GABROY LAW OFFICES

Electronically Filed 5/17/2019 12:28 PM Steven D. Grierson **CLERK OF THE COURT**

CASE NO: A-19-795009-C Department 1

DISTRICT COURT

CLARK COUNTY, NEVADA

STORMY RUSSUM, on behalf of herself

LUCKY LUCY D LLC d/b/a and a/k/a LUCKY CLUB CASINO; DOES 1 through Case No. Dept.:

CLASS ACTION COMPLAINT

Arbitration Exemption Claimed: Class Action

- Failure to Pay Minimum Wages in Violation of the Nevada Constitution;
- 2) Failure to Pay Overtime in Violation of NRS 608.018 and 608.140;
- 3) Failure to Timely Pay All Wages Due and Owing in Violation of NRS 608.020-050 and 608.140; and,
- 4) Injunctive Relief.

LIEN REQUESTED PURSUANT TO NRS 608.050

JURY TRIAL DEMANDED

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CLASS ACTION COMPLAINT

COMES NOW Plaintiff Stormy Russum, on behalf of herself and all others similarly situated and alleges the following:

All allegations in the Complaint are based upon information and belief except for those allegations that pertain to the Plaintiff named herein and her counsel. Each allegation in the Complaint either has evidentiary support or is likely to have evidentiary support after a reasonable opportunity for further investigation and discovery.

JURISDICTION AND VENUE

- 1. This Court has original jurisdiction over the state law claims alleged herein because the amount in controversy exceeds \$15,000 and a party seeking to recover unpaid wages has a private right of action pursuant to the Nevada Constitution, Article 15 Section 16, and Nevada Revised Statute ("NRS") Chapter 608. See Neville v. Terrible Herbst, Inc., 133 Nev. Adv. Op. 95 (Dec. 7, 2017).
- 2. Plaintiff also claims a private cause of action to foreclose a lien against the property owner for wages due pursuant to NRS 608.050.
- 3. Venue is proper in this Court because the Defendant named herein maintains a principal place of business or otherwise is found in this judicial district and many of the acts complained of herein occurred in Clark County, Nevada.

PARTIES

- 4. Plaintiff Stormy Russum ("Plaintiff") is a natural person who is and was a resident of the State of Nevada and was employed by Defendant as a non-exempt hourly employee from in or about June 2018 to in or about May of 2019.
- 5. Defendant Lucky Lucy D LLC d/b/a and a/k/a Lucky Club Casino is a domestic limited-liability company registered with the Nevada Secretary of State.
- 6. Defendant Lucky Lucy D LLC d/b/a and a/k/a Lucky Club Casino was doing business in this Judicial District in Clark County, Nevada where the subject incidences occurred.

- 7. At all relevant times, each Defendant was an agent, employee, joint-venturer, shareholder, director, member, co-conspirator, alter ego, master, or partner of each of the other Defendants, and at all times mentioned herein were acting within the scope and course and in pursuance of his, her, or its agency, joint venture, partnership, employment, common enterprise, or actual or apparent authority in concert with each other and the other Defendants.
- 8. At all relevant times, the acts and omissions of Defendants concurred and contributed to the various acts and omissions of each and every one of the other Defendants in proximately causing the complaints, injuries, and damages alleged herein. At all relevant times herein, Defendants approved of, condoned and/or otherwise ratified each and every one of the acts or omissions complained of herein. At all relevant times herein, Defendants aided and abetted the acts and omissions of each and every one of the other Defendants thereby proximately causing the damages as herein alleged.
- 9. The Defendants named herein are the employers of the Plaintiff and all Class Members alleged herein. The Defendants are employers engaged in commerce under the provisions of NRS 608.011. The identity of DOES 1-50 is unknown at the time and the Complaint will be amended at such time when the identities are known to Plaintiff. Plaintiff is informed and believes that each Defendants sued herein as DOE is responsible in some manner for the acts, omissions, or representations alleged herein and any reference to "Defendant" or "Defendants" herein shall mean "Defendants and each of them."

FACTUAL ALLEGATIONS

The Named-Plaintiff

- 10. Plaintiff was employed by Defendant as a cocktail server from in or about June of 2018 to in or about May of 2019.
- 11. Plaintiff had been classified as an hourly non-exempt employee of Defendant with an hourly rate of pay of \$7.25.

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12. Plaintiff was regularly scheduled for and regularly worked at least 40 hours per workweek.

13. Plaintiff was regularly scheduled for and regularly worked at least 8 hours per workday.

Defendant's Policy of Failing to Offer or Provide Health Insurance Benefits Less Than 10% of Employees' Total Gross Income

- 14. Defendant maintains an unlawful payment practice of paying Plaintiff and all other similarly situated employees the lower tier minimum and overtime wage rate even though Defendant does not offer or provide insurance that is less than 10% of the total gross income of Plaintiff and other similarly situated employees.
- 15. For instance, on the pay period ending April 22, 2019 (a true and correct copy of Plaintiff's earnings record is attached hereto as Exhibit I, with the wages for the aforementioned pay period being issued on May 10, 2019), Defendant paid Plaintiff a total gross taxable income of \$580.00 in minimum and overtime wages. Tips are not included in the calculation of an employee's total gross taxable income. See MDC Restaurants, LLC et al v. The Eighth Judicial Dist. Court, 132 Nev. Op. 76 (Oct. 27, 2016). During that same period of time (and indeed during her entire employment), Plaintiff was not offered or provided with health benefits of less than the 10% maximum percentage for an employer to qualify for the lower-tier minimum wage payment. Accordingly, Defendant failed to compensate Plaintiff at the correct legal higher tier minimum wage rate of \$8.25 per non-overtime hour and \$12.38 per overtime hour worked. Defendant therefore underpaid Plaintiff \$80.00 during that pay period.
- 16. The policies and practices of Defendant at all relevant times have been substantially similar, if not identical, for all employees. Defendant also purportedly paid the lower-tier minimum wage rate to putative class members even though it did not offer health insurance to employees at a cost of 10% or less than their gross earnings
- 17. Defendant is legally required to maintain all itemized pay statements that will demonstrate the amount of health insurance premiums offered to Plaintiff and all Page 4 of 12

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putative class member and the resulting amount of wages underpaid to Plaintiff and all members of the putative class during the entire period of time at issue in this case.

CLASS ACTION ALLEGATIONS

- 18. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.
- 19. Plaintiff brings this action on behalf of herself and all others similarly situated employees as a class action under Rule 23 of the Nevada Rules of Civil Procedure.
 - 20. The **Classes** are defined as follows:
 - Minimum Wage Class: "All hourly paid non-exempt persons employed by Defendant who were paid less than \$8.25 per nonovertime hour worked in the state of Nevada within 2 years from May 17, 2019 until judgment."
 - В. Overtime Class: "All hourly paid non-exempt persons employed by Defendant who were paid less than \$12.38 per overtime hour worked in the state of Nevada within 3 years from May 17, 2019 until judgment."
 - Waiting Time Penalty Class: "All members of the Minimum Wage and/or Overtime Wage Classes who are former employees."
- 21. Class treatment is appropriate under Rule 23's class certification mechanism because:
- Α. The Classes are Sufficiently Numerous: Upon information and belief, Defendant employs, and has employed, in excess of 40 Minimum Wage, Overtime, and Waiting Time Penalty Class Members within the applicable time period. Because Defendant is legally obligated to keep accurate payroll records, Plaintiff alleges that Defendant's records will establish the members of these Classes as well as their numerosity.
- B. Plaintiff's Claims is Typical to Those of Fellow Class Members: Each Class Member is and was subject to the same practices, plans, or policies as Plaintiff: (1) Whether Defendant can meet its burden of demonstrating that Plaintiff and Minimum Wage Class Members were only entitled to receive the lower tier minimum Page 5 of 12

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wage rate; (2) Whether Defendant can meet its burden of demonstrating that Plaintiff and Overtime Class Members were only entitled to receive the lower tier overtime wage rate; (3) Whether Plaintiff and members of the Waiting Time Penalty Class are entitled to waiting time penalties for the failure to pay them minimum, regular, and overtime wages owed.

- C. Common Questions of Law and Fact Exist: Common guestions of and fact exist and predominate as to Plaintiff and the Class Members, including, without limitation: Whether Defendant offered health insurance to Plaintiff and Class Members that was no more than 10% of employees' gross taxable income and whether Defendant failed to pay the Waiting Time Penalty Class Members all their wages due and owing in violation of NRS 608.020-050.
- D. Plaintiff is Adequate Representative of the Class: Plaintiff will fairly and adequately represent the interests of the Class because Plaintiff is a member of all the Classes, she has issues of law and fact in common with all members of the Classes, and her interests are not antagonistic to Class members. Plaintiff and her counsel are aware of their fiduciary responsibilities to Class Members and are determined to discharge those duties diligently by vigorously seeking the maximum possible recovery for Class Members.
- E. Predominance/Superior Mechanism: Class claims predominate and a class action is superior to other available means for the fair and efficient adjudication of this controversy. Each Class Member has been damaged and is entitled to recovery by reason of Defendant's illegal policy and/or practice of failing to compensate its employees in accordance with Nevada wage and hour law. The prosecution of individual remedies by each Class Member will tend to establish inconsistent standards of conduct for Defendant and result in the impairment of Class Members' rights and the disposition of their interest through actions to which they were not parties.

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FIRST CAUSE OF ACTION

Failure to Pay Minimum Wages in Violation of the Nevada Constitution (On Behalf of Plaintiff and the Minimum Wage Class Against Defendant)

- Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.
- 23. Article 15 Section 16 of the Nevada Constitution sets forth the requirements the minimum wage requirements in the State of Nevada ("MWA"). The MWA sets forth a two-tiered minimum wage, which were set at \$7.25 and \$8.25 for the relevant time period covered in this action.
- 24. In order to pay the lower tier minimum wage amount, an employer must offer health benefits to its employees and the dependents of the employees "at a total cost to the employee for premiums of not more than 10 percent of the employee's gross taxable income from the employer."
- 25. As alleged herein, Defendant paid Plaintiff and all other members of the Class at the lower-tier minimum wage rate but have failed to offer health benefits to its employees and the employees' dependents at a total cost to the employee for premiums of not more than 10% of the employees' gross taxable income.
- 26. By unlawfully paying Plaintiff and members of the Class the lower-tier minimum wage rate of \$7.25, instead of the applicable minimum wage rate of \$8.25, Defendant has failed to compensate Plaintiff and members of the Class at the minimum wage rate for all the hours that they worked pursuant to the Nevada Constitution.
- 27. Wherefore, Plaintiff demands for herself and for all other Class Members that Defendant pay Plaintiff and Class Members their unpaid minimum wages for all hours worked during the relevant time period alleged herein together with attorneys' fees, costs, interest, and punitive damages, as provided by law.

SECOND CAUSE OF ACTION Failure to Pay Overtime Wages in Violation of NRS 608.018 and 608.140 (On Behalf of Plaintiff and the Overtime Class Against Defendant)

28. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

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- 29. NRS 608.140 provides that an employee has a private right of action for unpaid wages.
 - 30. NRS 608.018(1) provides as follows:

An employer shall pay 1 1/2 times an employee's regular employee wage rate whenever an who compensation for employment at a rate less than 1 1/2 times the minimum rate prescribed pursuant to NRS 608.250 works: (a) More than 40 hours in any scheduled week of work; or (b) More than 8 hours in any workday unless by mutual agreement the employee works a scheduled 10 hours per day for 4 calendar days within any scheduled week of work.

31. NRS 608.018(2) provides as follows:

> An employer shall pay 1 1/2 times an employee's regular wage rate whenever an employee who compensation for employment at a rate not less than 1 1/2 times the minimum rate prescribed pursuant to NRS 608.250 works more than 40 hours in any scheduled week of work.

- 32. As alleged herein, Defendant paid Plaintiff and all other members of the Class at the lower-tier minimum wage rate but has failed to offer health benefits to its employees and the employees' dependents at a total cost to the employee for premiums of not more than 10% of the employees' gross taxable income.
- 33. By unlawfully paying Plaintiff and members of the Overtime Class the lower-tier minimum wage rate of \$7.25 (with an overtime wage rate of \$10.88), instead of the applicable minimum wage rate of \$8.25 (with an overtime wage rate of \$12.38), Defendant has likewise failed to compensate Plaintiff and members of the Class at the correct overtime wage rate for all the overtime hours that they worked pursuant to NRS 608.018.
- 34. Wherefore, Plaintiff demands for herself and all Overtime Class Members that Defendant pay Plaintiff and Overtime Class Members one and one-half times their legally mandated minimum wage rate of pay for all hours worked in excess of eight (8) hours in a workday and/or in excess of forty (40) hours per workweek during the relevant time period together with attorneys' fees, costs, and interest, as provided by law.

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THIRD CAUSE OF ACTION

Waiting Time Penalties Pursuant to NRS 608.020-.050 and 608.140 (On Behalf of Plaintiff and the Waiting Time Penalty Class Against Defendant)

- Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.
- 36. NRS 608.140 provides that an employee has a private right of action for unpaid wages.
- 37. NRS 608.020 provides that "[w]henever an employer discharges an employee, the wages and compensation earned and unpaid at the time of such discharge shall become due and payable immediately."
- 38. NRS 608.040(1)(a-b), in relevant part, imposes a penalty on an employer who fails to pay a discharged or quitting employee: "Within 3 days after the wages or compensation of a discharged employee becomes due; or on the day the wages or compensation is due to an employee who resigns or quits, the wages or compensation of the employee continues at the same rate from the day the employee resigned, quit, or was discharged until paid for 30-days, whichever is less."
- 39. NRS 608.050 grants an "employee lien" to each discharged or laid-off employee for the purpose of collecting the wages or compensation owed to them "in the sum agreed upon in the contract of employment for each day the employer is in default, until the employee is paid in full, without rendering any service therefore; but the employee shall cease to draw such wages or salary 30 days after such default."
- 40. By failing to pay Plaintiff and the Waiting Time Penalty Class Members their legally mandated minimum and overtime wages, Defendant has failed to timely remit all wages due and owing to Plaintiff and the Waiting Time Penalty Class Members.
- 41. Defendant willfully refuses and continues to refuse to pay Plaintiff and Waiting Time Penalty Class Members all the wages that were due and owing upon the termination of their employment.
- 42. Wherefore, Plaintiff and the Waiting Time Penalty Class Members demand thirty (30) days of pay as waiting penalties under NRS 608.040 and 608.140, and thirty

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(30) days of pay as waiting penalties under NRS 608.050 and 608.140, together with attorneys' fees, costs, and interest, as provided by law.

FOURTH CAUSE OF ACTION Injunctive/Declaratory Relief (On Behalf of Plaintiff, Minimum Wage Class, and the Overtime Class Against Defendant)

- 43. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.
- 44. As Defendant has paid Plaintiff and all other members of the Minimum Wage Class at the lower-tier minimum wage rate but have failed to offer health benefits to their employees and the employees' dependents at a total cost to the employee for premiums of not more than 10% of the employees' gross taxable income. Defendant has wrongfully withheld wages properly-owed to the Plaintiff and the Minimum Wage Class Members.
- 45. As Defendant has likewise failed to compensate Plaintiff and members of the Overtime Class at the correct overtime wage rate for all the overtime hours that they worked pursuant to NRS 608.018, Defendant has wrongfully withheld wages properlyowed to the Plaintiff and the Overtime Class Members.
- 46. Plaintiff, the Minimum Wage Class, and the Overtime Class will suffer irreparable injury if Defendant is not enjoined from the future wrongful retention of wages owed.
- 47. As a result of the aforementioned unlawful payment practices, Plaintiff submits that there has been a likelihood of success on the merits that Plaintiff and the Class Members have been damaged and that there is irreparable harm.
- 48. Plaintiff requests that this Honorable Court enter an Order that restrains Defendant from attempting to enforce the alleged unlawful payment practices.
- 49. Plaintiff requests that this Honorable Court enter a declaration of rights/obligations in regards to all such unlawful payment practices in this matter.
 - 50. Further, disputes and controversies have arisen between the parties Page 10 of 12

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relative to the lawfulness of the payment practices, and Plaintiff is entitled to have an order entered pursuant to Chapter 30 of the Nevada Revised Statutes construing the payment practices and adjudging and declaring Plaintiff and the Class Members' rights and remedies thereunder including such an Order stating that such payment practices are unlawful.

51. Plaintiff has been required to retain the services of an attorney and is entitled to a reasonable award of attorneys' fees and costs.

PRAYER FOR RELIEF

Wherefore Plaintiff, by herself and on behalf of Class Members, prays for relief as follows relating to her class action allegations:

- 1. For an order certifying this action as a class action on behalf the proposed Classes and providing notice to all Class Members so they may participate in this lawsuit:
- 2. For an order appointing Plaintiff as the Representatives of the Classes and their counsel as Class Counsel;
- 3. For damages according to proof for minimum rate pay under the Nevada Constitution for all hours worked;
- 4. For damages according to proof for overtime compensation under NRS 608.018 and 608.140 for all hours worked over 8 hours per day and/or over 40 hours in a workweek;
- 5. For waiting time penalties pursuant to NRS 608.040-.050 and 608.140;
- 6. For a lien on the property where Plaintiff and all Nevada Class Members labored pursuant to NRS 608.050;
- 7. For injunctive relief;
- 8. For declaratory relief;
- 9. For interest as provided by law at the maximum legal rate;
- 10. For punitive damages;
- 11. For reasonable attorneys' fees authorized by statute;

- 12. For costs of suit incurred herein;
- 13. For pre-judgment and post-judgment interest, as provided by law; and,
- 14. For such other and further relief as the Court may deem just and proper.

DATED: May 17, 2019

GABROY, LAW OFFICES

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EXHIBIT I



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