

JUSTICE FOUNDATION

California Wage Theft Recovery System

Demand Letters, DLSE Filing Guide, and AI Prompts for California Workers

Delivered with your free evaluation response.

Educational use only. Not legal advice.

How to Use This Kit

This kit walks you through identifying every wage violation in your situation, calculating your three-year damages, sending a demand letter, filing with the Labor Commissioner, and using PAGA for maximum leverage. Work through sections in order. Use the AI prompts in Section 8 to build a complete strategy for your specific employer and violations.

Section 1 — Violation Identifier

Check Every Violation That Applies

Violation	Law
Unpaid overtime — over 8 hours/day or 40 hours/week	Labor Code §510
Double time — over 12 hours/day	Labor Code §510
Missed meal break (30 min unpaid before 5th hour)	Labor Code §512
Missed rest break (10 min paid per 4 hours)	IWC Wage Orders
Final pay not paid on termination	Labor Code §201
Final pay not paid within 72 hours of resignation	Labor Code §202
Waiting time penalties (up to 30 days wages)	Labor Code §203
Pay stub violations — missing required elements	Labor Code §226
Unpaid business expenses — mileage, phone, tools	Labor Code §2802
Misclassified as independent contractor	Labor Code §2775 (AB5)
Retaliation for wage complaint	Labor Code §98.6, §1102.5
Wage theft — general underpayment	Labor Code §1197

Section 2 — Three-Year Damages Calculator

How to Calculate Your Claim

California gives workers three years to recover wage violations. Every violation in the past three years is recoverable. Walk through each category:

Overtime Calculation

Step 1: Identify weeks you worked more than 8 hours per day or 40 hours per week

Step 2: Calculate overtime hours per week

Step 3: Overtime pay owed = overtime hours $\times$ (regular rate $\times$ 1.5)

Step 4: Daily overtime (over 8 hrs/day) = extra hours $\times$ (rate $\times$ 1.5)

Step 5: Double time (over 12 hrs/day) = extra hours $\times$ (rate $\times$ 2)

Step 6: Multiply by number of weeks over 3 years

Example: \$20/hr worker, 2 hrs/day overtime, 5 days/week, 3 years:
= 2 hrs $\times$ \$10 premium $\times$ 5 days $\times$ 52 weeks $\times$ 3 years = \$15,600

Break Premium Calculation

Meal break premium: 1 hour of regular pay per missed meal break

Rest break premium: 1 hour of regular pay per missed rest break

If you missed one meal and one rest break per day for 3 years:

= 2 premiums/day $\times$ \$20 $\times$ 5 days $\times$ 52 weeks $\times$ 3 years = \$31,200

NOTE: Most employers with wage violations also have zero break premium payments on pay stubs.

The absence of any break premium line is itself evidence of systematic violation.

Waiting Time Penalties

If your final paycheck was late or incomplete:

= Your daily wage rate $\times$ number of days wages were unpaid (max 30 days)

Example: \$160/day $\times$ 30 days = \$4,800 in waiting time penalties alone

Pay Stub Penalty Calculation

\$50 for the first pay period with violations

\$100 for each subsequent pay period with violations

Maximum \$4,000 per employee

For bi-weekly pay stubs with violations over 2 years:

$$= \$50 + (51 \times \$100) = \$5,150 \text{ (capped at \$4,000)}$$

Section 3 — Demand Letter Template

California Wage Demand Letter

[Date]

[EMPLOYER NAME AND ADDRESS]

Re: Demand for Payment of Unpaid Wages — California Labor Code

I am writing to demand payment of wages owed to me for the period [START DATE] through [END DATE].

VIOLATIONS AND AMOUNTS OWED:

1. Unpaid overtime (Labor Code §510): \$[AMOUNT]
[DESCRIBE: hours worked per day/week, period, calculation]
2. Missed meal break premiums (Labor Code §512): \$[AMOUNT]
[DESCRIBE: frequency, period]
3. Missed rest break premiums (IWC Wage Order [NUMBER]): \$[AMOUNT]
4. Waiting time penalties (Labor Code §203): \$[AMOUNT]
5. Pay stub violations (Labor Code §226): \$[AMOUNT]

TOTAL DEMANDED: \$[TOTAL]

Please remit payment within 14 days of this letter.

If payment is not received, I will file a claim with the California Labor Commissioner (DLSE) and send a PAGA notice to the Labor and Workforce Development Agency. PAGA penalties of \$100-\$200 per employee per pay period apply to every violation listed above.

[YOUR NAME]

[CONTACT INFORMATION]

Section 4 — DLSE Filing Guide

How to File a Labor Commissioner Claim

- Go to dir.ca.gov/dlse or visit a DLSE office in person
- File the DLSE Initial Report and Claim form — it is free
- List every violation with the approximate dollar amount
- Attach copies of pay stubs, time records, and any communications
- Keep a copy of everything you submit

The Settlement Conference

The DLSE schedules a settlement conference within 30-60 days. Come prepared with a written damages calculation showing each violation and the exact dollar amount. Most cases settle here. The employer knows they are exposed.

If It Does Not Settle — The Hearing

A formal hearing before a hearing officer. The burden is on the employer to prove wages were paid correctly. Present your evidence — pay stubs, time records, text messages about hours, witness statements. The hearing officer issues a written Order, Decision, or Award (ODA) that is enforceable as a court judgment.

Section 5 — PAGA Notice Template

PAGA Notice to LWDA and Employer

[Date]

Labor and Workforce Development Agency
1515 Clay Street, Suite 801
Oakland, CA 94612

AND BY CERTIFIED MAIL TO:
[EMPLOYER NAME AND ADDRESS]

Re: Notice Under the Private Attorneys General Act — Labor Code §2699

Pursuant to Labor Code §2699.3, I hereby provide notice of the following Labor Code violations
committed by [EMPLOYER NAME] against me and other current and former aggrieved employees:

Violations:

- Labor Code §510 (unpaid overtime)
- Labor Code §512 (missed meal breaks)
- Labor Code §226 (wage statement violations)
- [ADD ALL APPLICABLE VIOLATIONS]

Period of violations: [DATE RANGE]

Number of aggrieved employees (estimated): [NUMBER OR 'unknown']

PAGA penalties of \$100 per employee per pay period for initial violations and \$200 per employee per pay period for subsequent violations are sought for each violation listed.

[YOUR NAME]

[CONTACT INFORMATION]

Section 6 — Retaliation Documentation Kit

Document the Timeline Immediately

The moment you experience any adverse employment action after a wage complaint, create a written record:

- Date of your complaint or protected activity
- Date of the adverse action (termination, demotion, hours cut, schedule change)
- What was said and who was present
- Send yourself an email with this information — timestamped documentation is critical

Protected Activities Under Labor Code §98.6 and §1102.5

Filing or threatening to file a DLSE claim
 Complaining about wages to your employer
 Discussing wages with coworkers
 Cooperating with a Labor Commissioner investigation
 Contacting an attorney about a potential wage claim
 Participating in a PAGA action

Section 7 — Independent Contractor Analysis (AB5)

The ABC Test — All Three Must Be Satisfied

Prong	What the Employer Must Prove
A — Control	Worker is free from employer control in performing the work — both in contract AND in practice
B — Outside Business	Work is outside the usual course of the hiring entity's business
C — Independent Trade	Worker is customarily engaged in an independently established trade, occupation, or business

Failing ANY ONE prong makes the worker an employee as a matter of law — entitled to overtime, breaks, expense reimbursement, workers' compensation, and unemployment insurance.

Section 8 — 12 Claude AI Prompts

Claude AI Prompt — Full Damages Calculation

My wage theft situation:

- Employer name and type (restaurant, retail, construction, etc.): [DESCRIBE]
- My hourly rate or salary: \$[AMOUNT]
- Hours worked per week (actual): [NUMBER]
- Violations: [LIST EACH – overtime/meal breaks/rest breaks/final pay/other]
- Employment dates: [START] to [END or PRESENT]
- Still employed there: [YES/NO]

Please: (1) Calculate my three-year damages for each violation,
 (2) Calculate waiting time penalties if applicable,
 (3) Calculate pay stub penalties,
 (4) Give me a total demand figure,
 (5) Tell me which violation creates the most leverage with this employer type.

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Claude AI Prompt — DLSE Filing Strategy

I am filing a DLSE claim against [EMPLOYER].

- Violations: [LIST]
- Amount claimed: \$[AMOUNT]
- Do I have documentation? [DESCRIBE WHAT YOU HAVE]
- Did I send a demand letter first? [YES/NO]

Please: (1) Tell me how to describe each violation on the DLSE form for maximum effect,
 (2) What evidence is most important to bring to the settlement conference,
 (3) What the employer's likely defense will be and how to counter it,
 (4) Whether I should also send a PAGA notice simultaneously.

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