



News Release

California Department of Industrial Relations • P.O. Box 420603 • San Francisco, CA 94142-0603 • Internet: <http://www.dir.ca.gov>

FOR IMMEDIATE RELEASE

Monday, March 3, 2008

IR# 08-12

Internet: www.dir.ca.gov

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California Labor Commissioner Files Complaint Against Janitorial Services Contractor

San Diego—California Labor Commissioner Angela Bradstreet today filed a complaint in San Diego County Superior Court charging that Tidy Building Services, Inc., based in New Orleans, illegally entered into contracts which failed to provide adequate funds to its San Diego County subcontractors, who then disregarded state tax and labor laws.

The complaint alleges that Tidy Building Services, Inc.'s failure to provide adequate funding over the last three years led to multiple violations by subcontractors, some of whom are providing janitorial services throughout San Diego County.

Among the violations are failure to pay and deduct required payments for social security, disability and Medicare, unemployment insurance taxes and employment training tax. In addition, the complaint charges that the lack of funding resulted in widespread workers' compensation premium fraud, and deprived employees of employer contributions for their social security retirement/disability benefits.

"As a result of these illegal contracts with subcontractors, employees have been deprived of their legal rights to social security and disability benefit credits," Bradstreet said. "We will not allow this and are seeking more than \$1.8 million in damages on behalf of more than 100 employees, plus payment of civil penalties to the State."

Under California labor law, it is illegal to subcontract janitorial and other services without adequate funding, and workers injured by these unlawful practices are entitled to recover damages in the amount of \$250 per violation. A civil penalty of \$100 per employee per violation is payable to the State.

"This company was in the habit of taking a high percentage off the top of the price paid by property owners and leaving the subcontractors without the financial resources to fulfill the contracts in a manner that complies with the applicable labor laws," Bradstreet added. "That gives this company an unfair advantage over competitors, and we're here to protect employees and restore a level playing field for those who follow the law."

To learn more about the functions of the California Labor Commissioner, visit the Department's web site at www.dir.ca.gov/dlse.

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