

**IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION**

DISTRICT OF COLUMBIA,
a municipal corporation
400 6th Street NW
Washington, D.C. 20001,

Plaintiff,

v.

GOBRANDS, INC.,
537 N. 3rd St.
Philadelphia, PA 19123

Serve on: Corporation Service Company
1090 Vermont Ave. NW
Washington, DC 20005;

GB LOGISTICS, LLC
537 N. 3rd St.
Philadelphia, PA 19123

Serve on: Corporation Service Company
1090 Vermont Ave. NW
Washington, DC 20005;

Defendants.

Case No.:

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff District of Columbia (“District”), through the Office of the Attorney General, brings this enforcement action against Defendants GoBrands, Inc. and GB Logistics, LLC (collectively, “Gopuff” or the “Company”), a delivery service company, for violations of the District’s Minimum Wage Revision Act (“MWRA”), D.C. Code §§ 32-1001, *et seq.*; Wage Payment and Collection Law (“WPCL”), D.C. Code §§ 32-1301, *et seq.*; Sick and Safe Leave Act, D.C. Code §§ 32-531.01, *et seq.*; Unemployment Compensation Act (“UCA”), D.C. Code §§ 51-101, *et seq.*; Universal Paid Leave Act (“UPLA”), D.C. Code §§ 32-541.01, *et seq.*; Workers’

Compensation Act (“WCA”), D.C. Code §§ 32-1501, *et seq.*; and False Claims Act, D.C. Code §§ 2-381.01, *et seq.* In support of its claims, the District states as follows:

INTRODUCTION

1. A popular Gopuff slogan is “bring the magic,” implying that when ordering through Gopuff, items magically appear on customers’ doorsteps.

2. But there is no magic. Instead, Gopuff customers’ orders are delivered by one of the Company’s thousands of hardworking delivery workers.

3. Gopuff is a vertically integrated gig economy company that provides consumers with shopping and delivery services, with a focus on alcohol, tobacco products, and snack foods.

4. Like many other gig companies, Gopuff is dependent on maintaining a workforce of delivery workers who can be readily dispatched to handle customer orders.

5. Gopuff is a multibillion-dollar business, operating in over 500 cities, with hundreds of delivery workers in the District and thousands more nationwide.

6. This case is about how Gopuff’s success is built on the misclassification of delivery workers as independent contractors at the expense of those workers and the general public.

7. Through its unlawful misclassification scheme, Gopuff avoids paying delivery workers what they are owed, both in wages and benefits.

8. By misclassifying delivery workers as independent contractors, Gopuff denies delivery workers their rights to minimum wage, overtime, and paid sick leave.

9. Misclassification also allows Gopuff to evade its obligations to pay what it owes to District programs, including unemployment insurance and paid family leave, leaving taxpayers and workers to foot the bill.

10. As a result, Gopuff unlawfully reduces its cost of doing business, gaining an unfair advantage over its competitors that play by the rules.

11. There is no valid justification for Gopuff misclassifying its delivery workers as independent contractors. Gopuff delivery workers are employees.

12. Gopuff has the power to hire and fire delivery workers, unilaterally determines their rate and method of payment, supervises and controls them with detailed delivery instructions as well as a battery of performance metrics, assigns them shifts to work, assigns them to work out of specific warehouses (which Gopuff calls “micro-fulfillment centers”), assigns them the deliveries they are to complete, and imposes a host of conditions on their ability to work.

13. Delivery workers perform the work that is at the very heart of Gopuff’s business—without delivery workers, Gopuff’s micro-fulfillment centers would be stocked full of products with no way of delivering them to customers. Without delivery workers, Gopuff would make no money.

14. Notwithstanding these facts, Gopuff has chosen to misclassify its entire delivery workforce as independent contractors.

15. The District brings this action to enjoin Gopuff’s unlawful misclassification of its delivery workers. The District also seeks to recover all unpaid wages, paid sick leave, and damages to which Gopuff delivery workers who have worked in the District are entitled, to compel Gopuff to fulfill its obligation to the District’s public programs, and to recoup for the District damages and penalties for Gopuff’s unlawful conduct.

JURISDICTION

16. The Court has jurisdiction over the subject matter of this case pursuant to D.C. Code § 11-921 and D.C. Code § 32-1306(a)(2).

17. This Court has personal jurisdiction over Gopuff pursuant to D.C. Code § 13-423(a).

PARTIES

18. Plaintiff District of Columbia, a municipal corporation empowered to sue and be sued, is the local government for the territory constituting the seat of the federal government. The District brings this action through its chief legal officer, the Attorney General for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. D.C. Code § 1-301.81(a)(1).

19. Defendant GoBrands, Inc. is a Pennsylvania corporation that provides consumers with shopping and delivery services and employs numerous delivery workers who perform work in the District of Columbia.

20. GB Logistics, LLC is a Pennsylvania corporation that owns the Gopuff technology platform and hires delivery workers to work for Gopuff. GB Logistics, LLC is a wholly owned subsidiary of GoBrands, Inc.

FACTUAL ALLEGATIONS

I. Gopuff's Business in the District of Columbia.

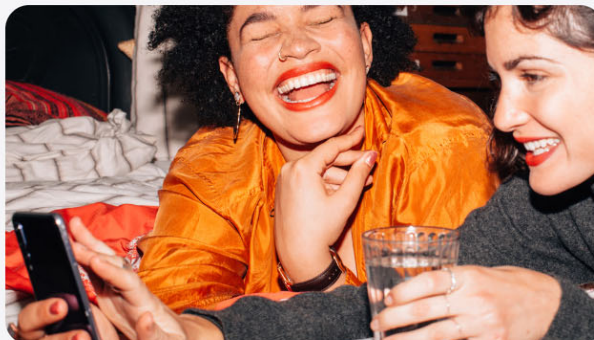
21. Gopuff first began operating in the District of Columbia in 2014.
22. Gopuff's business is selling and delivering goods to consumers.
23. Customers use the Gopuff mobile app or website to select items, place orders, pay for orders, and leave tips. Gopuff sets the prices for products that customers purchase through its website, provides an estimated delivery window, and sends delivery updates to customers.

Customers pay Gopuff directly. On its website, Gopuff describes its business as a “team” that receives, packs, and delivers orders to customers.

You place the order

We receive your order and pack it up

Our team gets notified that you have placed an order. Once an order is received, a team member packs up exactly what you ordered—no substitutions or markups.



We come to you

Once your order is packed, we're on our way

Because of our strategically placed Micro Fulfillment Centers, we are able to complete your order within minutes of you placing it.

24. In order to provide delivery services, Gopuff recruits delivery workers with advertisements like “be your own boss when you deliver with Gopuff and experience the easiest way to earn.” In order to become a delivery worker, workers must meet certain requirements, complete an online application, pass a background check, take an online course, and pass related quizzes.

25. Once hired, delivery workers use the Gopuff app to sign up for shifts—Gopuff calls them “delivery blocks”—during which they must be available to accept orders. Although delivery workers are nominally permitted to accept orders anytime they are close to or at a Gopuff micro-fulfillment center, Gopuff prioritizes offering delivery orders to delivery workers working a preassigned shift. Delivery workers who are not on shift are less likely to obtain work. In addition

to priority, delivery workers on shift are paid a small amount per minute for time spent waiting at a micro-fulfillment center for an order (“Wait Pay”), though that pay is typically around \$12 per hour and below minimum wage.

26. Gopuff offers delivery orders to delivery workers through the Gopuff app. When Gopuff offers a delivery order to delivery workers, it presents the offer value, number of deliveries in the offer, approximate delivery location, and estimated time the delivery will take.

27. Once a delivery worker accepts an order, Gopuff requires them to complete the order within a set time frame. Gopuff instructs the delivery worker where to pick up and deliver the products to Gopuff’s customers.

28. Gopuff uses an algorithm to determine the rate of pay for completing an order, and there is no mechanism in the Gopuff app for delivery workers to negotiate different rates. Gopuff’s app is programmed so that delivery workers do not learn what customers pay Gopuff for a delivery. Gopuff pays delivery workers via direct deposit once a week based on their total deliveries. If delivery workers want to receive their pay sooner, Gopuff requires them to pay an additional fee.

29. In recent years, Gopuff has employed hundreds of delivery workers to deliver orders in the District.

II. Gopuff Delivery Workers are Employees and Gopuff Misclassifies Them as Independent Contractors.

30. Gopuff has systematically and continuously misclassified its delivery workers as independent contractors since it began operating in the District.

31. The economic reality of Gopuff’s relationship with its delivery workers demonstrates the existence of an employer-employee relationship. Gopuff has the power to hire and fire delivery workers, exercises extensive supervision and control over their conditions of employment, and unilaterally determines their rate of pay. Delivery workers are also trained and

monitored by Gopuff, are economically dependent on Gopuff, and perform work that is integral to Gopuff's business.

A. Gopuff has extensive control over its delivery workers.

32. To be hired by Gopuff, a delivery worker must meet numerous requirements, including passing a criminal background check, passing a motor vehicle report check, and taking and passing an alcohol certification course.

33. At hiring, Gopuff requires delivery workers to sign its Driver Partner Independent Contractor and Arbitration Agreement (the "Agreement").

34. Gopuff may terminate the Agreement with a delivery worker, i.e. fire the delivery worker.

35. According to the Agreement, Gopuff may fire a delivery worker for reasons including, but not limited to, the following: "(a) failure to provide professional and workmanlike services to Customers and employees of GB Logistics and/or its affiliates; (b) behavior that GB Logistics and/or its affiliates deem to be a violation of any applicable law or regulation in connection with the Delivery Services, whether or not such violation resulted in legal action; (c) behavior that GB Logistics and/or its affiliates deem to be a threat to public safety, or to that of any Customers and employees of GB Logistics and/or its affiliates; (d) misrepresentation of time Professional spends on goDrive, the Delivery Services in which Professional engages, and/or any licensure or credentials required by GB Logistics, or GB Logistics' reasonable belief that such misrepresentation has occurred; or (e) violation of any local, state, or federal law."

36. The Agreement does not limit the reasons Gopuff can fire a delivery worker.

37. Gopuff retains control over delivery workers because it can fire them for any reason it chooses.

38. Although the Agreement is silent about Gopuff’s right to suspend delivery workers, Gopuff suspends delivery workers who fail to perform in accordance with Gopuff’s directives.

39. Gopuff suspends or terminates delivery workers for, among other things:

- Absenteeism;
- Bringing a guest on a delivery;
- Bringing a pet on a delivery;
- Not providing Gopuff accurate GPS location data;
- Having someone else perform a delivery for them;
- Performing a delivery in a mode different than what Gopuff approved;
- Sharing a vehicle with another delivery worker;
- Performing work for another gig economy company while on shift (“multi-apping”);
- Delivering an item late;
- Having a low acceptance rate during shifts;
- Being too noisy; and
- Using inappropriate or offensive language.

40. Despite the range of conduct that can result in suspension or termination, Gopuff does not communicate its rules to delivery workers.

41. Instead, Gopuff maintains Community Guidelines “to help foster a delivery partner community rooted in Safety, Respect and Integrity.”

42. These Community Guidelines neither cover the full range of conduct that can result in suspension or termination, nor communicate the penalties associated with the proscribed activities they do address.

43. Not having clear written policies gives Gopuff greater control over the relationship it has with delivery workers, as it may change the rules at any time and for any reason.

44. In addition to controlling and supervising how delivery workers perform their work, Gopuff controls when they work, where they work, and the conditions of their work.

45. Gopuff workers may make deliveries either during shifts or during unscheduled time. Delivery workers on shift are expected to be physically present at their assigned facility, have their Gopuff app open and in “online” mode, and be available to take orders for the entire duration of their shift.

46. To sign up for a shift, delivery workers must submit their schedule requests by Thursdays at midnight, with shift assignments distributed on Friday mornings.

47. To be assigned unscheduled orders, Gopuff requires workers to be in close proximity to an assigned micro-fulfillment center, which de facto requires them to report to work.

48. Gopuff prioritizes offering delivery orders to delivery workers scheduled for shifts. Therefore, shifts are crucial for delivery workers to be able to get offers and earn money, providing Gopuff another tool for exercising control over delivery workers.

49. Although delivery workers request the shifts they want, Gopuff determines which shifts they receive, if they receive any at all.

50. Gopuff delivery workers must report to their assigned micro-fulfillment center at the day and time of their shift. They must remain at their assigned micro-fulfillment center or be on or returning from delivery for the entirety of their shift. Failure to do so can result in suspension or termination.

51. Despite telling delivery workers that “[w]hether or not to take a trip is always your decision,” Gopuff punishes delivery workers for refusing delivery offers.

52. A delivery worker who refuses an offer is automatically moved to the end of the delivery worker queue, meaning that they will have to wait outside of the micro-fulfillment center for an extended amount of time for another offer.

53. Worse still, delivery workers on shift must accept offers or they risk both having their shift cancelled and being suspended from shift work going forward.

54. Even when not on shift, rejecting or failing to respond to offers within 30 seconds of receiving them will result in delivery workers being logged out of Gopuff's system.

55. In this way, Gopuff not only controls the offers that delivery workers receive but also drastically limits their ability to choose which offers to accept.

56. After accepting an offer, Gopuff may modify the offer, changing both the number of deliveries and amount of compensation offered to the delivery worker—often at reduced compensation. But because delivery workers' eligibility for future orders depends on them not rejecting orders, they are forced to accept these modified orders.

57. Gopuff delivery workers do not even have control over which part of the District they will work in, as Gopuff assigns delivery workers to specific micro-fulfillment centers. If a Gopuff delivery worker is not assigned to a particular micro-fulfillment center, they cannot sign up for shifts there or get unscheduled delivery offers.

58. After a delivery worker accepts an offer, they have set amounts of time to take the steps necessary to deliver the order to the customer. They first receive instructions about where to retrieve the order from inside the micro-fulfillment center. If delivery workers do not pick up the order fast enough, Gopuff first will send an alert to them, and then will cancel the offer if it is not picked up promptly thereafter. After retrieving the order, the worker scans it to let Gopuff know it was picked up.

59. Next, delivery workers have a set amount of time to deliver the order(s). If they fail to deliver the order in time, they may be suspended or terminated.

60. Offers usually contain more than one order. Gopuff dictates the sequence in which delivery workers deliver items and does not permit deviation. Therefore, delivery workers cannot choose the manner in which they complete deliveries.

61. If the order contains an age-restricted product, delivery workers must follow Gopuff's detailed instructions for verifying that the customer is old enough to receive the order. If they are not old enough to receive the order, delivery workers are required to return it to the micro-fulfillment center for no additional compensation.

62. Similarly, if an order is cancelled, delivery workers also must return the item to the micro-fulfillment center for no additional compensation.

63. A delivery worker's failure to return an item can result in termination or suspension.

64. Before dropping off a customer's order, delivery workers are required to scan each part of the order with the Gopuff app.

65. After successfully delivering an order, delivery workers are required to take a photo of the order at the delivery location using the Gopuff app.

66. Gopuff tracks a variety of metrics to control how delivery workers perform work for Gopuff. These include acceptance rate, completion rate, and on-time delivery rate.

67. Acceptance rate is the rate of offers accepted by a delivery worker. Delivery workers can be suspended for rejecting too many offers.

68. Completion rate is the rate of successful deliveries made by a delivery worker. Delivery workers with lower completion rates will not receive certain incentives (for example, the

opportunity to earn extra money for completing a set number of orders), will receive fewer offers, and may be terminated.

69. On-time delivery rate is the percentage of deliveries made within the time Gopuff gives delivery workers to complete deliveries. An on-time delivery rate below 90% triggers a review of a delivery worker's account by Gopuff and may result in suspension or termination.

70. These metrics are used by Gopuff to evaluate delivery workers and determine which ones will receive certain incentives and financial rewards.

71. Gopuff tracks delivery workers' reliability in showing up for shifts, giving preference to delivery workers with higher reliability when assigning new shifts.

72. Gopuff also monitors delivery workers' location through the Gopuff app. Gopuff primarily monitors progress during deliveries, but also prevents delivery workers from working for other gig economy companies while engaged with Gopuff—a practice called multi-apping. Gopuff suspends or fires delivery workers that it discovers have engaged in multi-apping.

73. Gopuff maintains detailed records pertaining to delivery workers, including their order history, performance history, wage history, and more.

B. Delivery workers lack the opportunity for profit and loss.

74. In addition to controlling delivery workers when they work, Gopuff controls all the financial aspects of its relationship with delivery workers.

75. When customers pay Gopuff or tip delivery workers, those amounts are collected by Gopuff.

76. Gopuff then distributes delivery earnings weekly, or, if delivery workers wish to be paid earlier, requires them to pay an additional fee of \$1.99.

77. In addition to controlling the collection and distribution of funds, Gopuff sets the amount it pays delivery workers for delivering products to its customers unilaterally.

78. Gopuff has changed the manner and amount it pays delivery workers for making deliveries numerous times since 2020.

79. These changes have reduced the amount of money delivery workers make delivering for Gopuff.

80. Gopuff was able to make these unilateral changes because Gopuff does not allow delivery workers to provide input or to negotiate, either as individuals or as a group, for how much they should be paid.

81. Similarly, Gopuff determines how much customers will be charged for deliveries. This includes both the fees for delivering orders and the amount charged for the products it sells to customers.

82. Gopuff delivery workers' only meaningful strategy for making more money working for Gopuff is to take on additional shifts and deliver more orders. But as described above, Gopuff also controls the degree to which delivery workers are permitted to take on additional shifts and orders.

83. Gopuff delivery workers have no ability to grow their "business," as they cannot hire others to make deliveries for them.

84. Nor can they market themselves to customers to get repeat business, as customers have no control over which delivery worker Gopuff assigns to their delivery.

85. Gopuff delivery workers' earnings are entirely dependent on when Gopuff allows them to work, where it allows them to work, and how much Gopuff chooses to pay them.

C. Delivery workers make minimal investments in their work for Gopuff.

86. Gopuff delivery workers make only minor investments in the tools and materials necessary for delivering Gopuff products, such as their existing mobile phone and their mobile services plan.

87. In contrast, Gopuff makes considerable investments in its business, including the components necessary for Gopuff delivery workers to do their jobs.

88. Gopuff has invested many millions of dollars into the Gopuff app. The Gopuff app is the critical tool for Gopuff delivery workers.

89. Without the app, Gopuff delivery workers would be unable to sign up for shifts, accept offers, scan out orders, receive delivery directions, interface with Gopuff's customers, or confirm to Gopuff that orders were delivered.

90. Gopuff invests considerable sums into its micro-fulfillment centers. Without micro-fulfillment centers, Gopuff delivery workers would not have a location from which to pick up customer orders. In the District of Columbia, Gopuff owns or leases micro-fulfillment centers in the following locations:

- 327 S Street NE Washington, DC 20002;
- 1110 U Street SE Washington, DC 20020;
- 6250 Chillum PI NW Washington, DC 20011; and
- 4221 Connecticut Ave NW Washington, DC 20008.

91. Nationwide, Gopuff owns or leases over 450 micro-fulfillment centers.

92. Gopuff invests in marketing its services to attract customers.

93. Gopuff purchases all the products that it offers to customers. Without Gopuff's purchase of these items, Gopuff delivery workers would have nothing to deliver.

D. No special skill is required to deliver for Gopuff.

94. Gopuff delivery workers do not need any special skills or delivery experience to work for Gopuff.

95. That almost anyone can work for Gopuff is reflected in its recruiting messages to prospective delivery workers:

Things you'll need

You could be just a few clicks away from hitting the road with Gopuff! The sign-up process is easy. Our requirements are:

- You are at least 21 years or older
- Have a valid U.S. driver's license
- Have a vehicle with insurance in your name
- Have a smartphone with the most up-to-date operating system

96. In fact, a car is not even required to be a Gopuff delivery worker, as deliveries can also be made by bicycle.

E. Delivery workers are hired on a permanent basis.

97. Gopuff hires delivery workers on a permanent basis: Once hired by Gopuff, delivery workers have no set end date for their employment, and barring firing or suspension by Gopuff, may continue to work for Gopuff in perpetuity.

98. Gopuff delivery workers are not hired for any discrete or limited task; rather, they are hired to deliver any and all goods ordered by Gopuff's customers.

99. Many Gopuff delivery workers have been working for Gopuff for years.

F. Delivery workers are critical to Gopuff's business.

100. Gopuff is a delivery company that prioritizes the speed of its deliveries, describing its business as “bringing thousands of everyday products to customers in as fast as 15 minutes” because its “vertically integrated platform offers customers a seamless and consistently fast shopping experience.”

101. Delivery workers are how Gopuff's products get into the hands of its customers and how Gopuff makes money.

102. Delivery workers are so essential to Gopuff's business model that its founders were delivery workers for the first six months that Gopuff was in operation.

103. Without delivery workers, Gopuff's business model would not function.

III. Gopuff Does Not Pay Workers What They Are Owed.

104. Through worker misclassification, Gopuff systemically fails to pay delivery workers who work in whole or in part in the District the wages to which they are entitled as employees under the District's wage-and-hour laws.

105. Gopuff frequently pays District delivery workers hourly wages that fall short of the required minimum wage, which is presently \$17.50/hour.

106. This is because Gopuff pays delivery workers varying rates for each job offer, with the rates set by Gopuff and not tied to the minimum wage.

107. Gopuff also fails to pay delivery workers for all compensable work time, which further depresses delivery workers' actual hourly wages. For example, Gopuff does not pay delivery workers for the compensable time they spend completing training or for the time they are engaged to wait for orders through the Gopuff app when not on shift.

108. Although Gopuff pays delivery workers Wait Pay when on shift for time spent waiting at a micro-fulfillment center for an order, this pay is below District minimum wage.

109. Gopuff does not pay overtime rates for delivery workers when they work over 40 hours per week.

110. Gopuff does not pay delivery workers for one additional hour at the minimum wage when they work what is known as a split shift, a schedule of daily hours in which the hours worked are not consecutive.

111. Gopuff regularly schedules some delivery workers for work, but after they report, gives them less than four hours of work, and then does not pay them for at least four hours.

112. Gopuff does not provide delivery workers with any paid sick or safe leave.

113. Gopuff also shifts expenses related to its business onto District workers without compensation.

114. For instance, Gopuff does not pay for delivery workers' travel expenses incurred in performing deliveries for Gopuff, such as the price of gas or mileage reimbursement.

115. Gopuff also does not pay for expenses incurred in connection with workers' performing deliveries for Gopuff, such as the portion of broadband services dedicated to work.

IV. Gopuff Does Not Pay Workers' Compensation.

117. The District's workers' compensation program is a form of no-fault insurance, where workers are assured financial compensation for injuries suffered on the job.

118. Employers secure the payment of workers' compensation, which can be done by purchasing a workers' compensation insurance policy that administers workers' compensation claims.

119. Gopuff does not maintain workers' compensation insurance coverage for its delivery workers and fails to provide them with workers' compensation for injuries suffered on the job.

V. Gopuff Does Not Pay What It Owes Into Public Benefits Programs.

120. The District maintains multiple public benefits programs that are funded by employer contributions.

121. The District's Universal Paid Family Leave program ("PFL") is governed by the UPLA and provides monetary benefits to workers who take leave to care for a newborn, another family member, or their own serious medical condition. PFL benefits are funded by employer contributions paid to the Department of Employment Services on a quarterly basis and calculated as a percentage of the wages paid by the employer to its employees.

122. Gopuff has not paid UPLA contributions on wages paid to delivery workers.

123. The District's Unemployment Insurance Fund ("UIF") provides monetary benefits to workers during periods of unemployment. The UIF is funded by employer contributions on a quarterly basis calculated as a percentage of the wages paid by the employer to its employees.

124. Gopuff has not paid Unemployment Insurance ("UI") contributions for delivery workers.

VI. Gopuff Consistently Submits Documents With False and Misleading Information to the District.

125. District employers submit UPLA and UI contributions to the District's Department of Employment Services ("DOES") using Form UC-30 on a quarterly basis.

126. The information included in Form UC-30 includes an employer's number of employees and the wages paid to them.

127. Gopuff has submitted a Form UC-30 to DOES each quarter since entering the District.

128. Gopuff's Form UC-30s identify its warehouse and managerial employees.

129. However, because Gopuff misclassifies its delivery workers as independent contractors, its Form UC-30s do not identify Gopuff's delivery workers and omit the wages paid to them.

130. As a result, each UC-30 submitted by Gopuff has been false.

131. Gopuff intentionally has omitted Gopuff delivery workers from its Form UC-30s. In so doing, Gopuff has avoided paying UPLA and UI contributions with respect to such workers.

132. Gopuff has known, or at a minimum has been reckless in omitting from its Form UC-30s, that its delivery workers are employees that should be included in its Form UC-30s and are not independent contractors.

133. In May 2018, the federal Department of Labor found that Gopuff misclassified fourteen delivery workers in State College, Pennsylvania.

134. Gopuff was ordered to pay \$4,504 for minimum wage and overtime violations as a result.

135. More recently, in March 2023, the Massachusetts Attorney General's office fined Gopuff \$6.2 million for violations stemming from its misclassification of delivery workers.

136. Gopuff has been on notice that it is misclassifying its delivery workers, both because of its relationship with its delivery workers and because at least two regulatory agencies previously concluded that Gopuff delivery workers were employees.

CAUSES OF ACTION

COUNT ONE

Failure to Pay Minimum Wage In Violation of the Minimum Wage Revision Act (Against All Defendants)

137. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

138. The MWRA requires employers to pay employees a set minimum wage, which is presently \$17.50/hour and increases on an annual basis. D.C. Code § 32-1003(a).

139. Gopuff is an “employer” that employed its delivery workers as “employees” as defined by the MWRA. D.C. Code § 32-1002(1A), (2), (3).

140. Employers are required to pay workers one additional hour at the minimum wage whenever a worker works a schedule of daily hours in which the hours worked are not consecutive—a split shift. 7 DCMR §§ 906.1, 999.

141. Employers are required to pay employees for at least four hours of work when employees are regularly scheduled for four or more hours of work a day and report to work, but are given less than four hours of work. 7 DCMR § 907.1. Violations of this requirement in 7 DCMR § 907.1 are violations of the MWRA pursuant to D.C. Code § 32-1010(a)(1).

142. Gopuff violated and continues to violate the MWRA by failing to pay delivery workers minimum wage for all hours worked. Delivery workers have been and continue to be paid sub-minimum hourly wages, which are further depressed after factoring in unpaid time spent training and being engaged to wait for Gopuff’s benefit when not on shift.

143. Gopuff has violated and continues to violate the MWRA by failing to pay delivery workers one additional hour at the minimum wage whenever delivery workers work a split shift. D.C. Code § 32-1010(a)(1).

144. Gopuff violated and continues to violate the MWRA by failing to pay delivery workers a Minimum Daily Wage of at least four hours of work whenever employees are regularly scheduled for four or more hours of work a day and report to work but are given less than four hours of work.

COUNT TWO
Failure to Pay Overtime in Violation of the Minimum Wage Revision Act
(Against All Defendants)

145. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

146. The MWRA requires employers to pay employees overtime wage rates of at least 1.5 times the employee's regular rate for hours worked in excess of 40 hours per week. D.C. Code § 32-1003(c).

147. Gopuff is an "employer" that employs its delivery workers as "employees" as defined by the MWRA. D.C. Code § 32-1002(1A), (2), (3).

148. Gopuff violated and continues to violate the MWRA by failing to pay overtime rates to delivery workers who work in excess of 40 hours per week in violation of the MWRA.

COUNT THREE
Failure to Provide Paid Sick Leave in Violation of the Sick and Safe Leave Act
(Against All Defendants)

149. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

150. The SSLA requires employers to provide employees with paid sick leave, which is accrued based upon hours worked at a rate that depends on the employer's total number of employees. D.C. Code § 32-531.02.

151. Gopuff is an “employer” that employs its delivery workers as “employees” as defined by the SSLA. D.C. Code § 32-531.01(2)-(3).

152. Gopuff violated and continues to violate the SSLA by failing to provide delivery workers with any accrued paid sick leave.

COUNT FOUR
Failure to Pay Wages Due in Violation of the Wage Payment and Collection Law
(Against All Defendants)

153. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

154. The WPCL requires that employers “shall pay all wages earned to his or her employees on regular paydays.” D.C. Code § 32-1302.

155. Gopuff is an “employer” that employs its delivery workers as “employees” as defined by the WPCL. D.C. Code § 32-1301(1B)-(2).

156. Minimum wage, overtime, paid sick leave, and business expenses are “wages” as defined by the WPCL because they are “remuneration promised or owed . . . [p]ursuant to District or federal law.” D.C. Code § 32-1301(3)(E)(iii).

157. Gopuff violated and continues to violate the WPCL by failing to pay delivery workers minimum wage, overtime, and paid sick leave required by District law.

158. 7 DCMR § 909.1 requires that an “employer shall pay the cost of travel expenses incurred by the employee in performance of the business of the employer.”

159. 7 DCMR § 910.1 requires that an “employer shall pay the cost of purchasing and maintaining any tools required of the employee in the performance of the business of the employer.”

160. Gopuff also violated and continues to violate the WPCL by failing to pay delivery workers for business expenses that benefit Gopuff and are borne by delivery workers, including travel expenses (such as gas and auto insurance) and tool expenses (such as smartphones and broadband services).

COUNT FIVE

Failure to Pay Universal Paid Leave Taxes in Violation of the Universal Paid Leave Act (Against All Defendants)

161. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

162. The UPLA requires covered employers to pay a tax, calculated as a percentage of wages paid to its covered employees, to fund paid leave. D.C. Code § 32-541.03(a).

163. Gopuff is a “covered employer” that employs its delivery workers as “covered employees” as defined by the UPLA. D.C. Code § 32-541.01(3)-(4).

164. Gopuff’s payments to delivery workers are “wages” as defined by the UPLA. D.C. Code § 32-541.01(22).

165. Gopuff violated and continues to violate the UPLA by failing to pay UPLA taxes on wages paid to its delivery workers.

COUNT SIX

Failure to Secure Workers’ Compensation Coverage in Violation of the Workers’ Compensation Act (Against All Defendants)

166. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

167. The WCA requires that employers shall “secure the payment of [workers’] compensation” by either purchasing workers’ compensation insurance through an insurance

carrier or furnishing to the Mayor the employer's financial ability to pay workers' compensation directly. D.C. Code § 32-1534(a).

168. Gopuff is an "employer" that employs its delivery workers as "employees" as defined by the WCA. D.C. Code § 32-1501(9)-(10).

169. Gopuff has violated and continues to violate the WCA by failing to secure the payment of workers' compensation in compliance with D.C. Code § 32-1534(a).

COUNT SEVEN
Failure to Pay Unemployment Insurance
(Against All Defendants)

170. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

171. Employers in the District "shall pay contributions at a rate equal to the average rate on taxable wages of all employers for the preceding 12-month period ending June 30th (rounded to the next higher tenth of 1%) or 2.7%, whichever is higher." D.C. Code § 51-103(c)(3)(A).

172. Gopuff has violated D.C. Code § 51-103 by failing to contribute to the Fund for its delivery workers.

COUNT EIGHT
Violations of the D.C. False Claims Act
(Against All Defendants)

173. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

174. The District of Columbia's False Claims Act imposes liability of treble damages, costs, and civil penalties on any person who "knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to

the District, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the District.” D.C. Code § 2-381.02(a)(6).

175. By repeatedly filing UC-30s that falsely omit its delivery workers, Gopuff has knowingly and improperly avoided an obligation to pay or transmit money to the District and, therefore, has violated and continues to violate the False Claims Act, D.C. Code § 2-381.02(a)(6).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff District of Columbia respectfully requests:

- a. A declaratory judgment that Defendant Gopuff’s delivery workers are employees, that Defendant Gopuff has misclassified its delivery workers as independent contractors, and, as a result, that Defendant Gopuff has violated the MWRA, SSLA, WPCL, UPLA, and WCA;
- b. An injunction enjoining Defendant Gopuff from continuing to violate the MWRA, SSLA, WPCL, UPLA, and WCA by misclassifying its workers as independent contractors;
- c. An award of damages and liquidated damages against Defendant Gopuff and payable to its delivery workers for failing to pay minimum wage and overtime to its delivery workers, and for failing to reimburse its delivery workers for business expenses, in violation of the MWRA and WPCL, in an amount to be proven at trial;
- d. An award of compensatory and punitive damages against Defendant Gopuff and payable to its delivery workers for failing to provide accrued paid sick leave to its delivery workers in violation of the SSLA, in an amount to be proven at trial;
- e. An award of statutory penalties against Defendant Gopuff and payable to the District for each violation of the MWRA, SSLA, and WPCL in an amount to be proven at trial;

- f. An award of the UPLA contributions, interest, and penalties against Defendant Gopuff and payable to the District for the UPLA contributions Defendant Gopuff has failed to pay the District;
- g. An award of the UI contributions, interest, and penalties against Defendant Gopuff and payable to the District for the UI contributions Defendant Gopuff failed to pay the District;
- h. An award of civil penalties against Defendant Gopuff and payable to the District for each violation of the WCA Defendant Gopuff has committed;
- i. An injunction requiring Defendant Gopuff to secure the payment of workers' compensation in compliance with the WCA;
- j. An award of treble damages and civil penalties against Defendant Gopuff and payable to the District for Defendant Gopuff's violations of the False Claims Act, D.C. Code § 2-381.02;
- k. An award of costs and reasonable attorneys' fees; and
- l. Such other relief as this Court deems just and proper.

JURY DEMAND

The District demands a trial by jury on all issues triable as of right by a jury in this action.

Respectfully submitted,

Dated: March 18, 2025

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/s/ James Graham Lake

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