

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

CASSANDRA OSVATICS, on behalf of
herself and all others similarly situated,

13218 Ovalstone Lane
Bowie, Maryland 20715

Plaintiff,

v.

LYFT, INC.,

Defendant.

Civil Action No.

Class Action Complaint

Jury Trial Demanded

Plaintiff Cassandra Osvatics, individually and on behalf of all others similarly situated, by her attorneys, Outten & Golden LLP, upon personal knowledge as to herself and upon information and belief as to other matters, alleges as follows:

INTRODUCTION

1. The District of Columbia, like other jurisdictions, has a carefully designed framework in place for regulating workplaces to protect employees. These protections include minimum wage guarantees, expense reimbursement requirements, and – critical to public health and the current pandemic – paid sick leave.

2. Experts have found that providing paid sick leave is a significant way to reduce the spread of illness.¹ In the District of Columbia, employers – like Defendant Lyft, Inc.

¹ Claire Cain Miller, et al., *Avoiding Coronavirus May Be a Luxury Some Workers Can't Afford*, N.Y. Times (Mar. 2, 2020), <https://www.nytimes.com/2020/03/01/upshot/coronavirus-sick-days-service-workers.html> (quoting a Cornell University associate professor of economics as stating, "It's very clear: When people don't have access to sick leave, they go to work sick and spread diseases.").

(“Lyft”) – that are covered by the D.C. Accrued Safe and Sick Leave Act (“ASSLA”), D.C. Code §§ 32-531.01-531.16, are required to provide paid sick leave.

3. Given the current COVID-19 pandemic, which some experts predict could last for years,² the need for paid sick leave is vitally important. Without it, Lyft forces its drivers into a Hobbesian choice: risk their lives (and the lives of their passengers) or risk their livelihoods. The D.C. Council enacted the ASSLA so that workers would not have to make such a choice.

4. Lyft in particular has a history of failing to comply with the ASSLA, to the detriment of its drivers and the public. Though it has claimed to provide paid sick leave to its drivers during the pandemic, the policy has been criticized as “illusory” and a “bait and switch.”³ Lyft’s vague and limited paid sick leave does not comply with the ASSLA because it only covers “drivers diagnosed with COVID-19 or put under individual quarantine by a public health agency — [for] an amount determined by the driver’s previous activity on the Lyft platform.” *Helping Lyft’s Driver Community*, Lyft, <https://www.lyft.com/safety/coronavirus/driver> (last visited May 26, 2020).

5. The ASSLA, which was first enacted in 2008, requires employers with 100 or more employees to provide not less than one hour of paid sick leave for every 37 hours worked. D.C. Code Ann. § 32-531.02(a)(1). Under the ASSLA, sick leave may be used for absences resulting in: physical or mental illness, preventive medical care, caring for an ill child, parent, spouse, domestic partner, or other family member, and/or an absence because the employee or

² Stephen M. Kissler, et al., *Projecting the Transmission Dynamics of SARS-CoV-2 Through the Postpandemic Period*, *Science*, May 22, 2020 at 860-68, <https://science.sciencemag.org/content/368/6493/860> (“One scenario is that a resurgence in SARS-CoV-2 could occur as far into the future as 2025.”).

³ Dana Kerr, *Lyft Pulls Bait-and-Switch on Promised Coronavirus Sick Pay, Drivers Say*, CNET (Apr. 8, 2020), <https://www.cnet.com/news/lyft-quietly-adjusts-its-coronavirus-sick-pay-policy-for-drivers/>.

employee's family member is a victim of "stalking, domestic violence, or sexual abuse." *Id.* § 32-531.02(b).

6. For these reasons, Plaintiff brings this action against Lyft to enforce the essential rights provided under the ASSLA, on behalf of all drivers who work or worked for Lyft in the District of Columbia for at least 90 days between when Lyft began operating in the District of Columbia⁴ and the date of final judgment in this matter (the "Class" or "Class Members").

PARTIES

Plaintiff Cassandra Osvatics

7. Plaintiff Cassandra Osvatics is an adult individual residing in Bowie, Maryland.

8. Plaintiff Osvatics has a driver's license issued by the State of Maryland.

9. Plaintiff Osvatics worked as a driver for Lyft from approximately November 2015 to June 2018. Plaintiff Osvatics regularly worked between 10 to 15 hours per week for Defendant, with some weeks where she worked over 35 hours per week.

10. Plaintiff Osvatics spent more than 50% of her time with Lyft working in the District of Columbia.

Defendant Lyft, Inc.

11. Defendant Lyft, Inc. is a Delaware corporation with its corporate headquarters and primary place of business in San Francisco, California.

12. Lyft does business in the District of Columbia, Maryland, Virginia, and, upon information and belief, in at least 30 other states in the United States.

13. Lyft is an App-based transportation provider that has been based in San Francisco, California, since 2012.

⁴ Upon information and belief, Lyft began operating in the District of Columbia after the enactment of the ASSLA on November 13, 2008.

JURISDICTION AND VENUE

14. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332(a) because Plaintiff is a citizen of a different state from Defendant and the amount in controversy exceeds \$75,000. The Court also has jurisdiction over this action pursuant to 28 U.S.C. § 1332(d) because this is a class action; Plaintiff Osvatics and, upon information and belief, at least one class member, is a citizen of a state different from Lyft; and the amount in controversy exceeds \$5,000,000, exclusive of interest and costs.

15. Defendant is subject to personal jurisdiction in the District of Columbia.

16. Venue is proper in this District because a substantial part of the events or omissions giving rise to the claims occurred in this District. *See* 28 U.S.C. § 1391(b)(2).

STATEMENT OF FACTS

Lyft's Business

17. Lyft provides riders with transportation by assigning Lyft drivers to riders using a mobile phone application (the "Lyft App").

18. The driver then transports the rider, and the rider pays Lyft for the service with a credit card via the Lyft App.

19. Lyft sets the fare to be paid by the rider and communicates it to the rider via the Lyft App.

20. Upon information and belief, Lyft pays the driver approximately 80% of the ride fare plus 100% of any added tip, while Lyft keeps approximately 20% of the fare for itself.

21. Drivers cannot negotiate a different payment arrangement.

Plaintiff and Class Members Are Employees.

22. The work that drivers perform is in the usual course of Lyft's business – indeed, providing driving services *is* Lyft's business.

23. Lyft describes itself as “one of the largest and fastest growing multimodal transportation networks in the United States.” *See* Lyft, Inc., Securities and Exchange Commission Form S-1 Registration Statement, at 1 (March 1, 2019) (“S-1 Statement”), <https://www.sec.gov/Archives/edgar/data/1759509/000119312519059849/d633517ds1.htm>.

24. As drivers, Plaintiff and Class Members provide or provided the service that Lyft sells to the public.

25. Lyft states that it participates in the “transportation . . . market,” and describes its business as “singularly focused on revolutionizing transportation.” S-1 Statement at 3-4.

26. Lyft earns money by providing its customers with a ride from point A to point B – a service that is wholly dependent on Lyft drivers, like Plaintiff.

27. Lyft's “business depends largely on [its] ability to cost-effectively attract and retain qualified drivers.” S-1 Statement at 10.

28. Lyft does not merely provide a platform, nor is it an uninterested bystander between drivers and riders. As other courts have found, “Lyft concerns itself with far more than simply connecting random users of its platform. It markets itself to customers as an on-demand ride service, and it actively seeks out those customers. It gives drivers detailed instructions about how to conduct themselves. Notably, Lyft's own drivers' guide and FAQs state that drivers are ‘driving for Lyft.’” *Cotter v. Lyft, Inc.*, 60 F. Supp. 3d 1067, 1078 (N.D. Cal. 2015); *see also Cunningham v. Lyft, Inc.*, No. 19 Civ. 11974, 2020 WL 2616302, at *10 (D. Mass. May 22, 2020) (explaining that the “‘realities’ of Lyft's business are no more merely ‘connecting’ riders

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