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**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ALAMEDA**

LILIA GARCÍA-BROWER, in her official  
capacity as Labor Commissioner for the State  
of California,

Plaintiff,

v.

LYFT, INC.; DOES 1-20, inclusive,

Defendants.

CASE NO. RG20070283

Unlimited Jurisdiction

**FIRST AMENDED COMPLAINT FOR  
INJUNCTIVE RELIEF, DAMAGES AND  
PENALTIES FOR: (1) WILLFUL  
MISCLASSIFICATION OF EMPLOYEES  
AS INDEPENDENT CONTRACTORS, (2)  
FAILURE TO PAY MINIMUM WAGE, (3)  
FAILURE TO PAY OVERTIME WAGES,  
(4) FAILURE TO PAY WAGES FOR REST  
PERIODS, (5) FAILURE TO PAY REST  
PERIOD PREMIUM PAY, (6) FAILURE  
TO INDEMNIFY EMPLOYEES FOR  
BUSINESS EXPENSES, (7) FAILURE TO  
PROVIDE ITEMIZED WAGE  
STATEMENTS, (8) FAILURE TO  
COMPLY WITH PAID SICK LEAVE  
REQUIREMENTS, (9) FAILURE TO  
TIMELY PAY EARNED WAGES UPON  
SEPARATION FROM EMPLOYMENT,  
(10) FAILURE TO TIMELY PAY EARNED  
WAGES DURING EMPLOYMENT, (11)  
FAILURE TO PROVIDE NOTICE OF**



1 Code § 248.5 expressly authorizes the Labor Commissioner to enforce the paid sick leave  
2 requirements set out in Labor Code §§ 245-249. Labor Code § 1193.6 expressly authorizes the  
3 Labor Commissioner to file and prosecute a civil action to recover unpaid minimum wages or unpaid  
4 overtime compensation, owed to any employee under Labor Code §§ 1171-1206 or under any IWC  
5 order. Furthermore, Plaintiff is authorized, pursuant to Labor Code § 1194.5, to seek injunctive  
6 relief to prevent further violations of any of the laws, regulations or IWC orders governing wages,  
7 hours of work, and working conditions for employees. Labor Code § 2802 expressly empowers the  
8 Labor Commissioner to file a court action to recover amounts due under that section, which requires  
9 employers to indemnify employees for business expenses.

10 4. At all relevant times herein, Defendant Lyft, Inc. (hereinafter “Lyft”) has been  
11 registered with the Secretary of State as a Delaware corporation, engaged in the business of  
12 transportation as a ride hailing service, with its principal business office located in the City and  
13 County of San Francisco. Lyft provides on-demand transportation services throughout all counties  
14 in California. Lyft makes use of an on-demand transportation mobile application (hereinafter “app”)  
15 to engage the services of its drivers, to receive orders from customer passengers, to assign and  
16 schedule its drivers to provide transportation services to those customer passengers, to collect the  
17 amounts owed by those customers (based on prices set by defendants) for those transportation  
18 services, and to pay its drivers for the services they provided to these customer passengers. The  
19 work performed by these drivers – driving – constitutes the very core of Lyft’s business. Moreover,  
20 Lyft retains and/or exercises substantial control over its drivers, with restrictions on when, where and  
21 how the work may be performed.

22 5. The true names or capacities of defendants sued as Doe Defendants 1 through 20 are  
23 unknown to Plaintiff. Plaintiff is informed and believes, and on that basis, alleges that each of the  
24 Doe Defendants, their agents, employees, officers, and others acting on their behalf, are legally  
25 responsible for the conduct alleged herein. Plaintiff will amend her complaint to set forth the true  
26 names and capacities of the Doe Defendants and the allegations against them as soon as they are  
27 ascertained.

28 6. Each of the defendants was at all times mentioned herein an agent, partner, joint

1 venturer, and/or representative of each of the other defendants and was at all times acting within the  
2 scope of such relationship.

### 3 **JURISDICTION AND VENUE**

4 7. The Superior Court has personal jurisdiction over each defendant named above  
5 because (1) each defendant is headquartered in or is a resident of the State of California, (2) each  
6 defendant is authorized to and conducts business in and across the State of California, and (3) each  
7 defendant otherwise has sufficient minimum contacts with and purposefully avails itself of the  
8 markets of this State, thus rendering the Superior Court’s jurisdiction consistent with traditional  
9 notions of fair play and substantial justice. Lyft has its principal place of business at 185 Berry  
10 Street, Ste. 5000, San Francisco, CA 94107.

11 8. Venue is proper under Code of Civil Procedure § 395.5, because Lyft operates in and  
12 thousands of the illegal acts described below occurred in the County of Alameda.

### 13 **BACKGROUND ALLEGATIONS**

14 9. Lyft is a company that sells rides. As stated in its U.S. Securities and Exchange  
15 Commission Form S-1 Registration Statement, filed in March 2019, Lyft’s mission is to “Improve  
16 people’s lives with the world’s best transportation.” From its start-up in 2012, Lyft made a  
17 calculated business decision to misclassify its drivers as independent contractors rather than  
18 employees. At all times since the inception of Lyft’s business, defendants have continued to  
19 misclassify their drivers as a means of unlawfully depriving these workers of a host of statutory  
20 protections applicable to employees, in direct contravention of California law.

21 10. To provide the hundreds of thousands of drivers needed to support the business  
22 model, Lyft solicits and employs a massive workforce of over 100,000 drivers throughout California  
23 for the purpose of transporting Lyft’s customers. This driver workforce performs the service for  
24 which customers pay Lyft—transportation.

25 11. Lyft has been classified by the California Public Utilities Commission (CPUC) as a  
26 transportation network company (TNC). The CPUC defines a TNC as “a company or organization  
27 operating in California that provides transportation services using an online-enabled platform to  
28 connect passengers with drivers using their personal vehicles.” The CPUC has also classified Lyft

1 as a charter-party carrier (TCP), which includes passenger transportation. The CPUC has authorized  
2 Lyft to provide services for “the transportation of persons by motor vehicle for compensation,  
3 whether in common or contract carriage, over any public highway in this state.” (Pub. Util. Code  
4 § 5360.) The transportation of passengers for compensation within California requires operating  
5 authority from the CPUC, unless limited exemptions apply—such as taxicab service (which is  
6 subject to local city and county regulation) and medical transportation vehicles. (Public Utilities  
7 Code §§ 226 and 5353.)

8 12. On June 9, 2020, the CPUC issued a Scoping Memo and Ruling in Rulemaking 12-  
9 12-001 and stated that, based upon the enactment of AB 5 (Labor Code § 2750.5, codification of the  
10 “ABC” test), “for now, TNC drivers are presumed to be employees...” The CPUC’s public  
11 comment period on the AB 5 question closed on August 7, 2020.

12 13. Through this misclassification, Lyft has engaged in a deliberate scheme to evade its  
13 obligations under California law – including, but not limited to the obligation to pay its drivers no  
14 less than the applicable minimum wage for all hours worked, to pay overtime compensation for  
15 overtime hours worked, to provide paid, duty-free rest periods during the workday, to reimburse the  
16 drivers for the cost of all equipment and supplies needed to perform their work and for work-related  
17 personal vehicle mileage, to provide paid sick leave, to provide accurate itemized wage deduction  
18 statements and other required notices containing required employment-related information, and to  
19 timely pay all wages owed during each driver’s period of employment and upon separation of  
20 employment.

21 14. Lyft’s unlawful business model, premised upon misclassification of employees as  
22 independent contractors, is built upon the misconception that employees can be designated as  
23 independent contractors and deprived of the benefits and security of the employment relationship if  
24 certain words are used to misclassify the relationship in a contract between the worker and the hiring  
25 entity.

26 15. In an opinion piece in the San Francisco Chronicle titled “Open Forum: Uber, Lyft  
27 ready to do our part for drivers” dated June 12, 2019, Lyft acknowledged its drivers face serious  
28 concerns because of their misclassification as independent contractors and not employees, including

1 “earnings stability [and] protections on the job...” Lyft, however, decried the possibility of properly  
2 classifying its drivers as employees, claiming that “a change to the employment classification of  
3 ride-share drivers would pose a risk to our business.”

4 16. Recognizing the serious problem of misclassification and the harms it inflicts on  
5 workers, law-abiding businesses, taxpayers, and society as a whole, the California Legislature  
6 enacted Assembly Bill 5, which took effect on January 1, 2020. (Assem. Bill No. 5, 2019-2020 Reg.  
7 Sess. (“A.B. 5”).) A.B. 5 codified and extended the California Supreme Court’s unanimous decision  
8 in *Dynamex Operations W., Inc. v. Superior Court* (2018) 4 Cal.4th 903 (“*Dynamex*”). California  
9 law is clear: for the full range of protections afforded by the Industrial Welfare Commission  
10 (“IWC”) wage orders, the Labor Code, and the Unemployment Insurance Code, workers are  
11 generally presumed to be employees unless the hiring entity can overcome this presumption by  
12 establishing *each* of the three factors in the strict “ABC” test: (A) the worker is free from the control  
13 and direction of the hiring entity in connection with the performance of the work, both under the  
14 contract for the performance of the work and in fact; (B) the worker performs work that is outside  
15 the usual course of the hiring entity’s business; and (C) the worker is customarily engaged in an  
16 independently established trade, occupation or business of the same nature as the work performed.  
17 (Lab. Code § 2750.3(a)(1); *Dynamex, supra*, 4 Cal.5th at 957.)

18 17. Because the hiring entity must establish each of the three factors in the ABC test in  
19 order to lawfully classify a worker as an independent contractor, the hiring entity’s failure to  
20 establish any one part of the ABC test results in the classification of the worker as an employee  
21 rather than an independent contractor. (*Dynamex, supra*, 4 Cal. 5th at 963.)

22 18. On August 10, 2020, San Francisco Superior Court Judge Ethan Schulman issued an  
23 Order granting the People of California and multiple City Attorneys’ Motion for Preliminary  
24 Injunction against Uber Technologies, Inc. and Lyft, Inc., enjoining and restraining them and their  
25 subsidiaries from misclassifying their drivers as independent contractors in violation of Labor Code  
26 § 2750.3. (*People of California, et al. v. Uber Technologies, Inc. et al.*, San Francisco Superior Court  
27 Case No. CGC-20-584402.) The preliminary injunction covers Lyft’s drivers. On October 22, 2020,  
28 the First District Court of Appeal affirmed the trial court’s preliminary injunction.

1           19. Lyft is a transportation company in the business of providing on-demand  
2 transportation services to customer passengers to their destination of choice at a price set, and  
3 controlled, by Lyft. The drivers who perform this work are employees of Lyft. The drivers provide  
4 Lyft’s customer passengers with the transportation services that Lyft sells. Lyft publicly holds itself  
5 out to the public as providing transportation services in the form of on-demand rides.

6           20. As noted by federal District Judge Vince Chhabria in an order issued in 2020, “it is  
7 now clear that drivers for companies like Lyft must be classified as employees.” Chhabria  
8 explained, “California’s new A.B. 5, which was passed in September 2019 and became operative  
9 January 1, 2020, makes clear that a company’s workers must be classified as employees if the work  
10 they perform is not outside the usual course of the company’s business... That test is obviously met  
11 here: Lyft drivers provide services that are squarely within the usual course of the company’s  
12 business, and Lyft’s argument to the contrary is frivolous.” “But rather than comply with a clear  
13 legal obligation, companies like Lyft are thumbing their noses at the California Legislature, not to  
14 mention the public officials who have primary responsibility for enforcing A.B. 5.” (*Rogers v. Lyft*  
15 *Inc.* (N.D. Cal. April 7, 2020) --- F.Supp.3d ---, 2020 WL 1684151.)

16           21. The work that drivers perform is central to Lyft’s business. The fact that Lyft uses a  
17 cell phone or computer app as the instrumentality by which it hires its drivers, secures orders from  
18 customer passengers, communicates with its drivers regarding customer passenger orders, assigns  
19 work to its drivers, collects payments from customer passengers, and pays its drivers, does not  
20 transform Lyft from a transportation business into anything else. Without its drivers, Lyft’s  
21 transportation business would not exist. Lyft cannot overcome the presumption that all of its drivers  
22 are employees because it cannot establish that any of its drivers “perform work that is outside the  
23 usual course of [Lyft’s] business,” as required under the “B prong” of the ABC test.

24           22. At all times relevant herein, Lyft requires its drivers, as a condition of employment, to  
25 enter into written agreements that, inter alia, restrict the manner in which the drivers are to perform  
26 their work. These agreements, drafted by Lyft, include standardized terms and conditions  
27 concerning the drivers’ work and terms of compensation.

28           23. Lyft determines which drivers are eligible to provide transportation services.

1           24.     Lyft sets restrictions on the types of vehicles the drivers may drive and the standards  
2 drivers must meet.

3           25.     Lyft retains the right to terminate drivers or pause their ability to pick up customer  
4 passengers at any time based upon terms, conditions and policies unilaterally set by Lyft.

5           26.     Lyft sets the fares customer passengers must pay for transportation services provided  
6 by drivers.

7           27.     Lyft collects fare payments directly from customer passengers. Lyft reserves the  
8 right to increase the “service fee” charged to drivers.

9           28.     Lyft has at all times unilaterally retained the right to change the fares charged to  
10 customer passengers at any time. Drivers’ compensation is generally fares minus the “service fee”  
11 and “platform fee” Lyft charges, tolls, taxes and ancillary fees. Lyft’s unilateral right to change fares  
12 at any time creates and maintains its right to control drivers’ compensation.

13          29.     Lyft sets the compensation that Lyft pays its drivers for transportation services  
14 provided to customer passengers.

15          30.     Lyft handles claim and fare reconciliation, invoices and resolution of customer  
16 passenger and driver complaints.

17          31.     Lyft retains all control to resolve driver complaints, compensation disputes, and  
18 conflicts between drivers and customer passengers.

19          32.     Lyft monitors drivers’ work hours and logs off drivers if they have been providing  
20 transportation services for 12 hours, prohibiting drivers from providing transportation services for  
21 six hours following the 12-hour period.

22          33.     Lyft retains the right to dock a driver’s pay if a customer passenger complains about  
23 the transportation service provided by the driver, such as an inefficient route.

24          34.     Lyft tracks drivers through its app. Drivers are required to notify Lyft of the status of  
25 the transportation service, including accepting the customer passenger’s request, arrival to pick up at  
26 the customer passenger’s location, start of the trip and end of the trip. Lyft monitors and controls  
27 each driver’s behavior while using the app.

28          35.     Lyft sets and enforces specific rules for drivers to control customer passengers’ ride



1 experience. Defendants’ detailed rules are designed to protect, build and enhance the Lyft  
2 reputation, brand and value. For example, drivers are given instructions on vehicle cleanliness,  
3 music, and prohibited topics of conversation with customer passengers.

4 36. Drivers may be suspended or terminated at Lyft’s sole discretion. Lyft may stop  
5 dispatching rides through the app if it decides, again at its sole discretion, that a driver has acted  
6 inappropriately or violated one of its rules or standards. Such consequences may be issued for driver  
7 behavior that Lyft considers undesirable, such as refusing to accept or cancelling too many rides,  
8 refusing to accept or cancelling rides to certain locations, inadequate passenger satisfaction ratings,  
9 and using trip routes Lyft deems inefficient.

10 37. Lyft monitors and controls its drivers through its customer passengers rating system,  
11 which evaluates drivers’ performance. Lyft uses these ratings to discipline or terminate drivers.

12 38. Lyft develops and make use of algorithms to direct driver behavior. For example,  
13 Lyft periodically and unilaterally implements “surge pricing” to mobilize drivers to drive in  
14 geographic areas and during times as needed to provide transportation services to Lyft customer  
15 passengers, and upon securing the services of a sufficient number of drivers to respond to customer  
16 needs, Lyft unilaterally cancels the “surge.”

17 39. Lyft uses its authority to discipline drivers who attempt to precipitate “surge pricing”  
18 as a means of increasing driver compensation. For example, Lyft announced that drivers would be  
19 deactivated (*i.e.*, suspended or terminated) for engaging in the practice of temporarily going out of  
20 service by turning off the app before flight arrivals or other events likely to trigger an increase in  
21 demand for rides, in order to force Lyft’s algorithms to implement “surge pricing.” Through this  
22 threat of discipline, Lyft prevents drivers from undertaking efforts to maximize their compensation.

23 40. Lyft instructs its drivers on the character and quality of on-demand transportation  
24 services to be provided to customer passengers.

25 41. Lyft enforces its quality standards by controlling compensation and threatening  
26 deactivation to achieve the on-demand transportation service that Lyft has promised its customer  
27 passengers.

28 42. In the event of noncompliance or customer passenger complaints, Lyft may exercise

1 its right to terminate a driver.

2 43. Lyft constantly monitors, surveils and reviews drivers' performance. Lyft tracks its  
3 drivers' hours, locations, movements, quality of service and other information while drivers are  
4 logged on to the Lyft app. Lyft uses this data for its own business purposes, in addition to  
5 controlling its drivers.

6 44. Lyft's agreements require drivers to acknowledge that a driver's failure to accept Lyft  
7 customer passenger requests for transportation creates a negative experience for those customer  
8 passengers' use of Lyft's mobile app.

9 45. Lyft's agreements further require that drivers possess the appropriate and current  
10 level of training, expertise and experience to provide transportation services in a professional manner  
11 with due skill, care and diligence; and maintain high standards of professionalism, service and  
12 courtesy.

13 46. Lyft drivers are subject to background and driving record checks in order to remain  
14 eligible to provide transportation services to Lyft customer passengers.

15 47. Both under their contracts with Lyft and in fact, none of Lyft's on demand  
16 transportation drivers have ever been free from the control and direction of Lyft in connection with  
17 the performance of their work for Lyft. As such, Lyft cannot meet the requirements of the "A  
18 prong" of the ABC test, and therefore cannot overcome the presumption that all of its drivers are  
19 employees, not independent contractors.

20 48. Lyft drivers are not engaged in an independently established trade, occupation, or  
21 business of the same nature as the work they perform for Lyft. Instead, drivers are transporting  
22 Lyft's customer passengers to generate income for Lyft.

23 49. There is no specialized skill required to transport Lyft's customer passengers by  
24 driving a vehicle.

25 50. Lyft does not require its drivers to hold a special license; only a driver's license is  
26 required.

27 51. Lyft drivers are not required to hold the necessary licenses and permits to operate an  
28 independent on-demand transportation trade, occupation or business, including but not limited to

1 operating authority from the CPUC or a local taxi authority for the transportation of passengers for  
2 compensation within California, and in practice generally do not hold any business licenses or take  
3 any steps to set up an independent business beyond driving for Lyft

4 52. Both under their contracts with Lyft and in fact, none of Lyft’s on demand  
5 transportation drivers are engaged in an independently established trade, occupation, or business, and  
6 as such, Lyft cannot meet the requirements of the “C prong” of the ABC test, and therefore cannot  
7 overcome the presumption that all of its their drivers are employees, not independent contractors.

8 53. Lyft is subject to IWC Wage Order 9-2001, which applies to the “transportation  
9 industry.” The transportation industry is defined in the order as “any industry, business, or  
10 establishment operated for the purpose of conveying persons or property from one place to another  
11 whether by rail, highway, air, or water, and all operations and services in connection therewith; and  
12 also includes storing or warehousing of goods or property, and the repairing, parking, rental,  
13 maintenance, or cleaning of vehicles.”

14 54. IWC Wage Order 9-2001 has been in effect since January 1, 2001, and provides  
15 various substantive employee protections, including requirements for payment of no less than the  
16 minimum wage for all hours worked, payment of overtime compensation for overtime hours worked,  
17 paid rest periods, premium pay for failure to provide required paid rest periods, and a provision that  
18 employers must provide employees with tools or equipment required by the employer or necessary  
19 for the performance of the job. These IWC wage order requirements are valid, operative and  
20 enforceable as state law. (Labor Code §§ 1185, 1197, 1198, 1200.)

21 55. The California Supreme Court issued its decision in *Dynamex* on April 30, 2018,  
22 construing IWC Order 9-2001, holding that all of the protections of that wage order are available to  
23 employees employed by employers covered by the wage order, and that the hiring entity must  
24 establish all three factors of the ABC test in order to overcome the presumption of employee status.  
25 As this decision merely construed existing provisions of the IWC wage order, it applies retroactively  
26 with respect to the enforcement of requirements under the IWC orders and Labor Code provisions  
27 related to IWC wage order requirements.

28 56. Labor Code requirements that are wholly unrelated to IWC wage order requirements

1 did not become subject to the ABC test until the effective date of AB 5, on January 1, 2020. Prior to  
2 January 1, 2020, the determination of whether a worker was an employee or an independent  
3 contractor, for the purpose of those Labor Code requirements wholly unrelated to IWC orders, was  
4 governed by *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989) 48 Cal.3d 341  
5 (“*Borello*”), under which there is a rebuttable presumption of employee status, which may be  
6 challenged by the hiring entity through a multi-factor test under which no one factor is necessarily  
7 determinative, though certain factors are considered more significant than others. Even under  
8 *Borello*, Lyft’s drivers were employees rather than independent contractors.

9 57. Emergency Rule 9 of the California Rules of Court, as revised on May 29, 2020,  
10 provides that notwithstanding any other law, the statutes of limitations for civil causes of action that  
11 exceed 180 days are tolled from April 6, 2020 to October 1, 2020. The limitations periods for the  
12 following causes of action are governed by this Emergency Rule.

13 **FIRST CAUSE OF ACTION:**

14 **WILLFUL MISCLASSIFICATION OF EMPLOYEES AS INDEPENDENT**  
15 **CONTRACTORS (Labor Code § 226.8)**

16 58. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

17 59. Under Labor Code § 226.8, it is unlawful for any person or employer to willfully  
18 misclassify an employee as an independent contractor. The statute provides that a person or  
19 employer found to have engaged in a pattern or practice of willful misclassification shall be subject  
20 to a civil penalty of not less than \$10,000 for each such violation (and up to \$25,000 for each such  
21 violation), in addition to other penalties or fines permitted by law.

22 60. At all times relevant herein, Lyft has engaged in a continuing pattern and practice of  
23 willfully misclassifying all of its drivers as independent contractors, notwithstanding that under  
24 California law, all of these drivers have been and are employees of Lyft, thereby violating Labor  
25 Code § 226.8.

26 61. Lyft is liable for civil penalties under Labor Code § 226.8 in the amount of not less  
27 than \$10,000 for each Lyft driver misclassified as an independent contractor.

28 62. Unless enjoined by this Court from misclassifying its drivers as independent

1 contractors, and from thereby denying these drivers the protections available to employees under the  
2 Labor Code and IWC Wage Order 9-2001, Lyft will continue to misclassify its drivers as  
3 independent contractors and thereby continue to deny them the protections available to employees  
4 under the Labor Code and IWC Wage Order 9-2001.

5 **SECOND CAUSE OF ACTION:**

6 **FAILURE TO PAY NOT LESS THAN THE MINIMUM WAGE FOR ALL HOURS**

7 **WORKED (Labor Code § 1197; IWC Order 9-2001, § 4)**

8 63. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

9 64. Labor Code § 1197 and IWC Order 9-2001, § 4 require employers to pay their  
10 employees not less than the applicable minimum wage for all “hours worked,” which includes all  
11 time the employee is suffered or permitted to work, whether or not required to do so, and all time the  
12 employee is subject to the employer’s control. (IWC Order 9-2001, § 2(H).) This compensable time  
13 includes time spent transporting customer passengers, time spent traveling from one job location to  
14 another during the course of a workday, time spent waiting for passengers to show up at the  
15 designated pick-up point, time spent cleaning the driver’s vehicle to conform to Lyft’s requirements,  
16 or obtaining the required tools, equipment and supplies necessary to perform work, and on-call time  
17 during which the driver has logged on as “active” or “available” on the Lyft app during which the  
18 driver is required or expected to accept available on-demand transportation jobs, or is subject to  
19 adverse employment consequences for declining to accept an available job. The applicable  
20 minimum wage is the minimum wage required under state law, or the minimum wage required under  
21 an applicable local ordinance, whichever is higher. Employers must also pay separate hourly  
22 compensation for “non-productive” hours worked. Unlike the federal rule, under California law, the  
23 employer cannot average the total compensation for a pay period to determine whether its minimum  
24 wage obligations were met. (*Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 321-325;  
25 *Gonzalez v. Downtown L.A. Motors, LP* (2013) 215 Cal.App.4th 36, 50-54.)

26 65. At all times relevant herein, Lyft employed 26 or more employees, and thus, was  
27 subject to minimum wage requirements based on that number of employees. Lyft drivers worked the  
28 requisite number of hours required to trigger minimum wages required under applicable local

1 ordinances.

2 66. Labor Code § 226.2 applies to employees who are paid on a piece-rate basis for any  
3 work performed during a pay period, and requires that payment be made to such employees for  
4 “non-productive time” on an hourly basis separate from the compensation derived through piece-rate  
5 earnings, at an hourly rate that is not less than the applicable minimum wage. The statute defines  
6 “non-productive time” as “time under the employer’s control, exclusive of rest and recovery periods,  
7 that is not directly related to the activity being compensated on a piece-rate basis.”

8 67. At all times relevant herein, Lyft has compensated its drivers for their services on a  
9 piece-rate basis, with Lyft paying the drivers a specified amount per ride, based on the distance  
10 and/or time spent in transporting each customer passenger from pick-up to drop-off. Lyft has not  
11 paid any compensation to its drivers for the activities that constitute “non-productive time” within  
12 the meaning of section 226.2, including travel time driving from one customer passenger’s location  
13 to another, time spent waiting for a customer passenger to arrive at the designated pick-up location,  
14 time spent procuring tools, equipment or supplies in order to perform transportation services, time  
15 spent cleaning the driver’s vehicle to conform to Lyft’s requirements, and on-call time during which  
16 the driver has logged on as “active” or “available” on the Lyft app and is required or expected to  
17 accept available transportation jobs, or is subject to adverse employment consequences for declining  
18 to accept an available job. Lyft may not “borrow” from wages paid to drivers for productive time to  
19 meet the independent obligation to pay for all “non-productive,” uncompensated hours worked.  
20 Such a scheme is in direct violation of *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314.

21 68. Lyft’s failure to pay for the above-described non-productive time constitutes a  
22 violation of Labor Code § 226.2, and a violation of the obligation to pay no less than the applicable  
23 minimum wage for all hours worked, as specified at Labor Code § 1197, and IWC Order 9-2001, §  
24 4(A). Under these provisions, Lyft’s drivers are entitled to payment of the applicable minimum  
25 wage for all such uncompensated time.

26 69. Labor Code § 1194.2 provides that in any action filed by the Labor Commissioner  
27 pursuant to Labor Code § 1193.6 to recover unpaid minimum wages owed to any employees, the  
28 employees shall be entitled to recover, in addition to the unpaid minimum wages, liquidated

1 damages in an amount equal to the wages unlawfully unpaid and interest thereon.

2 70. Lyft’s drivers who are owed unpaid minimum wages stemming from its failure to pay  
3 wages for “non-productive time” within the meaning of Labor Code § 226.2, are therefore entitled to  
4 recover, in addition to the unpaid minimum wages, liquidated damages from Lyft pursuant to Labor  
5 Code § 1194.2.

6 71. Labor Code § 1197.1(a) provides for the imposition of civil penalties against an  
7 employer or other person acting as an officer or agent of the employer, for paying less than the  
8 applicable minimum wage for any hours worked by an employee. Section 1197.1 sets the amount  
9 that must be awarded for an intentional initial violation at \$100 for each underpaid employee for  
10 each pay period for which the employee was underpaid, in addition to an amount sufficient to  
11 recover underpaid wages, liquidated damages pursuant to Labor Code § 1194.2, and any applicable  
12 penalties pursuant to Labor Code § 203; and the amount that must be awarded for each subsequent  
13 violation, whether intentional or not, at \$250 for each underpaid employee for each pay period for  
14 which the employee was underpaid, in addition to an amount sufficient to recover underpaid wages,  
15 liquidated damages pursuant to Labor Code § 1194.2, and any applicable penalties pursuant to Labor  
16 Code § 203.

17 72. Lyft’s failure to pay at least the applicable minimum wage to its drivers for “non-  
18 productive” hours worked was intentional, within the meaning of Labor Code § 1197.1(a), and  
19 subjects Lyft to civil penalties as provided by that statute.

20 **THIRD CAUSE OF ACTION:**

21 **FAILURE TO PAY OVERTIME COMPENSATION FOR OVERTIME HOURS WORKED**

22 **(Labor Code § 510; IWC Order § 3(A))**

23 73. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

24 74. Labor Code § 510 and IWC Order 9-2001, § 3(A) require payment of overtime  
25 compensation, at not less than one and one-half times the employee’s regular rate of compensation,  
26 for all hours worked in excess of 8 hours and up to 12 hours in any workday, for all hours worked in  
27 excess of 40 hours in any workweek, and for the first 8 hours worked on the seventh day of work in  
28 any one workweek; and payment of overtime compensation at not less than twice the employee’s

1 regular rate of compensation for all hours worked in excess of 12 hours in any workday, and for all  
2 hours worked in excess of 8 hours on the seventh day of work in any one workweek.

3 75. At all relevant times herein, Lyft has failed to pay overtime compensation to its  
4 drivers who work more than 8 hours in a workday or 40 hours in a workweek or for any work  
5 performed on the seventh day of work in any one workweek, thereby violating Labor Code § 510  
6 and IWC Order 9-2001, § 3(A).

7 76. Lyft owes overtime compensation to its drivers who have performed overtime work  
8 as provided by Labor Code § 510 and IWC Order 9-2001, § 3(A).

9 77. Labor Code § 558 provides for the imposition of a civil penalty as to “any employer  
10 or other person acting on behalf of an employer who violates, or causes to be violated” Labor Code  
11 § 510 or any provision regulating hours or days of work in any IWC order. Section 510 sets the  
12 amount that must be awarded for an initial violation at \$50 for each underpaid employee for each  
13 pay period for which the employee was underpaid in addition to an amount sufficient to recover  
14 underpaid wages, and the amount that must be awarded for each subsequent violation at \$100 for  
15 each underpaid employee for each pay period for which the employee was underpaid in addition to  
16 an amount sufficient to recover underpaid wages.

17 78. As a consequence of Lyft’s failure to pay required overtime compensation to its  
18 drivers, Lyft is subject to civil penalties for violations committed as provided by Labor Code § 558.

19 **FOURTH CAUSE OF ACTION:**

20 **FAILURE TO PAY WAGES FOR REST PERIODS**

21 **(Labor Code § 226.2; IWC Order 9-2001, § 12(A))**

22 79. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

23 80. IWC Order 9-2001, § 12(A) requires every employer to authorize and permit  
24 employees to take *paid* rest periods, with such rest periods expressly deemed to constitute “hours  
25 worked.” Under Section 12(A) of this IWC order, such “authorized rest period time shall be based  
26 on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or  
27 major fraction thereof,” with no duty to provide a rest period to an employee whose daily work time  
28 is less than three and one-half hours. Thus, one paid rest period must be made available to the



1 employee if the employee works at least three and one-half hours but not more than six hours in a  
2 day, a second paid rest period must be provided to the employee if the employee works more than  
3 six hours and up to 10 hours in a day, and a third paid rest period must be provided to the employee  
4 if the employee works more than 10 hours and up to 14 hours in a day, etc. Section 12(A) of the  
5 IWC Order expressly provides that these required rest periods “shall be counted as hours worked  
6 from which there shall be no deduction from wages.” Because such rest periods are “counted as  
7 hours worked,” they must be paid at not less than the minimum wage, in accordance with § 4(A) of  
8 the Wage Order.

9           81. Labor Code § 226.2 requires employers to provide their employees who are  
10 compensated on a piece-rate basis with separate hourly compensation for required rest periods, in an  
11 amount not less than the higher of (a) the average hourly rate for each workweek under a formula set  
12 out in the statute, or (b) the applicable minimum wage. Payment of piece-rate compensation does  
13 not serve to provide any compensation for required rest periods.

14           82. At all times relevant herein, Lyft has failed to provide any separate, hourly  
15 compensation to its drivers for required rest periods. These required rest periods have been  
16 completely uncompensated by Lyft. As such, Lyft violated the requirements set forth in IWC Order  
17 9-2001 and Labor Code § 226.2 that *paid* rest periods be made available to employees.

18           83. As a consequence of Lyft’s failure to pay its drivers for required rest periods, each  
19 driver is entitled to payment of unpaid wages for each such required rest period in an amount not less  
20 than the higher of the applicable minimum wage, or the driver’s average hourly wage rate under the  
21 formula set at Labor Code § 226.2.

22           84. As a further consequence of Lyft’s failure to pay its drivers any wages for their  
23 required rest periods, thereby violating the requirement set out in the Labor Code and IWC Order for  
24 payment of not less than the minimum wage for all hours worked, Lyft’s drivers are entitled to  
25 liquidated damages under Labor Code § 1194.2 in an amount equal to the unpaid minimum wages  
26 plus interest.

27           85. Lyft’s failure to pay its drivers at least the applicable minimum wage for their  
28 required rest periods was intentional, within the meaning of Labor Code § 1197.1, and subjects

1 defendants to civil penalties.

2 **FIFTH CAUSE OF ACTION:**

3 **FAILURE TO PAY REST PERIOD PREMIUM PAY**

4 **(Labor Code § 226.7(c); IWC Order 9-2001, § 12(B))**

5 86. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

6 87. Labor Code § 226.7(c) provides that if an employer fails to provide an employee with  
7 a rest period “in accordance with a state law, including ... an applicable ... order of the Industrial  
8 Welfare Commission,” the employer shall pay the employee one additional hour of pay at the  
9 employee’s regular rate of compensation for each workday that the rest period is not provided. A  
10 similar requirement is set out at IWC Order 9-2001, § 12(B).

11 88. By failing to provide any compensation to their drivers for required rest periods, Lyft  
12 failed to provide rest periods “in accordance with ... [the] applicable ... order of the Industrial  
13 Welfare Commission,” as specified at IWC Order 9-2001, § 12(A).

14 89. As a consequence of Lyft’s failure to provide legally mandated, paid rest periods to  
15 their drivers, Lyft is subject to the premium pay provisions of Labor Code § 226.7(c) and IWC Order  
16 9-2001, § 12(B), under which Lyft’s drivers are entitled to payment of one hour of rest period  
17 premium pay for each workday that a required paid rest period was not provided in accordance with  
18 the wage order’s requirements. Lyft has failed to pay its drivers for legally mandated rest periods  
19 and therefore owes them one hour of premium pay for each day in which three and one half hours or  
20 more were worked.

21 90. Labor Code § 558 provides that any employer, or other person acting on behalf of an  
22 employer, who violates or causes to be violated, a section of this chapter (Labor Code § 500, *et seq.*)  
23 or any provision regarding hours and days of work in any order of the IWC shall be subject to a civil  
24 penalty, in addition to the underpaid wages which must be paid to the affected employees. Similar  
25 authorization for these civil penalties is found at IWC Order 9-2001, § 20.

26 91. The failure to pay its employees required rest period premium pay subjects Lyft to  
27 civil penalties under Labor Code § 558 and IWC Order 9-2001, § 20.

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**SIXTH CAUSE OF ACTION:**

**FAILURE TO INDEMNIFY EMPLOYEES FOR NECESSARY BUSINESS EXPENSES**

**(Labor Code § 2802; IWC Order 9-2001, § 9)**

92. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

93. Labor Code § 2802 requires every employer to indemnify each of its employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of the employee's duties, or of his or her obedience to the directions of the employer. In accord, IWC Order 9-2001, § 9 requires employers to pay for, or indemnify employees for required tools or equipment necessary for the performance of the job. Pursuant to Labor Code § 2804, any contract or agreement, express or implied, made by any employee to waive the benefits of these protections is null and void.

94. During the COVID-19 pandemic, Lyft created a "company store" for its drivers to purchase safety and/or personal protective equipment ("PPE"), such as face masks, sanitizing wipes, sanitizing spray, and physical partitions separating Lyft's customer passengers from the driver. Defendants know that these items are required for drivers to perform their work safely. The costs Lyft drivers have incurred purchasing products to protect their own health and safety during the COVID-19 pandemic, in addition to that of Lyft's customer passengers, were reasonable and incurred as the direct result of discharging their duties to provide transportation services to Lyft customer passengers and/or at the direction of Lyft.

95. Lyft is required to pay for required safety devices, safeguards and equipment purchased by its drivers, including those purchased in response to the COVID-19 pandemic. (Labor Code §§ 6400, 6401 and 6403.)

96. At all relevant times herein, in following the directions issued by defendants or in order to carry out their job duties, defendants' drivers have been required to purchase various items or services including but not limited to: (a) fuel, (b) vehicle, vehicle washes, supplies for vehicle cleaning and maintenance, vehicle repair tools and supplies, (c) tolls, (d) insurance, including but not limited to automobile insurance, to insure the activities of the driver while performing transportation services for defendants, (e) cell phone and cell phone service in order to remain connected to the

1 Lyft app through which the drivers receive job assignments, (f) taxes, (g) ancillary fees, and (h)  
2 workers' compensation insurance. Lyft's drivers have been required to use their own vehicles to  
3 drive from assignment to assignment during the workday, thus incurring expenses for the mileage  
4 driven for these purposes, including but not limited to the cost of fuel, vehicle maintenance and  
5 depreciation. Lyft knew that its drivers were incurring these business expenses. Lyft's drivers'  
6 business expenses were reasonable and incurred as the direct result of discharging their duties to  
7 provide transportation services to Lyft customer passengers and/or at the direction of Lyft. As such,  
8 the expenses incurred by Lyft's drivers for these items and services must be reimbursed by Lyft  
9 pursuant to Labor Code § 2802.

10 97. Lyft has failed to indemnify its drivers for any of the above-listed incurred necessary  
11 business expenses, thereby violating Labor Code § 2802 and IWC Order 9, § 9. Lyft's drivers are  
12 entitled to indemnification from Lyft for these expenses in accordance with Labor Code § 2802 and  
13 IWC Order 9, § 9.

14 98. Labor Code § 2699(f) provides for a civil penalty for violations of "all provisions of  
15 this code except those for which a civil penalty is specifically provided," in the amount of \$100 for  
16 each aggrieved employee per pay period for an initial violation, and \$200 for each aggrieved  
17 employee per pay period for each subsequent violation. Lyft is subject to this civil penalty for its  
18 violations of Labor Code § 2802.

19 99. Prior to filing this action, the Labor Commissioner served a written notice upon Lyft,  
20 by certified mail, of the allegations set out in this cause of action, the facts and theories in support of  
21 these allegations, and a demand for payment of amounts due for civil penalties stemming from these  
22 violations, pursuant to Labor Code §§ 2802 and 2699(f).

23 **SEVENTH CAUSE OF ACTION:**

24 **FAILURE TO PROVIDE ITEMIZED WAGE STATEMENTS**

25 **(Labor Code § 226)**

26 100. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

27 101. Labor Code § 226(a) requires employers provide their employees, semi-monthly or at  
28 the time of payment of wages, an accurate, written itemized wage statement showing: (1) gross

1 wages earned, (2) total hours worked, (3) the number of piece rate units earned and any applicable  
2 piece rate if the employee is paid on a piece rate basis, (4) all deductions, (5) net wages earned, (6)  
3 the inclusive dates of the period for which the employee is paid, (7) the name of the employee and  
4 the last four digits of the employee's social security number or some other employee identification  
5 number, (8) the name and address of the legal entity that is the employer, and (9) all applicable  
6 hourly rates in effect during the pay period, and the corresponding number of hours worked at each  
7 hourly rate.

8 102. Labor Code § 226(e) provides that an employee suffering injury as a result of a  
9 knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover  
10 the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and  
11 \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000 per  
12 employee. Subdivision (e) further provides that an employee is deemed to suffer an injury for  
13 purposes of this statute if the employer fails to provide a wage statement, or if the employer fails to  
14 provide accurate and complete information as required by one or more of the nine items specified in  
15 subdivision (a) and the employee cannot promptly and easily determine, from the provided wage  
16 statement alone, gross or net wages paid during the pay period, or total hours worked by the  
17 employee during the pay period, or the number of piece rate units earned and all applicable piece  
18 rates, or all hourly rates in effect during the pay period and the number of hours worked at each  
19 hourly rate.

20 103. At all relevant times herein, Lyft failed to provide its drivers with any written  
21 itemized wage deduction statements, or the wage deduction statements that were provided failed to  
22 provide accurate and complete information as to one or more of the nine items specified in Labor  
23 Code § 226(a), such that the drivers could not promptly and easily determine, from any such  
24 provided wage statements, their total hours worked during the pay period, or the number of piece  
25 rate units earned and all applicable piece rates, or all of the hourly rates that were in effect during the  
26 pay period and the number of hours worked at each hourly rate.

27 104. Lyft's failure to comply with Labor Code § 226(a) has been knowing and intentional,  
28 and as a consequence of said failure, all of Lyft's drivers have suffered injury within the meaning of

1 Labor Code § 226(e), such that each driver is entitled to liquidated damages in the amount of \$50  
2 for the initial pay period of non-compliance, and \$100 for each subsequent pay period of non-  
3 compliance, in an amount not to exceed \$4,000 per driver.

4 105. Lyft’s failure to comply with Labor Code § 226(a) further subjects it to civil  
5 penalties pursuant to Labor Code § 226.3.

6 106. Labor Code § 226.3 states that an employer who violates Labor Code § 226(a) shall  
7 be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation  
8 and \$1,000 per employee for violation in a subsequent citation for which the employer fails to  
9 provide the employee a wage statement or fails to keep the records required by Labor Code § 226(a).  
10 The civil penalties provided in this section are in addition to any other penalty provided by law.

11 **EIGHTH CAUSE OF ACTION:**

12 **FAILURE TO COMPLY WITH PAID SICK LEAVE REQUIREMENTS**

13 **(Labor Code §§ 245-249)**

14 107. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

15 108. In 2014, the State Legislature enacted the Healthy Workplaces, Healthy Families Act  
16 of 2014 (“HWHF Act”), under which any employee who, on or after July 1, 2015, works in  
17 California for the same employer for 30 or more days within a year of commencement of  
18 employment is entitled to paid sick days as specified at Labor Code §§ 246-246.5. The HWHF Act  
19 further requires, at Labor Code §§ 246(i), 247 and 247.5, that every employer maintain records of  
20 hours worked and paid sick leave accrued and used by its employees, conspicuously display certain  
21 information about employees’ rights to paid sick leave, and to provide such information to its  
22 employees on itemized wage statements each time wages are paid. The HWHF Act further requires  
23 an employer to issue timely payment for sick leave no later than the payday for the next regular  
24 payroll period after sick leave was taken, pursuant to Labor Code § 246(n).

25 109. In September 2020, the State Legislature passed AB 1867, which amended the  
26 HWHF to add section 248.1 to the Labor Code. The Governor signed the legislation into law on  
27 October 9, 2020, and the amendment took immediate effect.

28 110. Labor Code § 248.1 requires non-food sector employers with 500 or more employees

1 to provide covered employees with supplemental paid sick leave for COVID-19 related reasons.  
2 Pursuant to Labor Code § 248.1(e), non-food sector employers with 500 or more employees were  
3 required to provide supplemental paid sick leave to covered employees beginning on September 19,  
4 2020.

5 111. Non-food sector employers with 500 or more employees are required to provide  
6 covered employees timely payment of supplemental paid sick leave, notice of the availability of  
7 supplemental paid sick leave, and a wage statement or other writing on the employee’s designated  
8 pay date indicating the amount of available supplemental paid sick leave. Non-food sector employers  
9 with 500 or more employees are also required to keep records of used and available supplemental  
10 paid sick leave. Labor Code § 248.1(d) incorporates the requirements of section 246(i) to provide a  
11 wage statement or other writing indicating the amount of available supplemental paid sick leave; the  
12 requirements of section 246(n) to provide payment for sick leave taken no later than the payday for  
13 the next regular payroll period after the sick leave was taken; the requirements of section 247 to  
14 provide notice to employees of supplemental paid sick leave; and the requirements of section 247.5  
15 to keep records of used and available supplemental paid sick leave.

16 112. Lyft employs 500 or more employees nationwide. At all relevant times, Lyft has been  
17 a “hiring entity” within the meaning of Labor Code § 248.1(a)(3) and its drivers have been “covered  
18 workers” within the meaning of Labor Code § 248.1(a)(2).

19 113. Lyft has never provided for the accrual of paid sick time or supplemental paid sick  
20 leave to its drivers, and has never provided paid sick days or supplemental paid sick leave to its  
21 drivers. Lyft has also failed to comply with the requirements to provide notice to its drivers of paid  
22 sick leave and supplemental paid sick leave under section 247 and to provide a wage statement or  
23 other writing to its drivers indicating the amount of available paid sick leave and supplemental paid  
24 sick leave required by section 246(i). Lyft has never provided its drivers with the information  
25 required by Labor Code § 247.5, thereby violating requirements of the HWHF Act.

26 114. Labor Code § 248.5(c) states that where the Labor Commissioner files a civil action  
27 to secure compliance with the HWHF Act, the Labor Commissioner is entitled to recover the costs of  
28 investigating and remedying the violation, with the violating employer subject to an order to pay the

1 State a sum of not more than \$50 for each day a violation occurs or continues for each employee  
2 whose rights under the HWHF Act were violated. The Labor Commissioner has incurred and  
3 continues to incur such costs, thereby subjecting Lyft to liability under this provision.

4 115. Labor Code § 248.5(b) provides, generally, that if Labor Code § 248.5(a) is violated  
5 appropriate relief includes, but is not limited to, payment of the sick days unlawfully withheld and  
6 payment of an additional sum in the form of an administrative penalty. If paid sick days were  
7 unlawfully withheld, three times the amount of paid sick days withheld are owed to the employee, or  
8 two hundred and fifty dollars (\$250), whichever is greater but not to exceed an aggregate of four  
9 thousand dollars (\$4,000). If the violation results in harm to the employee or person, the  
10 administrative penalty shall include fifty dollars (\$50) for each day or portion thereof that the  
11 violation occurs or continued, not to exceed an aggregate penalty of four thousand dollars (\$4,000).

12 116. Labor Code § 248.5(c) states that where the Labor Commissioner files a civil action  
13 to secure compliance with the HWHF Act, the Labor Commissioner is entitled to recover the costs of  
14 investigating and remedying the violation, with the violating employer subject to an order to pay the  
15 State a sum of not more than \$50 for each day a violation occurs or continues for each employee  
16 whose rights under the HWHF Act were violated. The Labor Commissioner has incurred and  
17 continues to incur such costs, thereby subjecting Defendants to liability under this provision.

18 117. Labor Code § 248.5(e) provides that in any action brought by the Labor  
19 Commissioner against an employer or other person violating the HWHF Act, available relief shall  
20 include the payment of liquidated damages for each employee in the amount of \$50 for each day that  
21 the employee's rights under the HWHF Act were violated, up to a maximum of \$4,000 per  
22 employee.

23 118. As a consequence of Lyft's violations of the HWHF Act, Lyft is liable for liquidated  
24 damages payable to its drivers, in the amounts specified in Labor Code § 248.5(e).

25 **NINTH CAUSE OF ACTION:**

26 **FAILURE TO TIMELY PAY EARNED WAGES UPON SEPARATION OF EMPLOYMENT**

27 **(Labor Code §§ 201, 202, 203)**

28 119. Plaintiff incorporates by reference all of the allegations set forth hereinabove.





1 later than the 26<sup>th</sup> of the month, and labor performed between the 16<sup>th</sup> and last day of the month to be  
2 paid not later than the 10<sup>th</sup> day of the following month.

3 125. Pursuant to Labor Code § 210, the failure to pay wages to employees as required by  
4 Labor Code § 204 subjects the person or entity that failed to pay such wages to a civil penalty of  
5 \$100 for each failure to pay each employee for any initial non-willful and non-intentional violation,  
6 and a civil penalty of \$200 plus 25 percent of the amount unlawfully withheld from each employee  
7 for each failure to pay each employee for any willful or intentional violation or for any subsequent  
8 non-willful and non-intentional violation.

9 126. Lyft's failure to pay required minimum wages, rest period wages, rest period  
10 premium pay, and overtime wages to its drivers on the pay days for which such wages were due  
11 under Labor Code § 204 violated the requirements of that statute, and these violations were willful  
12 or intentional, thereby subjecting Lyft to civil penalties under Labor Code § 210.

13 127. Prior to filing this action, the Labor Commissioner made a written demand upon Lyft  
14 for payment of amounts due for civil penalties under Labor Code §§ 204 and 210.

15 **ELEVENTH CAUSE OF ACTION:**

16 **FAILURE TO PROVIDE NOTICE OF EMPLOYMENT RELATED INFORMATION**

17 **(Labor Code § 2810.5 and § 2699 (f))**

18 128. Plaintiff incorporates by reference all of the allegations set forth hereinabove.

19 129. Labor Code § 2810.5(a)(1) requires an employer, at the time of hiring, to provide  
20 each employee written notice, in the language the employer normally uses to communicate  
21 employment-related information to the employee, containing the following information:

- 22 (a) The rate or rates of pay and basis thereof, whether paid by the hour, shift, day,  
23 week, salary, piece, commission, or otherwise, including any rates for  
24 overtime, as applicable.
- 25 (b) Allowances, if any, claimed as part of the minimum wage, including meal or  
26 lodging allowances.
- 27 (c) The regular payday designated by the employer in accordance with the  
28 requirements of this code.

- 1 (d) The name of the employer, including any “doing business as” names used by  
2 the employer.
- 3 (e) The physical address of the employer’s main office or principal place of  
4 business, and a mailing address, if different.
- 5 (f) The telephone number of the employer.
- 6 (g) The name, address, and telephone number of the employer’s workers’  
7 compensation insurance carrier.
- 8 (h) That an employee: may accrue and use sick leave; has a right to request and  
9 use accrued paid sick leave; may not be terminated or retaliated against for  
10 using or requesting the use of accrued paid sick leave; and has the right to file  
11 a complaint against an employer who retaliates.
- 12 (i) Any other information the Labor Commissioner deems material and  
13 necessary.

14 130. Labor Code § 2810.5(b) further mandates that employers “notify” their employees “in  
15 writing of any changes to the information set forth in the notice within seven calendar days after the  
16 time of the changes.”

17 131. At all times relevant herein, Lyft failed to provide its drivers with the employment-  
18 related information required from employers at the time of hire, including but not limited to their  
19 rates of pay, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, and  
20 all required information regarding paid sick leave.

21 132. At all times relevant herein, Lyft failed to provide its drivers written notice of any  
22 changes to the employment-related information required under Labor Code § 2810.5(a)(1), including  
23 but not limited to their rates of pay.

24 133. Lyft’s failure to provide its drivers notice of the required employment-related  
25 information in Labor Code § 2810.5(a)(1), and provide its drivers timely notice of any changes in the  
26 employment-related information, such as rates of pay, constitutes a violation of Labor Code  
27 § 2810.5(a) and (b).

28 134. Lyft’s violation of Labor Code § 2810.5(a) and (b) therefore subjects it to civil

1 penalties under Labor Code § 2699(f).

2 135. Prior to filing this action, the Labor Commissioner served a written notice upon Lyft,  
3 by certified mail, of the allegations set out in this cause of action, the facts and theories in support of  
4 these allegations, pursuant to Labor Code §§ 2810.5 and 2699(f).

5 **PRAYER FOR RELIEF**

6 WHEREFORE, Plaintiff Lilia García-Brower, in her official capacity as Labor  
7 Commissioner for the State of California, prays for the following relief:

8 1. Entry of an order, pursuant to Labor Code §§ 226.8 and 1194.5, enjoining Lyft, and  
9 its officers, directors, managers and agents from misclassifying Lyft's drivers as independent  
10 contractors, and from failing to provide them with the protections available to employees under the  
11 Labor Code and IWC Order 9-2001, and requiring Lyft to post, on its Internet Web site and on its  
12 app a notice that sets forth that: (a) the court has found that Lyft has committed serious violations of  
13 the law by engaging in the willful misclassification of employees, (b) Lyft has changed its business  
14 practices in order to avoid committing further violations of the law prohibiting the misclassification  
15 of employees as independent contractors, (c) any employee who believes that he or she is being  
16 misclassified as an independent contractor may contact the Office of the State Labor Commissioner  
17 at a specified mailing address, email address, and telephone number, and (d) this notice is being  
18 posted pursuant to a court order;

19 2. Entry of judgment, in favor of Plaintiff in the amounts set forth below, or according  
20 to proof:

21 (a) Unpaid wages owed to Lyft's drivers, and interest thereon pursuant to Labor Code §§  
22 218.6 and 1194, as follows:

23 (i) Minimum wages pursuant to Labor Code § 1197 and IWC Order 9-2001 § 4;

24 (ii) Rest period wages pursuant to Labor Code § 226.2 and IWC Order 9-2001  
25 § 12(A), and rest period premium wages pursuant to Labor Code § 226.7 and IWC Order 9-2001  
26 § 12(B); and

27 (iii) Overtime wages pursuant to Labor Code § 510 and IWC Order 9-2001 § 3(A);

28 (iv) Payment of withheld sick days pursuant to Labor Code § 248.5;

- 1 (b) Liquidated damages owed to Lyft’s drivers pursuant to Labor Code § 1194.2;
- 2 (c) Unreimbursed business expenses incurred by Lyft’s drivers and interest thereon, pursuant
- 3 to Labor Code § 2802 and IWC Order 9-2001 § 9;
- 4 (d) Liquidated damages for Lyft’s failure to provide its drivers with complete and accurate
- 5 itemized wage statements, pursuant to Labor Code § 226(e);
- 6 (e) Liquidated damages and penalties for Lyft’s failure to comply with paid sick leave law
- 7 requirements and compensation to the State for the costs of investigating and remedying the
- 8 violations, pursuant to Labor Code § 248.5;
- 9 (f) Statutory penalties owed to Lyft’s drivers for failure to timely pay wages upon separation
- 10 from employment, pursuant to Labor Code § 203;
- 11 (g) Civil penalties payable to the State, for the following violations:
- 12 (i) Pursuant to Labor Code § 226.8, for Lyft’s willful misclassification of employees
- 13 as independent contractors;
- 14 (ii) Pursuant to Labor Code § 1197.1, for Lyft’s minimum wage violations;
- 15 (iii) Pursuant to Labor Code § 558 and § 20 of IWC Order 9-2001, for Lyft’s
- 16 overtime and rest period violations; and
- 17 (iv) Pursuant to Labor Code § 210, for Lyft’s failure to pay minimum wages, rest
- 18 period wages, rest period premium pay, and overtime wages to their drivers on the pay days when
- 19 such wages were due under Labor Code § 204;
- 20 (v) Pursuant to Labor Code § 226.3, for Lyft’s failure to provide employees with
- 21 wage statements that comply with the requirements of Labor Code § 226(a);
- 22 (vi) Pursuant to Labor Code § 2699(f), for Lyft’s failure to reimburse its drivers for
- 23 necessary business expenses as required by Labor Code § 2802; and
- 24 (vii) Pursuant to Labor Code § 2699(f), for Lyft’s failure to provide its drivers notice
- 25 of the required employment-related information in Labor Code § 2810.5(a) and (b).

26 3. An order granting Plaintiff her costs, and reasonable attorneys’ fees in accordance

27 with Labor Code §§ 226(e), 248.5(e), 1193.6, and 2802; and

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4. Such other and further relief as the Court deems just and proper.

Dated: November 18, 2020



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David M. Balter  
Miles E. Locker  
M. Colleen Ryan  
Alec Segarich  
Attorneys for the State Labor Commissioner

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## PROOF OF SERVICE

I am a citizen of the United States and a resident of the State of California. I am employed in San Francisco County, State of California, in the office of a member of the bar of this Court, and at whose direction this service is made. I am over the age of 18 years and not a party to the present action. My business address is 455 Golden Gate Ave., 9th Fl., San Francisco CA, 94102. On November 18, 2020, I served the following document/s on the parties listed below in the manner indicated:

1. First Amended Complaint

	by E-Service through File & ServeXpress on the recipients designated on the Transaction Receipt located on the File & ServeXpress website and listed below.
	By electronically filing the foregoing document(s) using the CM/ECF system. Service of the designated filed document(s) upon a CM/ECF User, who has consented to electronic service, is deemed complete upon the transmission of the Notice of Electronic Filing.
	by placing the document listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at 455 Golden Gate Ave., 9th Fl., San Francisco CA 94102 addressed as set forth below.
	by having the document listed above personally delivered to the person(s) by Cricket Courier Cooperative at the address(es) set forth below.
[x]	By Electronic Mail [CCP §1010.6(a)(6)]: Based on a court order or agreement among the parties to accept service by email or electronic transmission, I caused such document described herein to be sent to the person at the email address listed below. I did not receive, within a reasonable time after transmission, any electronic message or other indication that the transmission was unsuccessful.

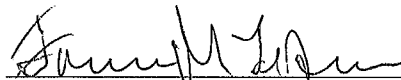
14 **Parties:**

15 Attorneys for Lyft, Inc:

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Todd K. Boyer <todd.boyer@bakermckenzie.com>  
Michael Leggieri <michael.leggieri@bakermckenzie.com>

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20 I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on November 18, 2020, at San Francisco, California.

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Joanne M. LeDuc