Blogs
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On August 1, 2024, the California Supreme Court issued a ruling in *Turrieta v. Lyft, Inc.*, to address whether a party can intervene in another party's ongoing Private Attorneys General Act (PAGA) action that asserts overlapping claims.

In an opinion authored by Justice Martin J. Jenkins, the court held that granting such authority to a party would be "inconsistent" with the intent of PAGA.

Background

In 2018, three rideshare drivers, Tina Turrieta, Brandon Olson, and Million Seifu, filed separate actions seeking civil penalties under PAGA stemming from allegations that the company misclassified them as independent contractors. In April 2019, Olson filed a petition to coordinate his action with Turrieta's and Seifu's, but the petition was denied in June of the same year. Olson did not challenge the denial and did not seek to intervene in either action.

In 2019, Turrieta and the company reached a proposed settlement. When the parties sought approval for the settlement, Olson and Seifu objected and moved to intervene. The trial court, however, found that they lacked standing and ultimately approved the settlement. Olson and Seifu each filed motions to vacate the judgment, which were denied by the trial court. Both individuals then appealed, and the Court of Appeal affirmed.

Holding

The California Supreme Court agreed with the lower courts, writing: "[T]o intervene in the ongoing PAGA action of another plaintiff asserting overlapping claims, to require a court to consider objections to a proposed settlement in that overlapping action, and to move to vacate the judgment in that action—would be inconsistent with the scheme the Legislature enacted."

In its decision, the majority rejected Olson's argument that because PAGA deputizes aggrieved employees to bring claims on behalf of the state, an aggrieved employee also has the authority to intervene based on the state's interests. In doing so, the court noted Olson's acknowledgment that PAGA's text "'does not explicitly provide for' intervention in a PAGA action by someone who has filed a separate PAGA action asserting overlapping claims." While such absence is not determinative, the court noted that PAGA's legislative history shows that the California Legislature deemed the oversight of the courts and the state's Labor and Workforce Development Agency (LWDA) to be sufficient.

The court also noted that allowing intervention would make PAGA litigation "more difficult" and invite a multitude of questions such as which plaintiff would control and direct the litigation, whether any plaintiff could unilaterally settle, and who could receive attorneys' fees.

The decision left open the possibility that the Legislature could amend PAGA, stating: "Of course, the Legislature, in its policymaking role, remains free to consider Olson's arguments—including his claim that the funds the Legislature has allocated for LWDA oversight are insufficient—and to amend PAGA and the state budget in accordance with its conclusions."

Takeaways

This case represents yet another development regarding PAGA, which the Legislature revised earlier this summer. An update on that revision is found here. Companies with questions about PAGA, including those who are currently facing claims, should consult with experienced counsel.

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