shall be made upfront (i.e. within 60 days of the entry of this judgment); a  
24 payment of \$200,000 within six months of the date of the judgment; and the  
25 remaining amount of \$550,000 shall be due September 30, 2013. An extension of  
26 time to pay hereunder may be granted by the Plaintiff or by this Court upon a  
27 showing of clear financial hardship. The availability of discretionary extensions

1 shall not confer upon Defendants any entitlement to such an extension.

2 Plaintiff shall distribute the proceeds of the payments described in paragraph  
3 II(A) to those persons and in those amounts determined by plaintiff. Plaintiff shall  
4 be responsible for deducting from the amounts paid to said persons the employees'  
5 share of F.I.C.A. and federal income taxes, and for remitting said deductions to the  
6 appropriate federal agencies.

7 Defendants shall pay interest of .21%, pursuant to 28 U.S.C. 1961, on all  
8 payments made 90 days after the entry of the instant consent judgment. Defendants  
9 may pay the remaining balance due in full at any time with no additional penalty or  
10 interest. Upon any failure to make a required payment without the express approval  
11 of Plaintiffs or the Court, the entire balance will become due and owing  
12 immediately. Interest on the unpaid balance shall accrue at a rate of 10% per  
13 annum. In addition, liquidated damages in an amount equal to the unpaid back  
14 wages still owing pursuant to this Section II(b) shall also become due.

15 **B. Covered Employees**

16 The attached Exhibit A shows the names of each employee of Defendants, the  
17 period of employment covered by this Consent Judgment, and the gross backwage  
18 amount due to the employee. The Secretary shall allocate and distribute the  
19 remittances, or the proceeds thereof, after deducting the amount of legal deductions  
20 and forwarding said funds to the appropriate agencies, to the persons named in the  
21 attached Exhibit A, or to their estates if that be necessary, in her sole discretion, and  
22 any money not so paid within a period of three years from the date of its receipt,  
23 because of an inability to locate the proper persons or because of their refusal to  
24 accept it, shall be deposited by the Secretary in a special deposit account for  
25 payment to the proper persons and upon such inability to pay within 3 years, shall  
26 then be deposited in the Treasury of the United States, as miscellaneous receipts,  
27 pursuant to 29 U.S.C. § 216(c).

1           **C. Other terms**

2 Defendants shall not request, solicit, suggest, or coerce, directly, or indirectly, any  
3 employee to return or to offer to return to the defendants or to someone else for the  
4 defendants, any money in the form of cash, check, or any other form, for wages  
5 previously due or to become due in the future to said employee under the provisions  
6 of his judgment or the Act; nor shall defendants accept, or receive from any  
7 employee, either directly or indirectly, any money in the form of cash, check, or any  
8 other form, for wages heretofore or hereafter paid to said employee under the  
9 provisions of this judgment or the Act; nor shall defendants discharge or in any  
10 other manner discriminate, nor solicit or encourage anyone else to discriminate,  
11 against any such employee because such employee has received or retained money  
12 due to him from the defendants under the provisions of this judgment or the Act.

13           **III. OTHER RELIEF**

14           **A. Preclusive Effect**

15 The filing, pursuit, and/or resolution of this proceeding with the filing of this Consent  
16 Judgment shall not act as or be asserted as a bar to any action under Section 16(b) of  
17 the FLSA, 29 U.S.C. § 216(b), as to any employee not named on the Exhibit A  
18 attached to the Consent Findings and incorporated hereto by reference, nor as to any  
19 employee named on the Exhibit A for any period not specified herein for the back  
20 wage recovery provisions.

21           **B. Fees**

22 Each party shall bear its own fees and other expenses incurred by such party in  
23 connection with any stage of this proceeding, including but not limited to attorneys'  
24 fees, which may be available under the Equal Access to Justice Act, as amended.

25           **C. Jurisdiction**

26 This Court retains jurisdiction of this action for purposes of enforcing compliance  
27 with the terms of this Consent Judgment.

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**SO ORDERED.**

Dated: July 3, 2012

  
U.S. DISTRICT COURT JUDGE

1 For the Defendants:

2

3 Dated:

4 7/3/12

JASMINE HALL CARE HOMES,  
INC., a corporation

5 By: George Hall  
6 Its: Owner

7 Dated:

8 7/3/12

HALL CARE HOMES, INC., a  
corporation

9 By: George Hall  
10 Its: Owner

11 Dated:

12 7/3/12

13 By: George Hall  
14 GEORGE J. HALL, in his individual  
15 capacity

16 Dated:

17 7/3/2012

KEKER & VAN NEST LLP

18 By: Estela Ocampo Hall  
19 ESTELLA OCAMPO HALL, in her  
20 individual capacity

21 Dated:

22 7/3/2012

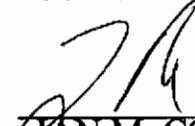
23 By: Jon Steeter  
24 MICHAEL D. CELIO

25 Attorneys for Defendants JASMINE  
26 HALL CARE HOMES, INC., HALL  
27 CARE HOMES, INC., GEORGE K.  
28 HALL, and ESTELA HALL

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Dated: 7/3/12

M. PATRICIA SMITH  
Solicitor of Labor  
JANET HEROLD  
Regional Solicitor  
DAVID KAHN  
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By: 

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U.S. Department of Labor