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PAGA at a Crossroads: California Appellate Courts Issue Conflicting Rulings on Who Can Sue — and When

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Two recent California Court of Appeal decisions — [Williams v. Alacrity Solutions Group, LLC](#) and [Osuna v. Spectrum Security Services, Inc.](#) — have highlighted one of the thorniest issues in Private Attorneys General Act (PAGA) litigation: standing and timeliness for cases. Both cases involve former employees who filed PAGA claims more than one year after their employment ended, yet the courts reached opposite conclusions about whether those claims could proceed.

In *Williams*, the Second District of the California Court of Appeal affirmed that a PAGA plaintiff must have suffered a Labor Code violation within the one-year statute of limitations to have standing to bring a valid PAGA claim. Shortly thereafter, in *Osuna*, a different division of the Second District allowed a former employee to proceed with a representative PAGA claim even though his own claims were untimely.

Case One: *Williams* — A Win for Employers

In *Williams v. Alacrity Sols. Grp., LLC* (2025) 110 Cal.App.5th 932, the Court of Appeal held that a PAGA plaintiff must have suffered a Labor Code violation within the one-year limitations period prescribed by Code of Civil Procedure section 340(a). The plaintiff had ended his employment more than a year before filing his PAGA notice. The court rejected his argument that he could pursue claims “on behalf of others” without asserting a timely individual claim even under the pre-2024 amendment PAGA statute.

Critically, the court emphasized that timeliness is a threshold requirement for the plaintiff’s individual claim—and not merely relevant to damages. In doing so, it rejected the notion of “headless” PAGA actions, where a plaintiff seeks to recover solely on behalf of others without alleging a timely individual violation. The *Williams* court distinguished between standing and timeliness, holding that the statute of limitations operates independently and must be satisfied by the named plaintiff.

Case Two: *Osuna* — A Cautionary Contrast

By contrast, the court in *Osuna v. Spectrum Security Services, Inc.* (May 27, 2025) 2nd Dist. B338047, a different division of the Second District Court of Appeal reached the opposite conclusion and took a more expansive view of standing. The court found that the plaintiff, who also filed a PAGA notice more than one year after his last day of work, still had standing under the pre-2024 PAGA statute. It reasoned that because he once experienced a Labor Code violation, his claim could proceed—even though it was untimely for purposes of recovering penalties. The court reasoned that PAGA’s standing requirement is satisfied if the plaintiff was employed by the defendant and suffered a Labor Code violation at any time during their employment. This interpretation reflects a broader view that treats the statute of limitations as applicable to recovery of penalties, not standing.



The 2024 Legislative Reform

In 2024, the California Legislature amended PAGA to clarify that plaintiffs must have experienced each alleged violation within the applicable one-year statute of limitations period. However, by its terms, this amendment only applies to PAGA notices filed after June 19, 2024, leaving open the question about what to do with cases involving a PAGA notice that predates June 19, 2024.

However, both *Williams* and *Osuna* fall into the pre-June 19, 2024 framework. The current statute aligns with the stricter *Williams* approach, ensuring that newly filed PAGA actions are premised on timely individual claims. But older rulings align more closely with *Osuna*, allowing plaintiffs with time-barred individual penalty claims to nonetheless represent other allegedly aggrieved employees in representative actions. (See e.g. *Johnson v. Maxim Healthcare Services, Inc.* (2021) 66 Cal.App.5th 924 [holding an employee whose individual PAGA claim was time-barred may nonetheless pursue a PAGA representative claim on behalf of other employees.], superseded by statute as stated in *Osuna, supra*.)

Different Takes on the Statute of Limitations

The key difference between the two decisions lies in how the courts interpret the role of the one-year statute of limitations under Code of Civil Procedure section 340(a). In *Williams*, the limitations period is treated as a condition of standing, while in *Osuna*, it is treated as a limitation on recovery rather than a prerequisite to bring a claim. This split has major implications for how courts handle PAGA cases with PAGA notices filed before June 19, 2024.

The Headless PAGA Divide

The conflict between *Williams* and *Osuna* reflects a broader debate over the viability of actions when the named plaintiff no longer has a timely individual claim — a structure sometimes referred to as a “headless” PAGA claim. The *Williams* court rejected this model outright, holding that a plaintiff must assert a timely individual claim to have standing. In contrast, the *Osuna* court allowed the action to move forward based on a historical violation alone, effectively allowing a headless claim under the pre-reform statute. While *Williams* hold that the statute of limitations is a stand-alone requirement, *Osuna* preserves a window for plaintiffs with untimely claims to proceed under pre-reform interpretations. Going forward, however, employers can rely on recent decisions to challenge representative PAGA claims that lack a timely individual basis. However, for lawsuits involving PAGA notices filed before June 19, 2024, employers and employees alike remain in an undecided grey area.

Staying current with these developments is essential for navigating PAGA litigation effectively in this evolving legal environment. With appellate courts divided, the issue is likely headed to the California Supreme Court.

This update is intended for informational purposes only and does not constitute legal advice. For guidance on how these developments may affect your organization and more insights on PAGA strategy, compliance audits, or defense of wage-and-hour claims, contact Buchalter’s Labor & Employment team or reach out directly to Graham Lambert (Glambert@buchalter.com) and Rochelle Calderon (rcalderon@buchalter.com).



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