KAUFMAN DOLOWICH LLP

California Worker's PAGA Claims Survive Settlement of Individual Wage Claims, SHRM, ft. Barbara Harris Chiang

Barbara Harris Chiang, partner at KD in San Francisco, was quoted in an article written by By Lisa Nagele-Piazza, J.D., for SHRM published on March 20, 2020.

An employee who settled his individual wage and hour claims against his former employer can still pursue a representative claim under the California Private Attorneys General Act (PAGA).

PAGA allows aggrieved employees to sue over alleged labor code violations on behalf of themselves and other employees by stepping into the shoes of state regulators to recover civil penalties. Seventy-five percent of the penalties that are recovered go to the state, and 25 percent go to employees.

In Kim v. Reins International California, Inc., the dispute centered on whether the plaintiff was still an "aggrieved employee" who could pursue his remaining PAGA claims after he settled his individual claims that were brought in the same lawsuit.

The appeals court found that the plaintiff was no longer an aggrieved employee with PAGA standing. But the California Supreme Court reversed the ruling, pointing to language in the act indicating that a plaintiff's standing to bring a PAGA claim is "not inextricably linked to the plaintiff's own injury."

Barbara Harris Chiang, an attorney with Kaufman Dolowich & Voluck in San Francisco, said the ruling is "unwelcomed by employers, but not necessarily unexpected."

Employers should not assume a pre-litigation settlement with an individual employee for alleged wage and hour violations will prevent that employee from bringing a PAGA action or from being an aggrieved party if another employee files such an action, she said. Employers should view every PAGA claim as a dispute with the state, not as a dispute with the employee bringing the claim.

© 2026 Kaufman Dolowich. All Rights Reserved. | www.kaufmandolowich.com