

**DEPARTMENT OF TRANSPORTATION**  
 DIVISION OF CONSTRUCTION-LABOR COMPLIANCE  
 ADDRESS  
 CITY, ST ZIP  
 PHONE [OF PERSON SIGNING LETTER]  
 FAX [OF PERSON SIGNING LETTER]  
 TTY 711  
 [DISTRICT CPR EMAIL ADDRESS]



*Flex your power!  
 Be energy efficient!*

**NOTICE OF TEMPORARY WITHHOLDING OF CONTRACT PAYMENTS  
 DELINQUENT OR INADEQUATE PAYROLL RECORDS**

[Date]

[Prime Contractor's Name]  
 [Address]  
 [City, ST ZIP]

Dear [Prime Contractor's Name]:

The Department of Transportation (Caltrans) is temporarily withholding contract payments for contract [Contract Number] for the reasons described below. If the apparent violations are for a subcontractor, you are required to withhold funds for delinquent or inadequate certified payroll records according to Section 7-1.01A(2) of the *Standard Specifications*.

**DELINQUENT PAYROLL RECORDS—Provide the following records within 15 days  
 of the date of this letter.**

Contractor	Week Ending Date	Comments
Contractor Name	10/24/2008	(Sample: Statement of Non Performance Received)
Contractor Name	11/21/2008	
Contractor Name	11/28/2008	

Section 7-1.01A(3), *Standard Specifications*

**INADEQUATE PAYROLL RECORDS—Provide the following corrected records within 15 days  
 of the date of this letter.**

Contractor	Week Ending Date	Date Notified	Comments
Contractor Name	10/17/2008		(Sample: No Statement of Compliance attached)

Section 7-1.01A(3), *Standard Specifications*

**ESTIMATED WITHHOLDING OR RELEASE**

Estimate #	Date	Withholding Amount	Release Amount	Comments
7	8/20/2008	\$ 10,000.00		(Sample: Take LCV for Missing Payrolls)
14	2/21/2008		\$ 10,000.00	(Sample: Release LCV est. #7/ [List affected subcontractors.]

Addressee  
Date  
Page

### **Expedited Hearing**

An affected contractor or subcontractor may request an expedited hearing to review this Notice of Temporary Withholding of Contract Payments under Labor Code §1742. The only issues in such a review proceeding are whether the specified payroll records are in fact delinquent or inadequate within the meaning of 8 California Code Regulations §16435 or whether the Labor Compliance Program has exceeded its authority under 8 CCR §16435. The request for expedited hearing should specify the basis for challenging this notice and include a copy of this notice as an attachment. The request should also identify and provide contact information for the person(s) who will represent the contractor or subcontractor at the hearing.

To obtain an expedited hearing, a written request transmitted to *both* Caltrans and to the lead hearing officer for the Director of the Department of Industrial Relations as follows:

<b>DEPARTMENT OF TRANSPORTATION</b> Division of Construction ATTN: Angela Shell—Labor Compliance <b>Expedited Hearing Request</b> FAX to (916) 654-5990	<b>DEPARTMENT OF INDUSTRIAL RELATIONS</b> Office of the Director—Legal Unit ATTN: Lead Hearing Officer <b>Expedited Hearing Request</b> FAX to (415) 703-4277
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### **Important Additional Information**

This is a Notice of Temporary Withholding of Contract Payments for only delinquent or inadequate payroll records. It is not a determination of liability for wages or penalties under LC §1775, §1776, or any other statute. Caltrans cannot continue to withhold contract payments once the required records listed in this notice have been submitted. However, the contractor or subcontractor may still be subject to the assessment of back wages and penalties and the withholding of contract payments if, upon investigation, a determination is made that a violation of the public works requirements of the Labor Code has occurred.

If you have any questions, please contact [\[\[Labor Compliance Officer's Name\]](#) at [\[Phone Number\]](#).

Sincerely,

[\[NAME IN ALL CAPS\]](#)

(District # or Region Labor Compliance Manager or Officer)