



Mass. reaches \$3M settlement with FedEx Ground

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By: Associated Press

BOSTON --The Massachusetts attorney general says FedEx Ground has agreed to pay the state \$3 million in a dispute over alleged misclassification of drivers as independent contractors.

The state says the package delivery company's actions denied the state payroll taxes, worker's compensation and unemployment assistance contributions. The attorney general said FedEx also gained unfair competitive advantage.

The money will go to the state's general fund, as well as 13 drivers named in the settlement. The agreement announced Thursday does not affect a drivers' lawsuit against the company. Attorney Shannon Liss-Riordan, who represents the drivers, said they are pleased some money was recovered but will continue their lawsuit.

FedEx Ground denies liability in the settlement. Company spokesman Maury Lane said it reached the agreement to resolve the dispute, and remains focused on providing service to customers.