



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

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MEDIA RELEASE

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L.A. County Wage Enforcement Program Reaches Nearly Half-Million-Dollar Settlement with Restaurant Companies for Underpaying Low-Wage Workers

Companies Operating Original Tommy's and Pizza Hut Locations Agree to Pay Back Wages, Fines Following Investigation by Department of Consumer and Business Affairs

LOS ANGELES – The County of Los Angeles Department of Consumer and Business Affairs (DCBA) is announcing settlements with three Southern California-based companies that operate two popular restaurants—**Original Tommy's** and **Pizza Hut**—for violations of the County's Minimum Wage Ordinance, which covers work performed in the unincorporated areas of Los Angeles County. The settlements include the payment of \$476,777 in back wages and fines to 132 low-wage workers and the County of Los Angeles.

“During the pandemic, it is crucial that our essential workforce is paid what they are owed. As a former U.S. Secretary of Labor, I am well aware that a smaller paycheck at this critical moment means that some households may have to decide between putting food on the table and paying rent,” said Los Angeles County Chair Pro Tem Hilda L. Solis. “I am pleased that our Department of Consumer and Business Affairs has protected the livelihoods of our essential workers at these two establishments.”

“Paying employees less than permissible by law will simply not be tolerated in the County,” said Los Angeles County Supervisor Mark Ridley-Thomas. “Employers need to be put on notice!”

Following a DCBA investigation, the owners of two companies, Tomdan Enterprises Inc. and Koulox Enterprises Inc. DBA Original Tommy's World-Famous Hamburgers, have agreed to pay \$397,775 in back wages and fines for violating the ordinance. DCBA wage investigators found that the companies had underpaid 96 of its employees over three years dating back to July 2016. The companies agreed to pay \$147,775 in back wages and \$147,000 in fines directly to the affected employees, plus \$103,000 in fines to the County.

Based on the review of payroll records of Southern California Pizza Company, a franchisee of Pizza Hut headquartered in the City of Orange, DCBA wage investigators cited the company for violations at six Pizza Hut locations in the County's unincorporated area, including \$19,002 in back wages owed



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to 36 employees, most of whom worked at the company's location in the unincorporated community of Los Nietos. The company agreed to pay back wages and total fines of \$60,000 to aggrieved workers and the County.

“Wage theft always causes harm, but during a pandemic, economic injury and inequity are compounded,” said DCBA Director Joseph M. Nicchitta. “I am proud of our wage enforcement program for helping underpaid workers recover what they are owed during this time of economic uncertainty.”

DCBA offers resources to ensure employers have the tools they need to understand their responsibilities and to comply with minimum wage laws in unincorporated Los Angeles County. The current minimum wage for workers who perform more than two hours of work in the unincorporated areas of Los Angeles County is \$15.00 an hour for larger businesses (with 26 or more employees) and \$14.25 for small businesses (25 or fewer employees).

For more information about L.A. County's minimum wage ordinance, visit dcba.lacounty.gov/minimum-wage, call (800) 593-8222, or email wagehelp@dcba.lacounty.gov.

To check if your workplace is in unincorporated Los Angeles County and subject to L.A. County's minimum wage ordinance, visit bit.ly/LACoAddressCheck.

Since 1976, the County of Los Angeles Department of Consumer and Business Affairs (DCBA) has served consumers, businesses, and communities through education, advocacy, and complaint resolution. We work every day to educate consumers and small business owners about their rights and responsibilities, mediate disputes, investigate consumer fraud complaints, and enforce Los Angeles County's minimum wage and rent stabilization ordinances. For more information, visit dcba.lacounty.gov.

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