

EXHIBIT 1

**COUNTY OF SANTA FE
FIRST JUDICIAL DISTRICT
STATE OF NEW MEXICO**

JOSE OLIVAS, OCTAVIO RIOS OLIVAS,
BLAKE CAHILL, and ALVARO BRAVO, as
individuals and class representatives; EL
CENTRO DE IGUALDAD Y DERECHOS,
NM COMUNIDADES EN ACCION Y DE
FÉ, ORGANIZERS IN THE LAND OF
ENCHANTMENT, and SOMOS UN
PUEBLO UNIDO, New Mexico membership-
based organizations representing low-income
workers;

Plaintiffs,

vs.

No. D-101-CV-2017-00139

CELINA BUSSEY, Secretary of the New
Mexico Department of Workforce Solutions,
JASON DEAN, Director of the Labor
Relations Division of the Department of
Workforce Solutions; and the NEW MEXICO
DEPARTMENT OF WORKFORCE
SOLUTIONS, an executive agency;

Defendants.

SETTLEMENT AGREEMENT

1. This action challenges certain practices of Defendants New Mexico Department of Workforce Solutions, the Secretary of the Department of Workforce Solutions, and the Director of the Labor Relations Division of the Department of Workforce Solutions in enforcing protections against underpayment and nonpayment of wages, as set forth in Chapter 50, Articles 1 and 4 of the New Mexico Employment Law (“wage statutes”). The action was filed by individual plaintiffs on behalf of themselves and the class of all persons who have experienced a violation of the wage statutes and are unable to afford counsel as set forth in § 11.1.4.8 NMAC (“the class”).

2. The plaintiffs claim that the Defendants have violated the statutory right of the class to enforcement of the wage statutes by: (1) imposing an \$10,000 cap on wage theft by not investigating or taking any enforcement action on wage claims worth \$10,000 or more; (2) imposing an one-year time limit on liability for wage theft by not investigating or taking any enforcement action on claims for back pay that go back more than one year from the date an employee files a claim; (3) not holding employers liable for any statutory damages at the administrative enforcement phase of a case; and (4) adopting policies and procedures that require

the improper closure with prejudice of wage claims without regard to the merits of particular claims. The Class Action Complaint Seeking Declaratory and Injunctive Relief for Low-Wage Workers for Violations of the New Mexico Wage Laws, filed January 17, 2017, is adopted herein by this reference. Plaintiffs also allege that Defendants have discriminated against members of the class on the basis of national origin and ancestry in violation of the New Mexico Human Rights Act, NMSA 1978 § 28-1-1 *et seq.*, by failing to provide sufficient language access to national origin minorities, including by failing to translate any written correspondence into any language spoken by any of New Mexico’s national origin minorities.

3. The Defendants have denied Plaintiffs’ claims and asserted that their policies and practices were within the discretion granted to Defendants by the wage statutes.

4. The parties desire to resolve their differences amicably through the resolution of the issues contained in this Settlement Agreement, as set forth herein. This Agreement is binding on Defendants and all of their successors and assigns.

I. DEFINITIONS

5. This Agreement incorporates all definitions set forth in the Rules, and the following terms shall be defined as follows wherever they appear in this Agreement:

- a. “Agreement” mean this Settlement Agreement.
- b. “Class” or “Class Members” means all persons who have experienced a violation of the wage statutes, regardless of income level.
- c. “Class Counsel” means attorneys with the New Mexico Center on Law and Poverty (Elizabeth Wagoner and Gail Evans), Somos un Pueblo Unido (Gabriela Ibañez Guzmán), and Daniel Yohalem.
- d. “Court” means the First Judicial District Court of the State of New Mexico, the Honorable David K. Thomson, presiding.
- e. “Defendants” means The New Mexico Department of Workforce Solutions, Celina Bussey, in her official capacity as the Secretary of the Department of Workforce Solutions, and Jason Dean, in his official capacity as the Director of the Labor Relations Division of the Department of Workforce Solutions. Because the individual Defendants have been sued solely in their official capacities, the parties incorporate the provisions of Rule 1-025(D) NMRA to this Agreement.
- f. “Effective Date” means the date this Agreement receives final approval from the Court.
- g. “Investigations Manual” refers to the manual for LRD employees’ use referenced in Section 11.1.4.121 of the Rules, which contains information for employees

about how to apply the relevant laws to wage claims based on applicable statutes and judicial or administrative decisions.

- h. “MWA” means the Minimum Wage Act, NMSA 1978 § 50-4-19 to 50-4-30.
- i. “Rules” means the rules and regulations set forth at Title 11, Chapter 1, Part 4 of the New Mexico Administrative Code, which were adopted on November 14, 2017.
- j. “Plaintiffs” means the named Plaintiffs in this action and members of their Class.
- k. “Parties” means Plaintiffs and Defendants.
- l. “Shall” and “will” mean a duty, obligation, requirement or condition precedent.
- m. “Wage statutes” means the provisions of Chapter 50, Articles 1 and 4 of the New Mexico Revised Statutes.

II. VACATING PRIOR PRACTICES AND ADOPTION OF NEW POLICIES

6. LRD hereby vacates its practice of not investigating or taking any enforcement action on wage claims worth more than \$10,000. LRD will allow all claimants to file wage claims worth more than \$10,000 and will investigate and take enforcement action on such claims, as set forth in the Rules. Going forward, LRD will not in any way discourage claimants from filing claims worth more than \$10,000.

7. LRD hereby vacates its practice of not investigating or taking any enforcement action on wage claims that extended beyond one year from the date a claimant filed a claim. LRD shall implement the Legislature’s 2009 decision to increase the statute of limitations for violations of the wage statutes from one year to three years, or indefinitely when the violation is part of a continuing course of conduct, as set forth in the Rules. LRD shall not in any way discourage claimants from filing claims that fall outside of a one-year period or limit its investigation or enforcement of wage claims to one year.

8. LRD hereby vacates its practice of not applying the statutory damages set forth in Section 50-4-26 NMSA 1978 to any wage claim at the administrative enforcement phase. LRD shall apply statutory damages at the administrative enforcement phase to claims arising under the MWA, as set forth in the Rules.

9. LRD hereby vacates all versions of its Standard Operating Procedures for processing wage claims. LRD shall process and investigate wage claims pursuant to procedures set forth in the Rules and the Investigations Manual.

10. LRD hereby vacates its practice of requiring limited English proficient (LEP) wage claimants to communicate with the agency in English. Going forward, LRD shall adopt procedures set forth in the Rules and the Investigations Manual for providing equal access to

LRD's services regardless of language ability, and shall comply with the Language Access Plan of the Department of Workforce Solutions.

11. The Parties cooperated in the drafting of the Rules, which relate to procedures for the filing, investigation, and resolution of wage claims and enforcement of the wage statutes. Pursuant to the State Rules Act, Defendants caused to be published notice of the proposed Rules in the New Mexico Register; Defendants received written comments; and Director Dean conducted a hearing in Santa Fe, New Mexico, as the designated Hearing Officer for Secretary Bussey, on October 18, 2017. Secretary Bussey reviewed the proposed Rules and the written comments received; heard the oral comments made at the hearing by listening to the recording of the hearing of October 18, 2017; and considered each written and oral comment received in preparing the final version of the Rules and the required responses to the comments received. The Rules are final and adopted as of November 14, 2017.

12. The Rules are hereby incorporated by reference as a material term of this Agreement. Any reference herein to compliance with or implementation of the Agreement also refers to the Rules.

III. INVESTIGATIONS MANUAL, FORMS AND TRAINING

13. The parties shall agree upon the contents of an Investigations Manual. The Investigations Manual shall be the sole source of information for LRD employees concerning procedures to implement the Rules and the wage statutes, including standard operating procedures, legal interpretations, investigations and claims processes, forms, letters, and related materials that LRD uses to carry out its duties. LRD employees shall follow the Investigations Manual in carrying out their duties on behalf of the LRD. When LRD identifies a legal or process issue on which the Investigations Manual is silent or incomplete, LRD shall amend the Investigations Manual to address this issue and follow the process set forth in Paragraph 15 for doing so, with the narrow exception that LRD may, immediately preceding the process set forth in Paragraph 15, seek competent legal guidance, and act promptly in accordance with such guidance, where the legal or process issue has been encountered for the first time, and where failure to act promptly might impact the timely resolution of a claim or claims. The Investigations Manual will cover topics including, but not limited to:

- a. Criteria for initial screening (LRD to write first draft);
- b. Criteria for determining whether a wage claim should be set for a Directed Investigation and for conducting Directed Investigations (LRD to write first draft);
- c. How to process claims and conduct investigations under the Individual Claim Processing Procedures, including all sample/template forms, letters and all other documents LRD uses to carry out its duties with respect to wage claims and investigations (LRD to write first draft);
- d. LRD's language access policy for communicating with limited English proficient individuals (Class Counsel to write first draft);
- e. How to make wage determinations in the absence of complete and accurate employer time or pay records and/or off-the-clock cases (Class Counsel to write first draft);

- f. Examples and guidance concerning how to make determinations on certain common legal issues and scenarios, such as the administrative, professional, executive exemptions, employee versus independent contractor determination, joint and individual employer liability, vacation pay claims, calculating minimum wages or overtime owed, calculating statutory damages, tip misappropriation, farmworker claims, among other topics (Class Counsel to write first draft);
- g. Any other process set forth in the Rules (either party to write first draft).

Class Counsel will send Defendants first drafts of topics (d) through (f) on or before December 8, 2017. Defendants will send Class Counsel a draft of the full Investigations Manual on or before December 15, 2017. Class Counsel will send Defendants any proposed revisions to the draft Investigations Manual on or before December 22, 2017. The aforementioned deadlines are strongly urged, but will not constitute grounds for breach of the settlement agreement, provided any delay is reasonable in length, and agreed-upon between the parties. Thereafter, the parties will meet and confer to resolve any material disagreements. If there are any material disagreements that cannot be resolved after a good faith meet and confer, the parties will jointly file a motion setting forth their disagreements and seeking resolution from the Court in this case, as provided in Paragraph 24.

14. All LRD employees who interact with wage claimants shall be trained on all topics in the Investigations Manual within 60 days of its adoption. All trainings must conform to the Rules and the Investigations Manual. Daniel Apodaca of SaucedoChavez shall attend all training sessions as an objective observer, take notes to the best of his ability, and candidly share his notes and observations with Class Counsel. All Workforce Connections staff shall be trained on the requirements of Section 11.1.4.123 of the Rules within 60 days of the final adoption of the Rules. LRD shall provide first drafts of training materials for each of these two trainings to Class Counsel as soon as drafts are available, but no later than two (2) weeks in advance of the training and collaborate with Class Counsel to make revisions reasonably necessary to conform the trainings to the provisions of the Investigations Manual and/or the Rules. Failure to meaningfully collaborate with Class Counsel during this two-week period constitutes a violation of this agreement. LRD further expressly agrees to conform its Investigations Manual training to LRD employees, and its Section 11.1.4.123 training to Workforce Connections staff, to the materials agreed-upon during the two-week collaboration process, and will not cover content not agreed-upon during said process. In the event certain content is not covered during the training because of a lack of agreement about said content, LRD may continue to train on all other agreed-upon content as scheduled, but will follow the process set forth in this Paragraph for creating a follow-up training to cover the missing material. If the parties cannot reach agreement on particular topics, they may invoke the process set forth in Paragraph 24 for Court assistance prior to the follow-up training. On an ongoing basis, both before and after the trainings identified herein, the Director of the LRD or his or her designee shall review all administrative determinations prior to any final administrative determination to determine that LRD is appropriately applying the Rules and the Investigations Manual's provisions and shall provide retraining whenever discrepancies are identified. All newly-hired LRD employees shall be trained on the contents of the Investigations Manual before receiving any wage claim assignments.

15. The LRD will not make material changes to the contents of the Investigations Manual, and will not publish notice concerning any changes to the Rules or new rules or regulations interpreting the wage statutes, without providing Class Counsel at least thirty (30) days' advance notice prior to publishing notice via email, letter or in-person, an opportunity to review all proposed changes, and an opportunity to meet and confer with the Director within that 30-day window. Material changes to the legal interpretation sections of the Investigations Manual will be justified by a change in law and, upon request, LRD shall provide the source of law justifying the change. In the event of any change to the Investigations Manual, the date of the change will be noted in the text of the Investigations Manual. The parties shall also follow the process set forth in this Paragraph for additions of new topics or legal issues to the Manual.

IV. IDENTIFYING AND INVESTIGATING WAGE CLAIMS SUBJECT TO PRIOR POLICIES

16. Within thirty (30) days of the Effective Date, LRD shall lift the stay on the wage claims of Plaintiffs Alvaro Bravo, Blake Cahill, Jose Olivas, and Octavio Rios Olivas, and Plaintiff Somos un Pueblo Unido members Sandra Olivas, Moises Penagos Ruiz and Adan Lucero Hernandez, and investigate and resolve them pursuant to the procedures set forth in the Rules. LRD shall communicate with these individuals through Class Counsel.

17. Within 60 days of the Effective Date, Class Counsel shall identify all wage claims timely presented to LRD in FY 2015 through FY 2018, up to November 14, 2017, that meet the following criteria:

- a. Claims described in Counts I and II of the Complaint, which LRD closed, refused to accept for filing, or only partially resolved pursuant to the \$10,000 cap policy or the one-year policy; or
- b. Claims described in Count IV of the Complaint, which LRD rejected, closed, or improperly resolved in the employer's favor (1) on incorrect jurisdictional grounds; or (2) because the claimant did not respond to the Second Letter; or (3) because the claimant did not appear at the administrative hearing; or (4) because the claimant did not submit an assignment of wage claim; or (5) because of the failure of the employer to respond or produce employment records.

18. Claimants identified in Paragraph 17 shall have the right to pursue their wage claims with LRD so that they may be properly investigated and resolved pursuant to the procedures set forth in the Rules. LRD shall provide all information reasonably requested by Class Counsel to identify claimants in Paragraph 17, including but not limited to spreadsheets, letters, and case files. LRD may reasonably limit accessibility of the information to in-person, on-site viewing where appropriate; provided, however, that Class Counsel may make their own electronic or paper copies of any document and may bring their own equipment to LRD offices for this purpose, and that Class Counsel may bring documents back to the offices of Class Counsel to make copies, provided that such documents are returned in full to LRD before the end of the same business day. To the extent social security numbers or taxpayer identification numbers appear in any such documents, Class Counsel shall keep such information confidential and shall redact it from any copies. Within 90 days of the Effective Date, LRD shall send a notice by U.S. mail to each wage claimant identified in Paragraph 17 to inform the claimant of

the existence of this settlement and of his or her rights hereunder. Within 60 days of the Effective Date, the parties shall agree upon the language of the notice to be sent to such wage claimants. LRD shall bear all costs associated with sending the notice. Claimants may telephone, email, or write to LRD to request that LRD pursue his or her wage claim, and shall provide all information requested by LRD to identify them as claimants covered by the provisions of Paragraph 17. The employers in wage claims identified in Paragraph 17 shall be considered to have been under investigation by LRD since January 17, 2017, the date of the filing of the Complaint. Therefore, such wage claims will be time-barred per NMSA 1978 Section 37-1-5 only if the date of the last alleged violation of the wage statutes was before January 17, 2014. LRD's investigations of any employers identified in Paragraph 17 will be closed one year after the Effective Date, unless the claimant requests that LRD pursue his or her wage claim prior to that date, or the three-year statute of limitations has not run on his or her claim.

19. LRD is not obligated to re-open wage claims where the sole claim is as described in Count III of the Complaint and which LRD processed and administratively closed after the employer paid the back wage amount without any additional statutory damages. Because LRD does not intend to re-open this category of wage claims to seek statutory damages, LRD will not send notice to such claimants. Such claimants have a right to file a private action to seek the additional statutory damages owed, pursuant to NMSA 1978 Section 50-4-26. In any such action, LRD will not claim, argue, or testify that statutory damages are barred by agreement or estoppel. Rather, LRD shall take no position on the legal issue of statutory damages. This shall not limit LRD's duty to testify about factual matters or other legal conclusions LRD reached in handling the wage claim, in compliance with a subpoena or other legal process. LRD shall provide all information reasonably requested by Class Counsel to identify such claimants within 90 days of the Effective Date.

20. LRD shall provide all information reasonably requested by Class Counsel to identify claims timely presented to LRD in FY 2015 through FY 2018, up to November 14, 2017, that meet the criteria for Directed Investigations as set forth in the Rules. Upon identification of such claims, LRD shall take initial steps to determine whether a Directed Investigation is warranted. If a Directed Investigation results in LRD finding a violation of the Minimum Wage Act as to any employee, LRD shall take enforcement action against the employer to collect wages, statutory damages required under NMSA 1978 Section 50-4-26(C), and penalties owed as to any affected employee, as provided in the Rules. A prior wage claimant's receipt of back wages without any statutory damages pursuant to the policy described in Count III of the Complaint shall not bar or limit LRD's right to seek statutory damages for that claimant in a Directed Investigation if LRD determines there is "good cause" to do so as defined in the Rules.

V. TERMS FOR CLOSURE OF THE LITIGATION

21. On or before December 19, 2017, pursuant to Rule 1-023(E), the parties will jointly submit to the Court a motion for an Order certifying a Rule 1-023 class and preliminarily approving the class action settlement ("certification and preliminary approval motion"). In connection with the certification and preliminary approval motion, Plaintiffs will submit to the Court a proposed Order and Judgment preliminarily approving the settlement, which will (a)

contain the findings required by New Mexico Rule of Civil Procedure 1-023(A) and (B)(2), (b) certify the class for purposes of settlement, (c) incorporate the requirements of this Agreement and enter judgment thereto, (d) provide that the Court shall have continuing jurisdiction over this matter to resolve disputes and enforce the terms of this Agreement, (e) approve the form and timelines of notice to the Class of the final approval hearing; (f) set a date for a final approval hearing pursuant to Rule 1-023(e); and (g) approve the form and timelines of notice to the Class of the final injunctive relief.

22. If the Court grants the certification and preliminary approval motion, the Court will set a final approval hearing to hear any objections to the Agreement from class members, hear argument from the parties concerning their motion to approve the Agreement and decide whether to approve the Agreement in settlement of the class claims in this case. Members of the class shall have the opportunity to object to the Agreement by attending the final approval hearing. Persons who wish to attend the hearing to make their objections must notify counsel for any of the parties in writing no later than three (3) days prior to the hearing stating their name, address, telephone number, intention to appear and a brief explanation of the reason for their objection. The parties shall execute an amendment to this Agreement no later than December 15, 2017 containing all necessary details concerning the form and method of notice to the class of the key requirements of this Agreement and their rights under this Paragraph. If the parties are unable to reach agreement after good faith negotiations, the parties will present their respective positions to the Court in the joint motion for preliminary approval to be filed on December 19, 2017. The Court may select between the parties' proposals concerning notice or order its own form and method of notice.

23. The parties shall execute an amendment to this Agreement no later than December 15, 2017 containing all necessary details concerning the form and method of notice to be provided to the class after the Effective Date. The parties agree that the amendment shall provide for the following minimum criteria: notice in English and Spanish in simple, plain language of the key requirements of this Agreement, the right to re-file claims pursuant to this Agreement, how to re-file a claim, the name, address and telephone number of Class Counsel, and class members' right to contact Class Counsel for assistance accessing rights under this Agreement. The parties also agree that LRD shall bear all costs associated with the notice described in this Paragraph. If the parties are unable to reach agreement after good faith negotiations, the parties will present their respective positions to the Court in the joint motion for preliminary approval to be filed on December 19, 2017. The Court may select between the parties' proposals concerning notice or order its own form and method of notice.

24. The parties must agree on the language of several documents referenced under the terms of this Agreement. The parties will work together in good faith to meet the deadlines set forth in this Agreement to agree on the language of these documents. If they are unable to meet these deadlines, neither party will be considered to be in violation of this Agreement as long as the parties continue to meet and confer in good faith and have not reached impasse. If the parties are unable to reach agreement on the language of any document after good faith negotiations, the parties will present their dispute to the Court in a joint motion that explains their positions, attaching their preferred versions of the document in question. The Court may select between the

parties' versions or order its own version. The Court's decision shall be final, unless the parties reach agreement on a revision of the version ordered by the Court.

25. Upon the later of the Effective Date, adoption of the Investigations Manual, the proper resolution of the wage claims identified in Paragraph 16, the mailing of notice as required in Paragraph 18, and the parties' agreement concerning the language of all documents and notices contemplated in this Agreement, Plaintiffs will request closure of this case, subject to the enforcement provisions of Paragraph 27, below.

26. The Director of the LRD shall be responsible for full compliance with the Rules and this Agreement. Class Counsel may request information from LRD concerning any class member's wage claim under investigation by LRD for purposes of ascertaining compliance with this Agreement, regardless of whether Class Counsel enters an appearance as counsel in the individual wage claim, and LRD must provide such information within a reasonable timeframe. If Class Counsel identify an alleged violation of this Agreement or alleged inadequacies in the implementation of any term of this Agreement, either before or after closure of the action, Class Counsel shall write to the Director of the LRD explaining the alleged violation with as much specificity as possible, and providing all documents relied upon in asserting the alleged violation. The Director of the LRD shall then meet and confer in good faith with Class Counsel and take reasonable steps to resolve the alleged violation. Refusal to meet and confer after reasonable, good-faith efforts have been made to establish a mutually convenient time constitutes a material violation of this Agreement.

27. The Court retains jurisdiction to hear and resolve any disputes relating to performance of the terms and conditions of the Settlement Agreement. Plaintiffs may file a motion to enforce this Agreement upon reaching impasse in the meet and confer process or upon the Director's refusal to meet and confer as defined above. There are no time limitations on this right, except as imposed by the Court. If Plaintiffs bring an action to enforce this Agreement within two years of the closure of this action and prevail, Defendants shall be liable for Plaintiffs' reasonable attorneys' fees and costs. This time limitation solely concerns the right to recover attorneys' fees under this Agreement, and shall not be interpreted to bar recovery of attorneys' fees in an action to enforce this Agreement under any other legal theory or cause of action.

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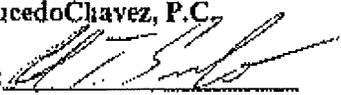
VI. COMPLETE AND FINAL AGREEMENT

28. This Agreement, although prospective in nature, represents the complete and final agreement between the parties on the issues raised in these actions. No modifications to this Agreement may be made without the written consent of the parties and the approval of the Court.

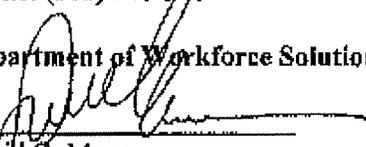
29. This Agreement may be signed and executed in counterparts.

By their signatures below, the undersigned attorneys represent that they have the authority to bind all parties they represent in this action to the terms of this Agreement.

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By their signatures below, the undersigned attorneys represent that they have the authority to bind all parties they represent in this action to the terms of this Agreement.

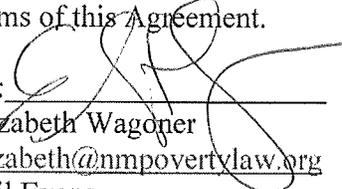
SaucedoChavez, P.C.

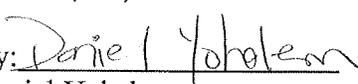
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Department of Workforce Solutions

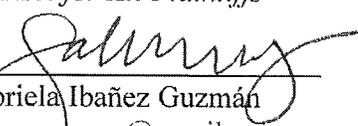
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*Counsel for Plaintiffs Olivas,
Rios Olivas, and Somos Un Pueblo Unido*

AMENDMENTS TO SETTLEMENT AGREEMENT EXECUTED DECEMBER 1, 2017

Amendment to Paragraph 22

Pursuant to the Amendment procedure set forth in Paragraphs 22 and 28 of the Settlement Agreement executed between the parties on December 1, 2017, the parties agree that the following Amendment to Paragraph 22 shall replace the portion of Paragraph 22 that originally read as follows:

The parties shall execute an amendment to this Agreement no later than December 15, 2017 containing all necessary details concerning the form and method of notice to the class of the key requirements of this Agreement and their rights under this Paragraph. If the parties are unable to reach agreement after good faith negotiations, the parties will present their respective positions to the Court in the joint motion for preliminary approval to be filed on December 19, 2017. The Court may select between the parties' proposals concerning notice or order its own form and method of notice.

The Amendment to Paragraph 22 replacing the above language is as follows:

No later than 7 days after the Court grants the preliminary approval motion, and continuing until the date of the final approval hearing, LRD shall notify class members of their rights under this Paragraph by making available the notice attached as Exhibit 2 to the certification and preliminary approval motion ("hearing notice") as follows:

- A. Placing print copies of the hearing notice in the public reception area of each LRD office and all Workforce Connection offices, along with a prominently-placed sign reading "Hearing Notice" in large type in English and in Spanish.
- B. Placing the hearing notice on the LRD web page, which shall be linked from the front page of the Department of Workforce Solutions website at <https://www.dws.state.nm.us/>, and which shall remain on the front page of the website for the entire notice period described in this Paragraph.
- C. Posting information about the final hearing on the Department of Workforce Solutions Twitter account, with a link to the LRD website page containing the hearing notice.
- D. Sending the hearing notice by U.S. Mail to all potential class members for whom LRD has contact information, including all wage claimants who filed or attempted to file wage claims from FY 2015 through FY 2018, up to November 14, 2017. LRD shall create a contact list containing the name, last known address, and last known telephone number for each such potential class member. LRD shall make a good faith effort to search all documents in its possession, paper and electronic, to create the contact list. The hearing notice in the final form approved by the Court shall be made available to all potential class members in English and Spanish. LRD shall bear all costs associated with the notice described in this Paragraph.

Amendment to Paragraph 23 of Settlement Agreement executed December 1, 2017

Pursuant to the Amendment procedure set forth in Paragraphs 22 and 28 of the Settlement Agreement executed between the parties on December 1, 2017, the parties agree that the

following Amendment to Paragraph 23 shall replace all of Paragraph 23, which originally read as follows:

The parties shall execute an amendment to this Agreement no later than December 15, 2017 containing all necessary details concerning the form and method of notice to be provided to the class after the Effective Date. The parties agree that the amendment shall provide for the following minimum criteria: notice in English and Spanish in simple, plain language of the key requirements of this Agreement, the right to re-file claims pursuant to this Agreement, how to re-file a claim, the name, address and telephone number of Class Counsel, and class members' right to contact Class Counsel for assistance accessing rights under this Agreement. The parties also agree that LRD shall bear all costs associated with the notice described in this Paragraph. If the parties are unable to reach agreement after good faith negotiations, the parties will present their respective positions to the Court in the joint motion for preliminary approval to be filed on December 19, 2017. The Court may select between the parties' proposals concerning notice or order its own form and method of notice.

The Amendment to Paragraph 23 replacing the above language is as follows:

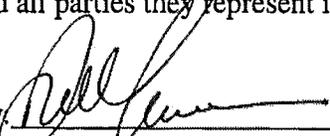
No later than 7 days after the Effective Date, LRD shall notify class members of their rights under this Agreement as follows:

- A. For a period of one year starting from the Effective Date, LRD shall place written notice in English and Spanish in a prominent, easily viewable location at each LRD office, at all Workforce Connection offices, and on the Wage and Hour page of the Department of Workforce Solutions website. Such notice shall be in a form to be agreed-upon by the parties prior to the Effective Date, and shall advise class members in simple, plain language of the key requirements of this Agreement, the right to pursue claims pursuant to this Agreement, how to file a claim, the name, address and telephone number of Class Counsel, and class members' right to contact Class Counsel for assistance accessing rights under this Agreement.
- B. LRD shall send the notice described in the previous sub-paragraph 23(A) by U.S. Mail to all potential class members identified in Paragraph 18 for whom LRD has contact information. For this purpose, LRD may either (1) use the same contact list it created for the hearing notice mailing, or (2) limit the mailing to class members jointly identified by the parties in Paragraph 18.
- C. LRD shall create the summary required by NMSA 1978 § 50-4-25, in English and Spanish, and in a form to be agreed-upon by the parties prior to the Effective Date, which shall contain, *inter alia*, information about how employees can file wage claims with LRD. LRD shall include the summary in a form that may be posted as required by NMSA 1978 § 50-4-25 to all New Mexico employers in its next quarterly mailing following the Effective Date, and said mailing shall provide instructions informing employers in simple, clear language of their obligations under NMSA 1978 § 50-4-25. LRD shall also post the summary on the Wage and Hour webpage of the DWS website in a format that may be downloaded and printed, alongside information about employers' obligations under NMSA 1978 § 50-4-25.

- D. LRD shall place information about how to file and pursue a wage claim with LRD on the Wage and Hour page of the Department of Workforce Solutions website, in a manner that is easily accessible. Instructions on how to file a wage claim and any downloadable forms or brochures shall be provided in English and Spanish, provided the parties have first jointly agreed on the content of the forms in English. LRD shall create an advertisement on the Department of Workforce Solutions website on the homepage in the existing rotating advertisement field, which invites individuals to click on the advertisement if they did not get paid by their employer. The link will send users directly to the Wage and Hour Page. LRD shall also place a header on the left side of the Department of Workforce Solutions website, below the Quick Job Search box and above the Unemployment Insurance Tax & Claims System header, which reads: Wage Claims. At least two links will be available under the Wage Claims header, including a link to the Wage and Hour page, and a link to frequently asked questions.
- E. Working with an established professional Media/Agency buyer operating in New Mexico, in full accord with the State Procurement Code and any other statutes, rules, or orders associated with State procurement activities, LRD shall commit a total of TWENTY THOUSAND, SEVEN HUNDRED AND FIFTY (\$20,750.00) DOLLARS to the production and purchase of 30-second radio advertisements to air on enough licensed broadcast radio stations so as to provide statewide coverage/reach and so as to target a diverse cross-section of New Mexico's communities. The parties anticipate that \$20,000 of this budget will be used to purchase air time, and \$750 will be used for production, and the parties will work together and use resources available to each other, where appropriate, to minimize production expenses. Purchased advertisements shall air at a frequency calculated to most effectively reach the target audience within the budget of the above-referenced dollar amount over a 12-week period, and LRD shall request an equal amount of advertising time for public service announcements. Ads on English stations must be voiced in English and ads on Spanish stations must be voiced in Spanish. Such ads shall be in a form to be agreed-upon by the parties prior to the Effective Date, and shall contain information about how to file a wage claim with LRD.
- F. LRD and/or DWS shall periodically disseminate information about how to file a wage claim with LRD on its Facebook and Twitter accounts in English and Spanish for a period of one year from the Effective Date. LRD will ask other public-facing New Mexico government agencies to share any such posts, although LRD cannot require any such agencies do so.

LRD shall bear all costs associated with all notices described in this Paragraph.

By their signatures below, the undersigned attorneys represent that they have the authority to bind all parties they represent in this action to the terms of these Amendments.

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 General Counsel

By: 
 Date: 12/19/17
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