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Attorneys for Plaintiffs

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA IN AND FOR THE **COUNTY OF WASHOE** 

AMETHYST PAYNE, IRIS PODESTA-MIRELES, ANTHONY NAPOLITANO, ISAIAH PAVIA-CRUZ, VICTORIA WAKED, CHARLES PLOSKI, DARIUSH NAIMI, TABITHA ASARE, SCOTT HOWARD, RALPH WYNCOOP, ELAINA ABING, and WILLIAM TURNLEY behalf of themselves and all others similarly situated,

Plaintiffs-Petitioners,

STATE OF NEVADA ex rel NEVADA DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION (DETR) HEATHER KORBULIC in her official capacity only as Nevada Director of Employment, Training and Rehabilitation, DENNIS PEREA in his official capacity as Deputy Director of DETR, and KIMBERLY GAA in her official capacity only as the Administrator for the Employment Security Division (ESD); and DOES 1-100, inclusive,

Defendants-Respondents.

Case No.: CV20-00775

PLAINTIFFS'-PETITIONERS' FIRST MOTION IN RE: CONTEMPT

NRS 34.290

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#### **PLAINTIFFS'-PETITIONERS'**

#### SUPPLEMENT REQUEST TO TAKE JUDICIAL NOTICE

COMES NOW Plaintiffs-Petitioners AMETHYST PAYNE, IRIS PODESTA-MIRELES, ANTHONY NAPOLITANO, ISAIAH PAVIA-CRUZ, VICTORIA WAKED, CHARLES PLOSKI, DARIUSH NAIMI, TABITHA ASARE, SCOTT HOWARD, RALPH WYNCOOP, ELAINA ABING, and WILLIAM TURNLEY ("Plaintiffs-Petitioners") on behalf of themselves and all others similarly situated, and pursuant to NRS 34.290 and Nevada Rule of Civil Procedure 70(e) request that this Court enter an Order for contempt. :

- 1. Defendants, and each of them, have had notice of the Court's July 22, 2020 Order;
- 2. Defendants, and each of them, have the ability to comply with the Court's July 22, 2020;
- 3. Defendants, and each of them, have failed to comply with the terms of the Court's July 22, 2020 Order at Section V, specifically as follows:
  - A. Defendants-Respondents have failed to restart payments to applicants who have received payment and who: (a) filed or attempted to file a weekly claim but for DETR's web site issues, (b) the applicant does not have earnings in excess of that which would otherwise qualify the applicant for benefits, or (c) there is no clear and convincing evidence of fraud by the applicant, <u>and</u> the applicant has not been provided due process whereby after a hearing and an opportunity for the beneficiary to state their case and respond to the reason that the State would like to stop their benefits and payment of benefits must continue during the full eligibility period.
  - B. Defendants-Respondents have failed to commence, no later than July 28, 2020 payments to the above identified individuals.

Plaintiffs-Petitioners request the Court consider the contents of the following Exhibits as evidence of Defendants-Respondent's failure to comply with this Court's July 22, 2020 Order and in the Court's consideration of the testimony and argument now scheduled for July 30, 2020

as well as reconsideration of the Court's July 22, 2020 order herein. This Motion is based upor
the First Amended Petition for Writ Of Mandamus and/or Class Action Complaint For Damages
Pursuant To Nev. Const. Art. 6, § 6, NRS 41.031 and 42 U.S.C §1983, Memorandum of Points
And Authorities In Support of Ex Parte Writ Of Mandamus, Plaintiffs-Petitioners' Renewed
Motion and Supplemental Argument In Support of Writ of Mandamus, the report of Specia
Master Jason D. Guinasso, Plaintiff-Petitioners' Motion to Take Judicial Notice, any declarations
and correspondence filed herewith, and all the other pleadings and files on record in this action
The Court should also put these facts in the record as support for a motion for reconsideration of
its July 20, 2020 order and for purposes of appeal.

#### **AFFIRMATION**

The undersigned does hereby affirm that the proceeding document to be filed in the Second Judicial District Court in the State of Nevada, County of Washoe, does not contain the social security number of any person.

DATED: July 29, 2020 Respectfully Submitted,
THIERMAN BUCK LLP

/s/Mark R. Thierman
Mark R. Thierman
Joshua D. Buck
Leah L. Jones
Attorneys for Plaintiffs-Petitioners

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## MEMORANDUM IN SUPPORT OF PLAINTIFFS-PETITIONERS' FIRST MOTION IN RE: CONTEMPT (NRS 34.290)

#### I. Statement of Facts

This Court issued an Order on Mandate on July 22, 2020. Defendants were present at the time the order was read by the court and were electronically served with the final order. See, Transaction # 7983513 on 2020-07-22 02:28:14 PM. The proposed order was drafted by Counsel for Plaintiffs-Petitioners, approved as to form by counsel for Defendants-Respondents and submitted to the court. The final order from the court differed only slightly from the submitted order in ways not relevant herein.

The July 22, 2020 order is clear: Payments must resume to all those class members who have had their payments stopped without prior hearing. As the Courts Mandate Order states beginning on page 8:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that once payments have started, payments cannot be withheld and must be restarted UNLESS: (a) the applicant did not file a weekly claim; or (b) the applicant has earnings in excess of that which would otherwise qualify the applicant for benefits; or (c) there is clear and convincing evidence of fraud by the applicant; or (d) until such time as the applicant is afforded an opportunity to be heard.

IT IS ALSO HEREBY ORDERED, ADJUDGED, AND DECREED that payments to the above individuals must commence on or before Tuesday, July 28, 2020.

#### II. Exhibit Index:<sup>1</sup>

*Exhibit 1:* Stopped Payments – No Restart Per Court Order: Small sample of the multiple emails Counsel has received from claimants who had received at least

<sup>&</sup>lt;sup>1</sup> Plaintiffs-Respondents' Counsel has received well over 1,000 individual emails since the Court issued its Order, which have alerted Counsel to continued issues with DETR claims' processing. The Exhibits attached are a small sampling of emails from actual claimants specific to this Motion for Contempt, are redacted to protect the claimants privacy interests, and are true and correct copies which have been sent to Counsel through the normal course of business.

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(1971) and in violation of this Court's Order dated, July 22, 2020 requiring payment to recommence as of July 28, 2020.<sup>2</sup>

Exhibit 2: DETR Reduction in Benefit without Due Process/No Ability to Continue to File Weekly Claims: Small sample of multiple emails Counsel has received from claimants who have received at least one payment but who have had their benefits reduced to the minimum \$181 weekly amount from previous

California Department of Human Resources Development v. Java, 402 U.S. 121

eligibility determinations of much larger amounts and without due process. see

one payment, but whose payments have stopped without due process (see

California Department of Human Resources Development v. Java, 402 U.S. 121

(1971) and in violation of this Court's Order dated, July 22, 2020 requiring payment

to recommence as of July 28, 2020.

Exhibit 3: Payments Stopped Due to Alleged Fraud – No Way to Cure: Small sample of multiple emails Counsel has received from claimants who have received at least one payment but who have had payments stopped due to some "fraud" issue without due process (see California Department of Human Resources Development v. Java, 402 U.S. 121 (1971) and in violation of this Court's Order dated, July 22, 2020 requiring payment to recommence as of July 28, 2020.

When a peremptory mandate has been issued and directed to any

inferior tribunal, corporation, board or person, if it appear to the court that any member of such tribunal, corporation or board, or such person, upon

whom the writ has been personally served, has, without just excuse, refused

or neglected to obey the same, the court may, after notice and hearing, adjudge the party guilty of contempt and upon motion impose a fine not

### III. Applicable Legal Standard

exceeding \$1,000.

Nevada Revised Statute ("NRS") 34.290 provides as follows:

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<sup>2</sup> See also, Exhibit 3 to Plaintiffs-Petitioners' Request to Take Judicial Notice for named Plaintiff Albring evidencing the fact that one of the named Plaintiffs have been adversely affected by DETR's failure to comply with the Court's Order.

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2. In case of persistence in a refusal of obedience, the court may order the party to be imprisoned for a period not exceeding 3 months and may make any orders necessary and proper for the complete enforcement of the writ.

By statute, the provisions of NRCP 70(e) are applicable to and constitute the rules of practice for proceedings for contempt under NRS 34.290. Baby Tam & Co. v. City of Las Vegas, 199 F.3d 1111 (9th Cir. 2000) citing NRS 34.300.3 In order for the defendant to be found in civil contempt, Plaintiffs must show by clear and convincing evidence that there was a lawful decree, that Defendants-Respondents had knowledge of the decree, and that the decree was violated. United States v. Greyhound Corp., 363 F. Supp. 525, 570 (N.D. Ill.), aff'd, 508 F.2d 529 (7th Cir. 1974). Evidence of intent or willfulness on the part of the defendant is not required for a finding of civil contempt. Greyhound Corp., 363 F. Supp. at 570; McComb, 336 U.S. at 191.

#### IV. **Analysis**

This Court issued an Order on Mandate on July 22, 2020 specifying that: (1) IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that once payments have started, payments cannot be withheld and must be restarted UNLESS: (a) the applicant did not file a weekly claim, (b) the applicant has earnings in excess of that which would otherwise qualify the applicant for benefits, or (c) there is clear and convincing evidence of fraud by the applicant, and until such time after a hearing and an opportunity for the beneficiary to state their case and respond to the reason that the State would like to stop their benefits and payment of benefits must continue during the full eligibility period, and (2) IT IS ALSO HEREBY ORDERED, ADJUDGED, AND DECREED that payments to the above individuals will commence no later than five (5) business days after the Court signs this Order, on or about Tuesday, July 28, 2020.

Here, there can be no dispute that this Court's July 22, 2020 Order was lawful and that DETR had knowledge of it. This Court required the Parties to work together to provide a draft

<sup>&</sup>lt;sup>3</sup> NRS 34.300 states: "Except as otherwise provided in NRS 34.150 to 34.290, inclusive, and section 1 of this act, the provisions of NRS and Nevada Rules of Civil Procedure relative to civil actions in the district court are applicable to and constitute the rules of practice in the proceedings mentioned in NRS 34.150 to 34.290, inclusive [.], and section 1 of this act."

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order to the Court. The draft order was electronically filed on July 21, 2020 as a [Proposed] Order approved as to form and content by DETR Counsel, Greg D. Ott.

Additionally, the July 28, 2020 deadline to restart payments has since passed, however, claimants who have received at least one payment but had payments stopped, have not be paid according to the Court's Order. See generally, Exhibits 1 through 3. and Likewise, as evidenced by Exhibits 1 through 3, there is no issue that DETR has violated the Court's Order. No claimant has been provided due process because DETR's appeal process has not yet commenced. Indeed, DETR issued a press release dated July 18, 2020 stating that the on-line appeals process is function **but that** the "appeal hearing schedule is forthcoming. DETR will announce in the coming weeks when the scheduling component is launched in August." Notwithstanding the inability of claimants to engage in an appeal hearing, the sample of claimant emails shows that, (a) claimants have continued to file or attempted to file a weekly claims, but DETR's web site blocks some claimants from continuing to file weekly claims, (b) the applicant does not have earnings in excess of that which would otherwise qualify the applicant for benefits, or (c) there is no clear and convincing evidence of fraud by the applicant. Each of the emails contained in the Exhibits were sent after the July 28, 2020 payment deadline or have confirmed that as of the time of filing, they have yet to be paid.

Accordingly, because these claimants had received at least one payment, but DETR has failed to restart payments to claimants who have not received due process, DETR has failed to comply with this Court's July 22, 2020 Order and must be found in contempt pursuant to NRCP 70(e). In addition, Plaintiffs-Petitioners believe based upon email submissions, that Defendants-Respondents have failed to obey the above referenced provisions of the Court's July 22, 2020 order in the case of over 1000 individuals. Therefore, Plaintiffs-Petitioners request payment of the First Stage Sanction of \$1,000 to each such individual, in addition to following the Court's order.

#### V. Conclusion

For the reasons stated above, Plaintiffs-Petitioners request that this Court schedule a hearing, before a jury to adjudge the Defendants-Respondents, and each of them, guilty of

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	contempt for failing, refusing or neglecting to obey without just excuse the Court's July 22, 2020
	Order of Mandate, and to impose a fine of each of them in an amount not exceeding \$1,000.
	Furthermore, Plaintiffs-Petitioners request the court to publicly admonish Defendants-
	Respondents, and each of them, that if they fail for a second time to obey this Court's July 22,
	2020 Order, the court may order the party to be imprisoned for a period not exceeding 3 months
	and may make any orders necessary and proper for the complete enforcement of the writ.
	DATED: July 29, 2020 Respectfully Submitted,
	THIERMAN BUCK LLP  /s/Mark R. Thierman  Mark R. Thierman  Joshua D. Buck  Leah L. Jones  Attorneys for Plaintiffs
	AFFIRMATION
	The undersigned does hereby affirm that the proceeding document to be filed in the
	Second Judicial District Court in the State of Nevada, County of Washoe, does not contain the
	social security number of any person.
	DATED: July 29, 2020 Respectfully Submitted,
	THIERMAN BUCK LLP  /s/Mark R. Thierman  Mark R. Thierman  Joshua D. Buck  Leah L. Jones  Attorneys for Plaintiffs

# THIERMAN BUCK LLP

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### **CERTIFICATE OF SERVICE**

I certify that I am an employee of Thierman Buck LLP, and that on this 29th day of July 2020 I certify that I electronically filed PLAINTIFFS-PETITIONERS' FIRST MOTION IN RE: CONTEMPT with the Clerk of the Court by using the electronic filing system.

/s/ Jennifer Edison-Strekal

Jennifer Edison-Strekal An Employee of Thierman Buck, LLP