

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

JULIE A. SU,)	
Acting Secretary of Labor,)	
United States Department of Labor,)	
)	
Plaintiff,)	Injunctive Relief Sought Civil
)	
v.)	action no.: 2:23-cv-12412
)	
RELIANCE STAFFING, LLC,)	
a Michigan limited liability company,)	
and FAHIM UDDIN, an individual.)	
)	
Defendants.)	

COMPLAINT

Pursuant to Section 217 of the Fair Labor Standards Act, of 1938, as amended (29 U.S.C. § 201 *et seq.*) (“FLSA”), Plaintiff, Julie A. Su, Acting Secretary of Labor, United States Department of Labor (“Acting Secretary”), brings this action to enjoin and restrain the defendants RELIANCE STAFFING, LLC (“Reliance Staffing”) and FAHIM UDDIN, (“Uddin”), individually, (collectively, “Defendants”) from violating Sections 207, 211, 215(a)(2) and/or 215(a)(5) of the FLSA and to recover unpaid compensation, plus an equal amount in liquidated damages pursuant to Section 216(c) of the Act (29 U.S.C. § 216(c)) for Defendants’ employees.

The Acting Secretary, through the Wage and Hour Division, conducted an

investigation of Defendants for compliance with the FLSA. The Acting Secretary's investigation reviewed Defendants' employment and pay practices from the period from March 23, 2022, to August 5, 2022 (the "Investigation Period"). Unless stated otherwise, all allegations and conditions described herein pertain to the Investigation Period.¹

Jurisdiction and Venue

1. This Court has jurisdiction of this case. 29 U.S.C. §§ 216(c), 217 and 28 U.S.C. § 1345.
2. This Court is the proper venue because all or a substantial part of the events or omissions giving rise to these allegations occurred in this judicial district.

Defendants

3. Defendant Reliance Staffing is a Michigan limited liability company within this Court's jurisdiction with an office at 30700 Telegraph Road, Suite 2504 Bingham Farms, MI 48025 where it conducts business.
4. Reliance Staffing was incorporated in February 2022 but did not begin operating until March 2022.
5. Reliance Staffing is a staffing agency that recruits and employs registered nurses ("RNs"), licensed practical nurses ("LPNs"), and certified

¹ If Defendants continued to violate the FLSA after the Investigation Period, then the allegations and conditions of pay and employment disclosed are incorporated herein by reference and Defendants may owe additional back wages and liquidated damages to employees.

nursing assistants (“CNAs”) (collectively, “Workers”) to work at skilled nursing care facilities solely owned and operated by Fahim Uddin.

6. The skilled nursing care facilities solely owned and operated by Defendant Uddin operate under Pioneer Healthcare Management, Inc.

7. Pioneer Health Care Management Inc. operates eleven skilled nursing care facilities and two specialty hospitals throughout Southeast Michigan.

8. Defendant Uddin was the chief corporate officer and held 100% ownership interest in Reliance Staffing.

9. Defendant Uddin has actively managed and supervised Reliance Staffing’s operations and its employees during the Investigation Period. Among other things, Uddin set Reliance Staffing’s pay policies and practices and set employees’ pay rates.

10. Uddin has acted directly or indirectly in Reliance Staffing’s interests with respect to its employees and is therefore an “employer” under the FLSA. 29 U.S.C. § 203(d).

11. During the Investigation Period, Defendants engaged in business within Oakland County, within this Court’s jurisdiction.

The FLSA Applies to Defendants

12. Reliance Staffing is an “enterprise” under the FLSA due to its related activities performed through unified operation or common control and for a

common business purpose. 29 U.S.C. § 203(r).

13. Reliance Staffing employs employees who provide healthcare services which affect interstate commerce under the FLSA. 29 U.S.C. § 202(a).

14. Reliance Staffing is an “enterprise engaged in commerce” under the FLSA, because it had (i) two or more employees who are engaged in or produced goods for commerce; and (ii) an annual gross volume of sales made or business done greater than \$500,000 during the Investigation Period. 29 U.S.C. § 203(s)(1)(A).

Misclassification of Healthcare Workers as Independent Contractors

15. As a matter of economic reality, Defendants’ Workers were misclassified as independent contractors when, in fact, they were economically dependent upon Reliance Staffing and were not in business for themselves because, among other things:

- a. Defendants controlled the terms and conditions of Workers’ work. For example:
 - i. Defendants approved Workers’ timesheets in order for them to be paid;
 - ii. Defendants approved requests to leave a shift early in order for Workers to leave before their scheduled stop time;
 - iii. Defendants reserved the right to take disciplinary action

against Workers for late call-ins or excessive cancellations;

iv. Defendants controlled which patients Workers cared for;

v. Defendants directed the work performed by Workers;

vi. Defendants assigned meal and break times;

vii. Defendants prohibited smoking in the workplace;

viii. Defendants prohibited cell phones while on duty;

ix. Defendants permitted cell phones only in the staff lounge

or outside during breaks or lunch break; and

x. Defendants required “staff” to complete the Covid-19 vaccination process per CDC Guidelines.

b. Defendants set the Workers’ rates of pay without any negotiation.

c. Defendants provided the equipment needed to perform the work including, among other things, the facility, supplies, medications, machines, computers, and patient monitors.

d. Workers performed work integral to Defendants’ business.

e. Workers often worked exclusively for Defendant.

f. Workers lacked any opportunity for profit or loss.

g. CNAs and LPNs performed work requiring limited skill and initiative.

h. RNs were reliant on Defendants to find job placement.

i. No Workers held themselves out as a separate business entity, advertised services, or carried liability insurance beyond that provided by Defendants.

16. Accordingly, the Workers are Reliance Staffing's employees under the FLSA.

FLSA Violations

Overtime Violations

17. Defendants repeatedly violated the provisions of Sections 207 and 215(a)(2) of the FLSA when they failed to pay their employees one-and-one-half times their regular rates for hours worked in excess of 40 in a workweek.

Defendants paid their employees their regular rates for hours worked in excess of 40 in a workweek. 29 U.S.C. §§ 207(a)(1), 215(a)(2).

Recordkeeping Violations

18. Defendants repeatedly violated Sections 211 and 215(a)(5) of the FLSA when they failed to keep complete and accurate records for the period of March 23, 2022, through April 11, 2022. During this period, Defendants did not maintain records of the actual number of hours worked each workday or each workweek, and they did not maintain daily sign-in/out sheets. 29 U.S.C. §§ 211, 215(a)(5), 29 C.F.R. Part 516.

Remedies Sought

19. As a result of their FLSA violations, Defendants owe the employees listed in Exhibit A back wages and liquidated damages, under 29 U.S.C. §§ 216(c), 217. If Defendants continued to violate the FLSA after the investigation period, then Defendants may owe additional back wages and liquidated damages to employees.

20. Defendants may also owe additional back wages and liquidated damages during the Investigation Period to employees whose identities the Acting Secretary does not currently know.

Prayer for Relief

As a result of Defendants' repeated FLSA violations, the Acting Secretary respectfully requests this Court enter an Order:

A. Permanently enjoining and restraining Defendants, their officers, agents, servants, employees, and those in active concert or participation with them, from violating Sections 207, 211, 215(a)(2) and/or 215(a)(5) and of the FLSA. 29 U.S.C. § 217(a).

B. Finding Defendants liable for unpaid overtime wages, plus an equal amount in liquidated damages, owing to the employees listed in Exhibit A, as well as to other of Defendants' employees not yet known to the Acting Secretary. 29 U.S.C. § 216(c).

C. If the Court declines to award liquidated damages, then enjoining and restraining Defendants, their officers, agents, employees, and those persons in active concert or participation with Defendants, from withholding unpaid compensation found owing to Defendants' employees, plus prejudgment interest computed at the underpayment rate established by the Acting Secretary of the Treasury under 26 U.S.C. § 6621.

D. Providing such other and further relief as may be necessary and appropriate.

E. Awarding costs and granting such other and further relief as may be necessary and appropriate.

SEEMA NANDA
Solicitor of Labor

CHRISTINE Z. HERI
Regional Solicitor

/s/ Barbara M. Villalobos
BARBARA M. VILLALOBOS
U.S. Department of Labor
Office of the Solicitor
230 South Dearborn Street,
Suite 844
Chicago, IL 60604
T: (312) 353-1168
Villalobos.Barbara@DOL.gov
IL Bar # 6230454

LOCAL COUNSEL:

DAWN ISON
United States Attorney
KEVIN ERSKINE (P69120)
Assistant U.S. Attorney
211 W. Fort Street, Ste. 2001
Detroit, MI 48226
Telephone: (313) 226-9610
Email: kevin.erskine@usdoj.gov

*Attorneys for Plaintiff Julie A. Su,
Acting Secretary of Labor,
United States Department of Labor*

EXHIBIT A

No.	First Name	Last Name
1	NICOLE	ADKISSON
2	NASIM	AHMED
3	CHANEL	BARNES
4	ALEXANDRA	BEASLEY
5	DESIREE	BELK
6	DENISE	BOWERS
7	ANANDA	BROWN
8	KRISTINA	BYRD
9	KAREN	CAMMON
10	LAKEISHA	CANTY
11	LATOSHIA	COBB
12	REGINA	CUNNINGHAM
13	MATRICIA	CURRY
14	BREEANA	DAVIS
15	TANISHA	DAVIS
16	NICHOLE	DEGREE
17	GEORGIA	DOSS
18	DAYNA	DOWDY
19	SHONTAE	EDWARDS
20	GREGORY	ELMORE
21	DESIREE	EVANS
22	NASTASSJA	EVANS
23	LASHUNDA	FERNNADAZE
24	SADE	FLETCHER
25	KAILYNN	FRANCE
26	VIKITA	FRANKLIN
27	CATINA	GARRISON
28	CHAENA	GILLAM
29	RANETTA	GREEN
30	SOMMERS	HARPER
31	KAWANNA	HEARD
32	ELLEXUS	HERRON
33	TEARA	HICKS
34	SHALONIA	HINDS
35	SANTRICE	HINKLE
36	DAREN	HUDECHECK

37 JASMINE	JACKSON
38 LEKEIA	JACKSON
39 ANGEL	JOHNSON
40 KATHERINE	JONES
41 INDA	KING
42 ALYSSA	KUHN
43 MARY	LEWIS-WIAFE
44 ZAYNAH	LINDSEY
45 LASANDRA	MARSHALL
46 ANGELA	MAYFIELD
47 DOROTHY	MCNEAL
48 ERIN	MINER
49 LETITIA	MOORE
50 KATHERINE	PALMER
51 GIMICA	RAGLAND
52 JENNIFER	RAY
53 CHRISTINE	RIVERS
54 ERICKA	SAMPSON
55 KARISHA	SHAVER
56 ALEXANDRA	SIMS
57 PRINCESS	STUBBS-BRANDON
58 ALEXUS	THOMAS
59 NATHANELLE	THOMAS
60 CHANNEL	THOMPSON
61 CRYSTAL	TILLMAN
62 KIERRA	WALKER
63 VIRGINA	WALKER
64 SHANELLE	WARD
65 BRANDEN	WATTS
66 LATOYA	WIDEMAN
67 LAKISHA	WILLIAMS
68 JAMILA	WILSON
69 BIANCA	WIMBERLY
70 JUANITA	WRIGHT