

Stephen M. Wagstaffe, District Attorney



COUNTY OF SAN MATEO

CHIEF DEPUTY
SEAN F. GALLAGHER

ASSISTANT DISTRICT ATTORNEYS
SHIN-MEE CHANG
MORRIS MAYA
REBECCA BAUM

400 COUNTY CENTER, 3RD FLOOR | REDWOOD CITY | CALIFORNIA 94063 | TEL: (650) 363-4636

FOR IMMEDIATE RELEASE

DATE: May 2, 2022

TO: MEDIA MEMBERS

FROM: Stephen M. Wagstaffe, District Attorney
John E. Wilson, Deputy District Attorney In Charge
Joel McComb Deputy District Attorney
Consumer & Environmental Unit

SUBJECT: Hemp Farm Owner Sentenced for Theft of Labor, Tax Evasion and Failure to Maintain Workers' Compensation Insurance

The San Mateo County District Attorney's Office announced that defendant David Wayne Jenkins was sentenced today after a plea of no contest to charges related to his failure to pay farm workers during December 2020 and January 2021, at the hemp farm he was operating in Half Moon Bay. The defendant also pled no contest to charges that he failed to transmit taxes withheld from his employees' wages and failed to maintain a workers' compensation insurance policy.

In December of 2019, the defendant started a hemp farm in Half Moon Bay and employed between 30 and 40 employees throughout 2020 under the business name Castle Management. Between April 2020 and Nov. 2020, the defendant paid employees every two weeks and withheld taxes from employees' paychecks, but despite being warned to do so by his payroll service, he never registered Castle Management with the Employment Development Department, nor were any of the withheld taxes transferred to the Employment Development Department. At the beginning of December 2020, because his business was failing financially, the defendant stopped paying his employees altogether. At each pay period the defendant provided employees with a variety of excuses for why they hadn't been paid, and continued working the employees without pay until January 28, 2021, when investigators with the Labor Commissioner's Office issued a stop work order.

After an extensive investigation conducted by the District Attorney's Bureau of Investigation, the Labor Commissioner's Office and Employment Development Department, the defendant was charged in a felony complaint with theft of labor, tax evasion, and failure to maintain workers' compensation insurance. On April 27, 2022, as part of a plea agreement, the defendant pled no contest to two counts of grand theft of labor as felonies, one count of failure to transmit taxes, a felony, and one count of failure to maintain workers' compensation insurance, a misdemeanor. The remaining counts were dismissed with a waiver allowing the Court to consider them for purposes of sentencing and restitution.

At sentencing today, the defendant was ordered to serve 364 days in custody concurrent with a two-year prison term the defendant will be serving in an unrelated case. He was also ordered to pay restitution of \$55,761 to Care West Insurance for unpaid workers' compensation premiums, \$500 for unpaid wages, \$332 to three former employees for out-of-pocket costs due to injuries on the job, and \$7,576 for unpaid tax withholdings. Additionally, as part of the plea agreement the defendant has already paid \$127,944.78 in restitution for unpaid wages to 31 former employees, and \$31,000.00 in unpaid taxes to the Employment Development Department.

"Theft of hard-earned wages is unconscionable and must have consequences. This practice not only steals wages from workers, but also provides cheating employers an unfair advantage over law-abiding employers," said California Labor Commissioner Lilia García-Brower. "I commend my team and the San Mateo DA's Office for their efforts to hold these perpetrators accountable and bring justice to these wage theft victims."

The District Attorney also wishes to express his gratitude to Judith Guerrero of Coastside Hope, in El Granada, for bringing this matter to our attention and for her invaluable assistance to the defendant's former employees. The People were represented by Deputy District Attorney Joel McComb of the District Attorney's Office Consumer and Environmental Unit. The defendant was represented by Amy Craig of Ramsey & Ehrlich, LLP.

Contact: Joel McComb
Deputy District Attorney
Consumer & Environmental Unit, (650) 363-4936.