Judge Brauer knocks down 'cash shortages' ruling

SANTA CRUZ — A Superior Court judge has knocked down a state regulation which allows "cash shortages" to be deducted from employees' paychecks.

Judge Harry Brauer made the ruling in a hearing Wednesday in Superior Court. He delayed the ruling for 30 days to allow the state agency affected, the Industrial Welfare Commission, time to seek a review at the Appellate Court.

Assistant District Attorney Don Gartner said the practice of withholding "cash shortages" is most often found in

retail and gas station businesses.

Employees are often forced to repay an employer when a customer drives out of a self-service gas station without paying, or when a retail store is victimized by shoplifting, said Gartner.

"Courts have recognized that employees and their families rely for rent, food and other necessities on receiving a full paycheck, and unforeseen employer deductions can have severe economic consequences," he added.

Gartner noted employees can find other ways to remedy their losses if they believe their employees are careless or dishonest. He said they can fire or take employees to court over those issues.

"But in the view of the District Attorney, employers are not free to arbitrarily withhold wages," he said.

The hearing came up as a result of a lawsuit filed by Gartner in May against a local gas station firm, Sabek, Inc., and the state IWC.

Sabek has been accused of unfairly firing an employee after a robbery at a gas station left him \$1,200 short of money. The employee was ordered to pay back one-half of the amount lost. When he refused, he was fired, said Gartner.

Gartner said if the state Court of Appeals upholds Judge Brauer's ruling, then it would become effective statewide.