

[Home](#) / Attorney General Platkin, Labor Commissioner Asaro-Angelo Resolve Worker Misclassification Investigation

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FOR IMMEDIATE RELEASE

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TRENTON – Attorney General Matthew J. Platkin and New Jersey Department of Labor and Workforce Development (NJDOL) Commissioner Robert Asaro-Angelo today jointly announced an agreement with Horseless Carriage Carrier, Inc., a Paterson-based transporter of luxury cars, concerning violations of New Jersey labor laws resulting from the company misclassifying its employee drivers as independent contractors, taking unlawful deductions from their pay, and recordkeeping violations.

The company agreed to pay \$455,000 to settle the case, which affects eight drivers who were misclassified as independent contractors instead of employees. Together, the workers will receive \$364,000 in unpaid wages, which accounts for 80 percent of the entire settlement amount; the remainder, fees and penalties, will be returned to NJDOL.

“When employers misclassify employees as independent contractors, they are exploiting workers and undermining our fair labor practices,” **said Attorney General Platkin**. “Workers lose their legal protections and benefits, and as a result have weaker financial security and workplace rights. In New Jersey, we demand that employers abide by our laws or face the consequences.”

“This case is yet another example of a company that failed to comply with state wage and hour laws to make an extra profit by taking shortcuts at the expense of their workers,” **said Labor Commissioner Robert Asaro-Angelo**. “As we’ve shown time and again – with our partners in the Attorney General’s Office – this business model won’t work, and ultimately costs the company a lot of money. The lesson here is, play by the rules.”

The case originated from an employee complaint to NJDOL. NJDOL’s Wage and Hour Division commenced an investigation of Horseless Carriage Carrier, Inc., in September 2019, covering the period of 2017 to 2019. Investigators concluded that the company misclassified eight drivers as independent contractors when in fact they were employees under New Jersey’s [Wage and Hour Laws](#).

When companies misclassify workers—illegally classifying and treating employees as independent contractors—they deprive workers of rights and benefits afforded to employees, including minimum wage, overtime pay, unemployment benefits, temporary disability benefits, earned sick leave, job-protected family leave, and leave workers unprotected against discrimination. Misclassification also hurts the vast majority of employers who play by the rules, putting them at a competitive disadvantage against those who flout the law.

Workers are presumed to be employees under most of New Jersey’s labor laws unless a company can satisfy what is commonly referred to as the “ABC test,” which requires companies to prove all of the following:

- The individual is free from control or direction over the performance of their work;
- The work performed is outside the company’s usual course of business, or the work is performed outside of all the company’s places of business; and
- The individual is customarily engaged in an independently established trade, occupation, profession, or business.

Horseless Carriage Carrier, Inc., sold its operating assets and intellectual property to McCollister’s Global Services, Inc., in October 2022, and no longer engages in the transportation and logistics industry.

NJDOL is represented in this matter by the Office of the Attorney General’s Division of Law by Deputy Attorney General Marc D. Peralta, under the supervision of Labor Enforcement Section Chief Eve E. Weissman and Assistant Attorney General Mayur P. Saxena.

Learn more about the illegal practice of employee misclassification [here](#). Businesses can learn about legal requirements and services provided to them at: nj.gov/labor. For more information on worker benefits and protections, visit myworkrights.nj.gov.

Reference:

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