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ROBERT ASARO-ANGELO, Commissioner
of the New Jersey Department of Labor and
Workforce Development,

Plaintiff,

v.

STG LOGISTICS, INC.; STG DRAYAGE,
LLC; XYZ CORPORATIONS 1-20; and JANE
and JOHN DOES 1-20, individually and as
owners, officers, directors, shareholders,
founders, members, managers, agents, servants,
employees, and/or representatives of
DEFENDANT(s),

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION – ESSEX COUNTY

DOCKET NO. _____

CIVIL ACTION

COMPLAINT

Robert Asaro-Angelo, Commissioner of the New Jersey Department of Labor and Workforce Development (“Commissioner”), alleges the following by way of this Complaint against Defendants STG Logistics Inc. (“STGL”) and STG Drayage LLC (“STGD”) (collectively, “STG”):

INTRODUCTION

1. This action against Defendants STGL and STGD, companies that provide transportation and logistics services, seeks to bring an end to their systematic misclassification of employee truck drivers as independent contractors. Through their conduct, and that of the predecessor entities for which they assumed liability, Defendants have misclassified hundreds of drivers (“Drivers”), depriving them of their rightful wages and essential labor rights and protections.

2. Misclassification is the practice of illegally classifying workers as independent contractors, rather than employees. It is a growing problem in New Jersey that harms workers, law-abiding businesses, and the State.¹ Misclassification deprives workers of legal rights guaranteed to employees, including the right to earn overtime pay; to receive workers’ compensation, unemployment benefits, and earned sick leave; to take job-protected family leave and to receive family leave benefits; to receive health and safety protections, and protections afforded by state and federal anti-discrimination law; and to organize under the National Labor Relations Act.

3. Defendants have engaged in a misclassification scheme through which they unlawfully characterized the Drivers as independent contractors. Defendants’ scheme attempted to disguise the significant control they have exerted over the Drivers, including, but not limited to, requiring that Drivers purchase and maintain their trucks in the Drivers’ names; requiring that Defendants’ companies’ names appear on the trucks; requiring that Drivers lease their trucks to the companies for their exclusive possession, control, and use; prohibiting Drivers from using the trucks for other work without the companies’ written consent; and exclusively controlling assignment of routes and rates of pay for all Drivers.

¹ See Report of Gov. Murphy’s Task Force on Employee Misclassification (July 2019), <https://www.nj.gov/labor/assets/PDFs/Misclassification%20Report%202019.pdf>.

4. Defendants' misclassification scheme has not only deprived the Drivers of their rights as employees, it has also deprived the Unemployment Compensation Fund and State Disability Benefits Fund of millions of dollars in unpaid contributions. Further, the scheme has given Defendants an unfair competitive advantage over employers who have followed all of the relevant laws, and have accordingly provided all mandated benefits to their employees and contributions to the State.

5. Defendants' systematic misclassification of employees as independent contractors has violated a multitude of State laws (collectively, "Relevant Labor and Benefits Laws") by:

- a) Unlawfully deducting millions of dollars from the Drivers' pay, instead of paying those monies to the Drivers, in violation of New Jersey's Wage Payment Law ("WPL"), N.J.S.A. 34:11-4.4 and N.J.S.A. 34:11-4.2;
- b) Failing to pay the Drivers the minimum wage, in violation of New Jersey's Wage and Hour Law ("WHL"), N.J.S.A. 34:11-56a4, including at times paying the Drivers nothing for a week's work or even resulting in negative balances for the Drivers;
- c) Failing to maintain records of hours worked and wages paid to the Drivers, and failing to produce the same to the Department of Labor and Workforce Development's Division of Wage & Hour Compliance, in violation of the WHL, N.J.S.A. 34:11-56a20;
- d) Failing to make sick time available to the Drivers in violation of New Jersey's Earned Sick Leave Law ("ESLL"), N.J.S.A. 34:11D-5;
- e) Failing to provide all Drivers with workers' compensation coverage, leaving them without access to medical treatment and temporary and permanent benefits if they

were injured on the job, in violation of New Jersey's Workers' Compensation Law ("WCL"), N.J.S.A. 34:15-71;

- f) Failing to make required contributions to the Unemployment Compensation Fund and State Disability Benefits Fund, in violation of New Jersey's Unemployment Compensation Law ("UCL"), N.J.S.A. 43:21-7, leaving the Drivers at risk of being found ineligible for unemployment, disability, and family leave insurance and depriving the State funds of millions of dollars; and
- g) Failing to make required contributions to the Workforce Development Partnership Fund and Supplemental Workforce Fund for Basic Skills, in violation of the Employment and Workforce Development Act ("EWDA"), N.J.S.A. 34:15D-1 to -34, thus depriving their employees of the ability to benefit from training and other workforce development programs.

6. Defendants also hindered the Department of Labor and Workforce Development's investigation into this matter, in violation of the WHL, N.J.S.A. 34:11-56a22.

7. STG's unlawful conduct is ongoing. And while STG claims that it plans to "restructure" its business operation, it will apparently continue to classify its employee drivers as independent contractors and has failed to demonstrate that this purported restructuring will comply with the Relevant Labor and Benefits Laws.

8. The Commissioner now brings this action pursuant to N.J.S.A. 34:1A-1.12(h) to halt and redress Defendants' violations. The Commissioner seeks to immediately enjoin Defendants' ongoing unlawful misclassification and attendant violations of the Relevant Labor and Benefits Laws. The Commissioner also seeks to impose statutorily authorized fines and penalties,

recover reasonable costs of enforcement, including attorney’s fees, and obtain wages that have been improperly withheld from the Drivers.

JURISDICTION, VENUE, AND PARTIES

9. The Commissioner is charged with investigating and pursuing violations of “State wage, benefits, and tax laws,” as defined by N.J.S.A. 34:1A-1.11, pursuant to N.J.S.A. 34:1A-1.12. These laws include, but are not limited to: the WPL, N.J.S.A. 34:11-4.1 to -4.14; the WHL, N.J.S.A. 34:11-56a1 to -56a38; the ESLL, N.J.S.A. 34:11D-1 to -13; the WCL, N.J.S.A. 34:15-1 to -95.8, the UCL, N.J.S.A. 43:21-1 to -71; and the EWDA, N.J.S.A. 34:15D-1 to -34.

10. Jurisdiction in the Superior Court is proper pursuant to N.J.S.A. 34:1A-1.12(h)-(j). The Commissioner seeks declaratory, injunctive, and monetary relief for the violations alleged herein pursuant to his enforcement authority under N.J.S.A. 34:1A-1.12(h)-(j).

11. XPO, Inc., is a provider of transportation and logistics services. XPO, Inc., and its subsidiary XPO Logistics Drayage, LLC (“XPOD”) (collectively, “XPO”) employed the Drivers out of its Newark, New Jersey, facility located at 238 Wilson Avenue (“Newark Facility”) until 2022, when XPO, Inc., sold its intermodal transportation business (i.e., transporting goods via multiple modes of transportation) to STGL for over \$700 million (“STG-XPO Sale”). The STG-XPO Sale included XPOD and the Newark operation.

12. Defendant STGL is a privately held California company headquartered in Bensenville, Illinois, that provides transportation and logistics services across North America.

13. Defendant STGD is a Delaware limited liability company and a subsidiary of STGL. After STGL’s purchase of XPOD on or about March 24, 2022. XPOD was renamed STGD on or about April 29, 2022.

14. As a result of the STG-XPO Sale, STG took over the operation of the Newark Facility and now employs the Drivers. Since the STG-XPO Sale, STG has maintained a business address at 238 Wilson Avenue, Newark, New Jersey, 07105.

15. XYZ Corporations 1 through 20 are fictitious corporations representing any corporations involved in the conduct giving rise to this Complaint, but that are currently unknown to the Plaintiff. Plaintiff will amend the Complaint to include these defendants when identified.

16. Jane and John Does 1 through 20, their names being unknown to Plaintiff at this time, are individuals involved in the conduct giving rise to this Complaint, but who are currently unknown to Plaintiff. Plaintiff will amend the Complaint to include these Defendants when identified.

17. Venue is proper in Essex County pursuant to R. 4:3-2, because it is the county in which the cause of action arose and in which the Defendants have maintained a business address and otherwise conducted business.

FACTUAL ALLEGATIONS

18. This matter concerns the unlawful misclassification of Drivers employed by XPO, and then by STG, including, but not limited to, at the Newark Facility.

19. Both XPO and STG are major transportation and logistics companies, transporting goods for clients across the United States, including through trucking transportation services.

XPO's Operations Before the STG-XPO Sale

20. At all relevant times, XPO provided drayage services, which consisted of transporting shipping containers over short and moderate distances, such as from a port or truck yard to an XPO customer.

21. XPO hired and remunerated the Drivers to perform drayage trucking transportation services within New Jersey.

22. XPO classified the Drivers as independent contractors instead of employees.
23. XPO did not issue Internal Revenue Service W-2 employee tax forms to the Drivers, but instead issued Internal Revenue Service 1099-MISC independent contractor tax forms to the Drivers.
24. The Drivers completed significant tasks at or around XPO's physical plant at the Newark Facility, including but not limited to, picking up loads and transporting goods from XPOD's facility to XPOD's customers.
25. XPO drafted and required Drivers to execute an "Independent Contractor Agreement" ("ICA").
26. XPO's ICAs were form contracts that were presented to Drivers as non-negotiable.
27. XPO required that the Drivers procure and maintain their own tractor truck² ("truck") at their own expense to perform work for XPO.
28. But, despite this ownership requirement, XPO required the Drivers to agree to lease provisions included in the ICA that provided XPO exclusive control over the Drivers' trucks.
29. The mandatory, nonnegotiable lease provisions required Drivers to lease their trucks to XPO for XPO's exclusive possession, control, and use. The ICA's lease provisions prohibited any other use of the trucks, including the provision of transportation services to other companies, unless XPO permitted such use in writing.
30. XPO's ICA required the Drivers to install an electronic GPS tracking device in their trucks that collected detailed information, including Drivers' location, vehicle motion status, miles driven, and engine hours.

² A "tractor truck" is a large truck that is used to transport a long trailer that is attached to the back of it. The combination of the tractor truck and the trailer are commonly known and referred to as a tractor-trailer, a semi-trailer truck, a semi-truck, a semi, a big rig, and an eighteen-wheeler.

31. XPO forbade the Drivers from disabling the automated GPS reporting feature of the mobile communication application during trips.

32. The ICA imposed various additional requirements on the Drivers, including drug and alcohol testing, completion of a defensive driving course, acquisition of certain types of insurance, disclosure of monthly maintenance records, and immediate accident reporting.

33. XPO required the Drivers to install and use a dispatch mobile communication application controlled by XPO to obtain trips.

34. XPO required the Drivers to use the dispatch mobile communication application to report the exact delivery time and date within one hour of a completed delivery to any XPO client.

35. XPO required the Drivers to maintain daily logs that included, among other things, a trip record form, vehicle inspection report, delivery receipts, and fuel receipts.

36. XPO required the Drivers to affix and display XPO-branded decals, provided by XPO, on their trucks.

37. XPO permitted the Drivers to park their trucks on XPO's premises when not performing services for XPO.

38. XPO provided all work assignments to the Drivers. The Drivers did not receive any assignments directly from XPO's clients.

39. XPO set the rates of payment for the Drivers.

40. XPO furnished the trailers and the containers that contained the goods that the Drivers transported for XPO.

41. XPO deducted, diverted, and withheld millions of dollars from the Drivers' pay for various items including fuel, tolls, parking, taxes, liability insurance, fees, and truck maintenance and repairs.

42. At times, XPO deducted, diverted, and withheld greater sums of money than a Driver's entire gross pay, resulting in a negative net pay.

43. At times, XPO paid the Drivers less than New Jersey's effective minimum wage.

44. XPO failed to provide earned sick leave to Drivers.

45. XPO did not post notice of Driver's right to earned sick leave, nor did XPO keep records of accumulated or used earned sick leave.

46. XPO did not carry sufficient workers compensation insurance on behalf of Drivers.

47. In or about August 2020, XPO paid \$893,671.28 to the State of New Jersey in response to an audit by the Commissioner that found that XPO had failed to contribute to the Unemployment Compensation Fund and State Disability Benefits Fund from 2015 through 2018.

48. The Department of Labor's Division of Wage & Hour Compliance commenced an investigation of XPO in or about 2019.

49. As part of the investigation, pursuant to the Commissioner's authority under N.J.S.A. 34:11-56a6, the Department of Labor requested that XPO produce certain documents for inspection including "Settlement Sheets" that recorded the compensation, deductions, withholdings, pick up locations, delivery dates, and distance travelled by the Drivers while performing services for XPO, on a weekly basis.

50. Despite Plaintiff's repeated requests to XPO in February 2019, April 2019, November 2019, and February 2020, XPO failed to produce the requested Settlement Sheets.

51. XPO failed to respond to the Department of Labor at all from February 2020 through the end of May 2020.

52. As a result of XPO's repeated failure to produce documents, the Commissioner caused a subpoena to be issued to XPO in September 2020 to compel production of XPO's

Settlement Sheets and other documents. XPO ultimately produced the Settlement Sheets in response to the subpoena.

53. XPO failed to maintain records of hours worked by, and wages paid to, the Drivers, and failed to produce such records to the Commissioner.

STG's Operations After the STG-XPO Sale

54. Since 2016, STG has acquired several transportation and logistics businesses throughout the United States, significantly increasing its size and expanding its services.

55. On or about March 2022, during the Department of Labor's pending investigation of XPO, STGL acquired XPO's intermodal business through the STG-XPO Sale.

56. The STG-XPO Sale included the transfer of XPOD, which STG renamed STGD in or about April 2022.

57. As a result of the STG-XPO Sale, STG took over operation of the Newark Facility from XPO.

58. Pursuant to the purchase agreement, when STG purchased XPO's intermodal business, STG assumed liability for certain practices by XPO, including the conduct that was the subject of the Department of Labor's ongoing investigation. The purchase agreement also specifically identified the Investigation as a liability that was assumed by STG through the STG-XPO Sale.

59. Following the STG-XPO Sale, STG has continued the drayage operation out of the Newark Facility and continued XPO's unlawful practices.

60. Following the STG-XPO Sale, STG has continued to misclassify the Drivers and treat them in materially the same way as XPO did, as described above in ¶¶ 20-46. For example, STG continues to exercise substantial control over the Drivers, asserts exclusive control over

Drivers' vehicles, tightly manages delivery procedures, controls the Drivers' assignments, requires that Drivers execute an ICA, determines Drivers' pay, has them perform STG's core services at and around STG's facilities and in the Drivers' trucks, and is typically the only company for which the Driver drives.

61. STG has continued to:

- a. Deduct, divert, and withhold substantial sums from Drivers' pay;
- b. Fail to provide earned sick leave to Drivers;
- c. Fail to maintain sufficient workers' compensation coverage; and
- d. Fail to contribute to the Unemployment Compensation Fund, the State Disability Benefits Fund, the Workforce Development Partnership Fund, and the Supplemental Workforce Fund for Basic Skills.

62. Upon information and belief, STG has also continued to:

- a. At times pay Drivers less than the minimum wage;
- b. Fail to maintain records of hours worked by, and wages paid to, the Drivers; and
- c. Fail to post notice about Drivers' right to earned sick leave, or maintain records of earned sick leave taken.

63. Upon information and belief, STG has also misclassified truck drivers working at other New Jersey facilities, i.e., in addition to those working out of the Newark Facility.

64. Upon information and belief, STG plans to restructure its business operation in such a way that it will continue to misclassify its employee Drivers, while asserting that the restructured operation complies with the Relevant Labor and Benefits Laws. Under this restructured operation, STG would terminate Drivers unless they took on considerable new responsibilities, including becoming licensed motor carriers.

65. The Commissioner, through his attorneys, notified STG that, based on the information provided, STG has not demonstrated that the Drivers would be independent contractors under the Relevant Labor and Benefits Laws.

COUNT ONE

Misclassification

66. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

67. N.J.S.A. 34:1A-1.18 provides for penalties for violations of the Relevant Labor and Benefits Laws occurring “in connection with failing to properly classify employees.”

68. The Drivers are properly classified as employees, not independent contractors, for the following reasons:

- a. The Drivers provided services to XPO, and to STG following the STG-XPO Sale, in exchange for remuneration.
- b. XPO, and STG following the STG-XPO Sale, exercised substantial control over the Drivers, asserted exclusive control over Drivers’ vehicles, required that Drivers affix the company’s name to their trucks, tightly managed delivery procedures, and controlled the Drivers’ work assignments.
- c. The Drivers performed transportation services that are within XPO’s, and STG’s, usual course of business as transportation and logistics service providers.
- d. The Drivers conducted their work and completed critical tasks at and around the XPO’s physical plant at its Newark Facility.
- e. Drivers were not engaged in an independently established business, but rather were dependent on XPO, and STG following the STG-XPO Sale, because they were contractually obligated to drive exclusively for XPO/STG, did not hire drivers of

their own to provide services to XPO/STG for them, and exclusively relied on XPO/STG for work.

69. For these reasons, the Drivers were XPO's employees as defined by the Relevant Labor and Benefits Laws, and XPO misclassified the Drivers as independent contractors.

70. XPO violated the Relevant Labor and Benefits Laws, as alleged in Counts Two through Nine, which are incorporated by reference herein, as a result of misclassifying the Drivers as independent contractors.

71. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

72. Following the STG-XPO Sale, the Drivers are STG's employees as defined by the Relevant Labor and Benefits Laws.

73. STG has continued to misclassify the Drivers as independent contractors.

74. Accordingly, STG is subject to penalties under N.J.S.A. 34:1A-1.18.

COUNT TWO

Unlawful Deduction, Diversion, and Withholding of Wages

75. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

76. N.J.S.A. 34:11-4.4 prohibits employers from withholding or diverting any portion of an employee's wage unless it falls under eleven enumerated exceptions.

77. XPO was as an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:11-4.1.

78. XPO deducted from Drivers' pay and/or required the Drivers to pay out-of-pocket for items including, but not limited to, fuel, tolls, parking, taxes, liability insurance, fees, truck maintenance and repairs, which do not qualify under any of the eleven enumerated exceptions, in violation of N.J.S.A. 34:11-4.4.

79. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

80. Following the STG-XPO Sale, STG is an employer that has employed Drivers as employees, as defined by N.J.S.A. 34:11-4.1.

81. STG has continued to unlawfully deduct, divert, and withhold, Drivers' wages in violation of N.J.S.A. 34:11-4.4.

COUNT THREE

Minimum Wage Violations

82. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

83. N.J.S.A. 34:11-56a4 requires each employer to pay to each of its employees a minimum wage not less than the statutorily prescribed wage rate.

84. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:11-56a1.

85. At times, XPO deducted amounts from Drivers' weekly pay, which brought their wages below the statutorily prescribed minimum wage rate in violation of N.J.S.A. 34:11-56a4.

86. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

87. Following the STG-XPO Sale, STG is an employer that has employed the Drivers as employees, as defined by N.J.S.A. 34:11-56a1.

88. At times, STG has deducted amounts from Drivers' weekly pay, which brought their wages below the statutorily prescribed minimum wage rate in violation of N.J.S.A. 34:11-56a4.

COUNT FOUR

Failure to Maintain and Produce Records of Hours and Wages

89. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

90. N.J.S.A. 34:11-56a20 requires that every employer keep a true and accurate record of hours worked by, and wages paid to, each of its employees.

91. N.J.S.A. 34:11-56a20 requires employers to furnish such records of hours worked by, and wages paid to, each of their employees to the Commissioner upon his demand.

92. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:11-56a1.

93. XPO failed to maintain records of hours worked by, and wages paid to, the Drivers in violation of N.J.S.A. 34:11-56a20.

94. XPO failed to furnish to the Commissioner records of the hours worked by, and wages paid to, the Drivers in violation of N.J.S.A. 34:11-56a20.

95. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

96. Following the STG-XPO Sale, STG is an employer that has employed the Drivers as employees, as defined by N.J.S.A. 34:11-56a1.

97. STG has failed to maintain records of hours worked by, and wages paid to, the Drivers in violation of N.J.S.A. 34:11-56a20.

COUNT FIVE

Failure to Make Available and Pay Earned Sick Leave

98. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

99. N.J.S.A. 34:11D-2 requires an employer to provide to its employees one hour of earned sick leave per thirty hours worked.

100. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:11D-1.

101. XPO failed to make available or pay earned sick leave to the Drivers per their hours worked in violation of N.J.S.A 34:11D-2.

102. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

103. Following the STG-XPO Sale, STG is an employer that has employed the Drivers as employees, as defined by N.J.S.A. 34:11D-1.

104. STG has failed to make available or pay earned sick leave to the Drivers per their hours worked in violation of N.J.S.A 34:11D-2.

COUNT SIX

Failure to Provide Notice and Keep Records of Earned Sick Leave

105. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

106. N.J.S.A. 34:11D-6 requires an employer to retain records documenting hours worked, and earned sick leave taken, by its employees.

107. N.J.S.A. 34:11D-7 requires an employer to post notice to its employees of their statutory right to earned sick leave under N.J.S.A. 34:11D-1 to -13.

108. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:11D-1.

109. XPO failed to maintain records of hours worked, and earned sick leave taken, by the Drivers in violation of N.J.S.A 34:11D-6.

110. XPO failed to post notice to the Drivers of their entitlement to earned sick leave in violation of N.J.S.A. 34:11D-7.

111. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

112. Following the STG-XPO Sale, STG is an employer that has employed the Drivers as employees, as defined by N.J.S.A. 34:11D-1.

113. STG has failed to maintain records of hours worked, or earned sick leave taken, by the Drivers in violation of N.J.S.A. 34:11D-6.

114. STG has failed to post notice to the Drivers of their entitlement to earned sick leave in violation N.J.S.A. 34:11D-7.

COUNT SEVEN

Failure to Carry Sufficient Workers' Compensation Insurance

115. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

116. N.J.S.A. 34:15-71 requires an employer to maintain sufficient workers' compensation coverage for its employees' workplace injury claims.

117. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:15-36.

118. XPO failed to carry sufficient workers' compensation insurance to cover Drivers' workplace injury claims in violation N.J.S.A. 34:15-71.

119. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

120. Following the STG-XPO Sale, STG is an employer that has employed the Drivers as employees, as defined by N.J.S.A. 34:15-36.

121. STG has failed to carry sufficient workers' compensation insurance to cover the Drivers' workplace injury claims in violation of N.J.S.A. 34:15-71.

COUNT EIGHT

Failure to Make Required Contributions to the New Jersey Unemployment Compensation Fund, Disability Benefits Fund, and Workforce Development Funds

122. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

123. N.J.S.A. 43:21-7 requires an employer to contribute funds for each of its employees to the Unemployment Compensation Fund and State Disability Benefits Fund.

124. N.J.S.A. 34:15D-13 requires an employer to contribute funds to the Workforce Development Partnership Fund.

125. N.J.S.A. 34:15D-22 requires an employer to contribute funds to the Supplemental Workforce Fund for Basic Skills.

126. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 43:21-19.

127. XPO failed to make statutorily required contributions as an employer of the Drivers to the Unemployment Compensation Fund and State Disability Benefits Fund in violation of the N.J.S.A. 43:21-7, the Workforce Development Partnership Fund in violation of N.J.S.A. 34:15D-13, and the Supplemental Workforce Fund for Basic Skills in violation of N.J.S.A. 34:15D-22.

128. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

129. Following the STG-XPO Sale, STG is an employer that has employed the Drivers as employees, as defined by N.J.S.A. 43:21-7.

130. Following the STG-XPO Sale, STG has failed to make contributions to the Unemployment Compensation Fund and State Disability Benefits Fund in violation of the N.J.S.A. 43:21-7, the Workforce Development Partnership Fund in violation of N.J.S.A. 34:15D-13, and the Supplemental Workforce Fund for Basic Skills in violation of N.J.S.A. 34:15D-22.

COUNT NINE

Hindrance

131. Plaintiff repeats and incorporates all of the foregoing paragraphs as if fully set forth herein.

132. N.J.S.A. 34:11-56a6 requires an employer to furnish requested documents, including payroll, for inspection by the Commissioner's authorized agents.

133. N.J.S.A. 34:11-56a22 provides penalties for any employer that willfully hinders the Commissioner's duties by failing to maintain and produce the required documents pursuant to the Commissioner's inspection and investigation.

134. XPO was an employer that employed the Drivers as employees, as defined by N.J.S.A. 34:11-56a1.

135. XPO failed to produce the Driver's Settlement Sheets showing weekly payments to the Drivers during the Commissioner's inspection of the Newark Facility in February 2019.

136. XPO willfully hindered and delayed the Commissioner's investigation by repeatedly failing to produce the Drivers' Settlement Sheets following its failure to produce the same during the inspection between February 2019 and May 2020 in violation of N.J.S.A. 34:1A11-56a6.

137. XPO was therefore liable for penalties under the WHL, N.J.S.A. 34:11-56a22.

138. STG assumed liability for XPO's misconduct through the STG-XPO Sale.

DEMAND FOR RELIEF


WHEREFORE, based upon the foregoing allegations, Plaintiff respectfully requests:

- a) A declaratory judgment that the Drivers were and are Defendants' employees under the Relevant Labor and Benefits Laws.

- b) An order enjoining Defendants from continuing to misclassify the Drivers as independent contractors, and mandating that they be classified as employees under the Relevant Labor and Benefits Laws.
- c) An order enjoining Defendants from continuing all practices alleged in this Complaint that violate the Relevant Labor and Benefits Laws.
- d) An award of any and all wages unlawfully deducted, diverted, or withheld, in an amount to be proven at trial.
- e) An award of any and all unpaid minimum wages owed to the Drivers, in an amount to be proven at trial.
- f) An award of damages constituting any and all wages owed to the Drivers, in an amount to be proven at trial.
- g) An award of any and all contributions owed to the Unemployment Compensation Fund, Disability Benefits Fund, Workforce Development Partnership Fund, and Supplemental Workforce Fund for Basic Skills, in an amount to be proven at trial.
- h) Applicable penalties for Defendant's violations, including, but not limited to penalties:
 - 1) for Defendant's misclassification of Drivers, pursuant to N.J.S.A. 34:1A-1.18;
 - 2) under the WPL pursuant to N.J.S.A. 34:11-4.10(b);
 - 3) under the WHL pursuant to N.J.S.A. 34:11-56a22;
 - 4) under the ESLL pursuant to N.J.S.A. 34:11D-5;
 - 5) under the WCL pursuant to N.J.S.A. 34:15-79;
 - 6) under the UCL pursuant to N.J.S.A. 43:21-14; and
 - 7) under the EWDA pursuant to N.J.S.A. 34:15D-16 and -19.

- i) An award of any and all liquidated damages for Defendants unlawful conduct alleged in this Complaint, including, but not limited to, liquidated damages pursuant to the WPL, N.J.S.A. 34:11-4.10(c), and the ESLL, N.J.S.A. 34:11D-5.
- j) An award of any and all appropriate administrative fees including, but not limited to, administrative fees pursuant to the WHL, N.J.S.A. 34:11-56a23, the WPL, N.J.S.A. 34:11-4.9(e), and the ESLL, N.J.S.A. 34:11D-5.
- k) An award of Plaintiff's attorneys' fees, expenses, and costs pursuant to N.J.S.A. 34:1A-1.12(i).
- l) An award of any and all appropriate prejudgment interest.
- m) Any additional relief that this Court may deem just and equitable.

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiff

By: 
Jeffrey L. Olshansky (#044572010)
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Deputy Attorneys General


Mayur P. Saxena (#036502006)
Assistant Attorney General

Dated: December 11, 2023
Newark, New Jersey

JURY DEMAND

Plaintiff demands a trial by jury on all issues so triable.

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiff

By: 


Jeffrey L. Olshansky
Deputy Attorney General

Dated: December 11, 2023
Newark, New Jersey

RULE 4:5-1(b)(2) CERTIFICATION

I certify that Plaintiff is not aware of any other action pending in any court or any pending arbitration proceeding in which the matter in controversy here is the subject. I further certify that no other action or arbitration proceeding is contemplated by Plaintiff concerning the matter in controversy here. I further certify that Plaintiff is not aware of any other party who should be joined in this action at the current time.

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY


By: 
Jeffrey L. Olshansky
Deputy Attorney General

Dated: December 11, 2023
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

Pursuant to Rule 4:25-4, Deputy Attorney General Jeffrey L. Olshansky is hereby designated as trial counsel for the Plaintiffs in this action.

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Jeffrey L. Olshansky
Deputy Attorney General

Dated: December 11, 2023
Newark, New Jersey