



State of New Jersey

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

Mikie Sherrill
Governor

Dr. Dale G. Caldwell
Lieutenant Governor

Division of Employer Accounts

Director's Office

Audits & Field Services

P.O. Box 947

Trenton, NJ 08625-0947

(609) 292-2810

April 2, 2026

Kevin Jarvis
Acting Commissioner

Michael Marich
Deputy Commissioner

River North Transit, LLC
114 5th Avenue
New York, NY, 10011
Assignment#276554

Dear Sir/Madam,

The above-mentioned Auditor has determined that the Contributions listed below are due under the New Jersey Unemployment and Temporary Disability Insurance Laws based on unreported and/or under-reported wages per the attached Form FS-325 which should be retained by you.

Period(s) and Contributions Below:

2021	136,914.11
2022	170,171.29
2023	185,909.28
2024	262,527.99

Total Contributions: \$755,522.67

Interest: \$326,743.65 (calculated through 04/15/2026)

Penalty: \$133,908.07(calculated through 04/15/2026)

Pursuant to the provisions of RS 43:21-14 (c) and/or 12 (d) of the New Jersey Unemployment and Temporary Disability Insurance Laws, the Division of Employer Accounts has assessed the contributions shown above.

In addition, based on the audit findings for the years 2021 to 2024 by the New Jersey Department of Labor and Workforce Development (NJDOL), Division of Employer Accounts, it has been determined that you are liable for misclassification penalties under N.J.S.A 34:1A-1.18. River North Transit, LLC. violated the Unemployment Compensation Law N.J.S.A. 43:21-1 et seq and Temporary Disability Benefits Law N.J.S.A 43:21-25 et seq by failing to properly classify employees and remit contributions. This assessment is due and payable, along with applicable interest and penalties.

Under N.J.S.A 34:1A-1.18, if the Commissioner of NJ DOL finds that a violation of a State wage, benefit or tax (defined in N.J.S.A 34:1A-1.11) has occurred and that the

violation was in connection with failing to properly classify employees the commissioner is, in addition to imposing any other remedies or penalties authorized by law, authorized to assess and collect the following penalties:

- (1) An administrative "misclassification penalty" up to a maximum of \$250 per misclassified employee for a first violation and up to a maximum of \$1,000 per misclassified employee for each subsequent violation:

Failing to Properly Classify Employees the misclassification penalty under 34:1A-1.18(a)(1) is \$52,500 (\$250*210)

- (2) A penalty to be provided for the misclassified worker of not more than 5% of the worker's gross earnings over the past twelve months from the employer who failed to properly classify them. The employer may be required to make these penalty payments to the Commissioner to be held in a special account in trust for the worker(s) or paid on order of the commissioner directly to the worker(s) affected:

Failing to Properly Classify Employees Penalty to Misclassified Workers under 34:1A-1.18(a)(2) is \$311,206.84 (5% gross earnings over the past 12 months).

The total penalties assessed against you under these statutes are \$363,706.84.

The total liability assessed for the audit and the misclassification penalties are \$1,579,881.23.

If you decide to submit the assessments, you can plan for payment by contacting the Director's office on (609)292-2810. If the arrangement for payment of these assessments is not made, the Division of Employer Accounts will proceed with collection action in the manner provided by law. Payment of the penalty under 34:1A-1.18(a)(2) will need to be paid directly to the employee and it is not subject to tax deductions. Submit remittance documents of payments (cancelled checks) to this office and to the employee. If an employee's check is returned to you as undeliverable, forward the returned check to the NJDOL Division of Employer Accounts to be held in trust for that employee. All payments must have the assignment id.

Please note that our auditor's determination shall be deemed final unless any party with an interest in this matter makes a written request for a hearing within 30 days after the date of this notice.

You may request a hearing on this determination by completing the enclosed Request for Hearing form. Please provide a reason for disputing the determination on the form. The request should be returned to the following address:

State of New Jersey
Department of Labor and Workforce Development
Director's Office
P.O. Box 947
Trenton NJ 08625-0947

Sincerely
Evelyn Rivera
Evelyn Rivera
Director of Division of Employer Accounts.