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Martel v. HG Staffing, LLC, 138 Nev. Adv. Op. 56 (Sept. 08, 2022)

Giacomo (Jack) Silvestri

Martel v. HG Staffing, LLC, 138 Nev. Adv. Op. 56 (Sept. 08, 2022)[1]

CIVIL EMPLOYMENT ACTION: NEVADA EMPLOYEES CANNOT BRING TIME BARRED CLAIMS FOR UNPAID WAGES AGAINST PREVIOUS EMPLOYER WITH WHOM THEY HAD A VALID COLLECTIVE BARGAINING AGREEMENT.

Summary

The Nevada Supreme Court affirmed the district court's dismissal and judgment against claims made by a class of employees against their previous employer, HG Staffing, LLC. The Court made four major findings. First, the two-year limitations period applies to wage claims arising under NRS 608.016, NRS 608.018, NRS 680.020, and NRS 680.050. Second, a Collective Bargaining Agreement (CBA) need not be signed by the parties or unexpired; mutual assent is enough to validate the agreement. Third, if claims for wages are already time barred, employees cannot try to penalize the employer under NRS 608.040. Finally, if an active CBA contains a provision addressing overtime pay, employees cannot enjoy the overtime benefits provided for waged employees in the Nevada Revised Statutes.

Background

Appellants Eddy Martel, Mary Anne Capilla, Janice Jackson-Williams, and Whitney Vaughan worked at the Grand Sierra Resort (GSR), which is a hotel in Reno managed by HG Staffing, LLC. Their general claim alleges that GSR failed to pay them for activities such as attending meetings or classes, putting on uniforms, and reconciling cash amounts. The employees ceased their work at GSR on the following dates: June 2013 (Vaughan), September 2013 (Capilla), June 2014 (Martel), and December 2015 (Jackson-Williams).

As employees of GSR, appellants are members of the Culinary Workers Union Local 226, which controls the CBA. The CBA, originally formed between the Union and previous owners of GSR, passed its expiration date, lacks a signature from HG Staffing, and contains redline edits. Still, the record indicates the Union assented to and ratified the agreement. The CBA contains, in relevant part, provisions outlining the pay structure for overtime hours.

The four employees filed a putative class action in the Second Judicial District Court in 2016. They alleged injury from GSR's failure to pay for hours worked in violation of the following: "(1) NRS 608.016 (requiring an employer to pay wages for each hour worked); (2) the Minimum Wage Amendment (MWA) of Nevada's Constitution, Nev. Const. art. 15, § 16 (requiring employers to pay employees a minimum hourly wage); (3) NRS 608.018 (requiring an employer to pay overtime wages); and (4) NRS 608.020 through NRS 608.050 (requiring an employer to timely pay a former employee their earned wages)." Appellant Jackson-Williams added some induvial claims under the NRS 608.040 (penalty for failure to pay discharged or quitting employee) and NRS 608.140 (request for attorney's fees). The district court partially granted appellees' motion to dismiss certain time barred claims, and ultimately granted HG Staffing's motion for summary judgment against the remainder of the employees' claims. Appellants brought this appeal to overturn the district court's rulings.

Discussion

The main issue before the court is whether the class of employees made valid claims for unpaid wages under various Nevada Statutes.

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[1] By Giacomo (Jack) Silvestri.

The district court did not err by granting in part HG Staffing's motion to dismiss

To dismiss a claim under NRCP 12(b)(5) facts alleged are assumed true and inferences must be drawn in favor of the complainant.[2] Furthermore, the reviewing court determines whether claims are time barred by the statute of limitations, so long as facts in the case are not in dispute.[3]

A two-year limitations period applies to the Martel employees' claims arising under NRS Chapter 608

Appellants argue that the three-year limitations period laid out in NRS 11.190(3)(a) applies here since their claim is statutorily created. On the other hand, appellees posit that the two-year limitations period from NRS 608.260 applies because appellants' claims are concerned with statutory minimum wages. The Court agrees with appellees and applies the two-year limitations period using the doctrine of analogous limitations. This doctrine allows courts to apply the limitations period from an analogous cause of action or statute when the original claim lacks an express limitations period.[4] Thus, the court applies the two-year period here because NRS 608.260 provides a cause of action for unpaid minimum wages, and appellants claim they were not paid for certain activities, which, by implication, means they were not paid the minimum wage for those activities.

Since Capilla and Vaughan each left GSR more than two years before the claim was brought, they were time barred by NRS 608.260. Martel and Jackson-Williams had one day and eighteen months of remaining claims within the limitations period, respectively.

Summary judgment was appropriate

When pleadings and other docket materials display no genuine issue of material fact, then a party moving for summary judgment is entitled a judgment as a matter of law.[5] Moreover, evidence is viewed in the light most favorable to the non-moving party.[6]

The CBA is valid because it was ratified by the Culinary Union

The Court recognizes that CBAs are not governed by the technical rules of contract formation.[7] To that end, HG Staffing never signing the CBA and the document's extensive redlining and expiration are irrelevant. The only pertinent fact is the Culinary Union and HG Staffing's mutual assent to the agreement. Accordingly, the CBA is valid because the organization ratified and used the provisions of the agreement.

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[2] Eggleston v. Stuart, 137 Nev., Adv. Op. 51, 5, 495 P.3d 482, 487 (2021).
[3] JPMorgan Chase Bank, Nat'l Ass'n v. SFR Invs. Pool 1, LLC, 136 Nev. 596, 598, 475 P.3d 52, 55 (2020).
[4] Perry v. Terrible Herbst, Inc., 132 Nev. 767, 770-71, 383 P.3d 257, 260 (2016).
[5] A Cab, LLC v. Murray, 137 Nev. Adv. Op. 84, 501 P.3d 961, 971 (2021).
[6] *Id.*
[7] Pepsi-Cola Bottling Co. v. NLRB, 659 F.2d 87, 89 (8th Cir. 1981).

HG Staffing is entitled to summary judgment on Martel's claims arising under NRS 608.020 through NRS 608.050

Appellant Martel argues his claims arising under NRS 608.020 (employer penalty for unpaid hourly wages) and NRS 608.050 (employer penalty for unpaid overtime wages) are not time barred. To support this proposition, he cites NRS 608.040 which includes a provision stating that an employee is entitled to compensation up to 30 days after his resignation if the employer failed to pay his final wages.[8] In doing so, he asserts that hours he completed under NRS 608.016 (hourly waged work) and NRS 608.018 (overtime work) were not paid once his wages were due in June 2014.

The Court does not accept this analysis. Since the claims arising under NRS 608.016 and NRS 608.018 were already barred under the two-year limitations period under NRS 608.260, appellant Martel's argument falls apart. Consequently, the Court finds no genuine dispute of material fact regarding Martel's remaining claims, and, therefore, the district court did not err in granting summary judgment for HG Staffing.

The CBA "provides otherwise" for overtime under NRS 608.018

Since she had eighteen months of work that were not time barred, Appellant Jackson-Williams asserted that her claim for overtime under NRS 608.018 was still valid. However, as the Court pointed out, employees will collect to overtime pay under that section only if they are not already subject to a CBA which provides otherwise for overtime compensation.[9]

The valid CBA between the Union and HG Staffing provided an overtime pay structure and applied to Jackson-Williams. Therefore, she cannot enjoy the overtime benefits provided for in NRS 608.018. Accordingly, there is no genuine dispute of material fact, and the district court was correct to grant appellee's summary judgment motion.

HG Staffing is entitled to summary judgment on Jackson-Williams's remaining claims

Appellant Jackson-Williams's asserted her remaining claims under NRS 608.040 and NRS 608.140. On appeal, she failed to cite caselaw or portions of the record which display a genuine issue of material fact precluding summary judgment on these claims. Notably, the Court is not obligated to search the record for disputed facts that would help the appellant.[10] As a result, they found nothing precluding the district court from granting summary judgment in favor of HG Staffing.

Conclusion

In this case, the Court made four major findings. First, the class of employees could not bring claims under NRS 608.016, NRS 608.018, NRS 680.020, and NRS 680.050 because they were time barred by the two-year limitations period found in NRS 608.260 through the doctrine

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[8] Nev. Rev. Stat. § 608.040(1)(b) (2021).
[9] Nev. Rev. Stat. § 608.018(3)(e) (2021).
[10] Schuck v. Signature Flight Support of Nev., Inc., 126 Nev. 434, 438, 245 P.3d 542, 545 (2010).

of analogous limitations. Second, the CBA between the Culinary Union and HG Staffing was valid based solely on the factual finding of mutual assent; the expiration, redlining, and lack of signatures were all irrelevant. Third, the class of employees could not penalize HG Staffing for unpaid wages under NRS 608.040 because their claims for those unpaid wages were time barred. Finally, the former GRS employees were not entitled to claims for unpaid overtime pay under NRS 608.018 because their CBA provided its own overtime pay scheme. By making each of these findings, the Court *affirmed* the holding of the district court.