



Department of Fair Employment & Housing

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99 Cents Only Stores to pay \$1.2 Million to Settle Sexual Harassment and Assault Cases *Former assistant store manager assaulted two employees in walk-in freezer, state agency charged*

Sacramento, California— The California Department of Fair Employment and Housing (DFEH) has reached a settlement in two sexual harassment and assault investigations with 99 Cents Only Stores, LLC (99 Cents) and an individual respondent.

The complainants, former employees at 99 Cents in Redding, California, filed complaints with the DFEH in August 2018. The complaints alleged that their supervisor, Assistant Manager Michael Wiegel, sexually assaulted them in the walk-in freezer located at the back of the store and subjected them to other forms of sexual harassment. The complaints also alleged that managers at 99 Cents subjected both employees to retaliation after they reported the sexual harassment, including additional scrutiny at work and reduced hours.

After investigation, the DFEH found cause to believe violations of the Fair Employment and Housing Act had occurred. After mandatory mediation, 99 Cents agreed to pay the complainants and the DFEH \$1,225,000 to resolve the claims.

“Employers must take seriously their duty to provide a work environment that is free from sexual harassment and sexual assault” said Kevin Kish, Director of the DFEH. “DFEH will hold to account companies that allow harassment and retaliation against employees who complain.”

In addition to a monetary settlement, 99 Cents will hire an independent third-party monitor to track 99 Cents’ compliance with the settlement agreement for three years. Managers will also undergo trainings, and 99 Cents will provide annual compliance reports to the DFEH for the next three years.

DFEH Senior Staff Counsels Grace Shim and Gregory Mann represented the DFEH in this matter.

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The DFEH is the state agency charged with enforcing California’s civil rights laws. The mission of the DFEH is to protect the people of California from unlawful discrimination in employment, housing and public accommodations and from hate violence and human trafficking. For more information, visit the DFEH’s web site at www.dfeh.ca.gov.

