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COMPTROLLER STRINGER DEBARS BROOKLYN ROOFING CONTRACTOR WHO CHEATED 24 IMMIGRANT WORKERS OUT OF \$327,000 IN PREVAILING WAGES AND BENEFITS

(New York, NY) – On Thursday, New York City Comptroller Scott M. Stringer announced that his office's Bureau of Labor Law had reached a \$364,000 settlement, which includes \$327,000 in unpaid prevailing wages and benefits, close to \$20,000 in interest and \$17,000 in civil penalties, with Beacon Restoration, Inc. The company cheated twenty-four Latino and South Asian immigrant workers out of rightfully-earned prevailing wages and benefits for their work installing a new roof at the Port Richmond Water Pollution Control Plant on Staten Island in 2010 and 2011.

"My office has no tolerance for City contractors who cheat their workers from the wages and benefits they have rightfully earned," Comptroller Stringer said. "Everyone deserves to be paid for their labor, but these 24 workers, all of them immigrants, were robbed and exploited. We will ensure these individuals receive the wages they deserve and put out the word yet again to unscrupulous contractors: if you take advantage of your workers, we will take action against you."

The case against this contractor began in June 2011, when the Department of Environmental Protection (DEP) commenced an investigation after a worker complained about being underpaid, which was corroborated by irregularities in Beacon's payroll records. DEP referred the matter to the Comptroller's Office for further investigation. In September 2011, Volmar Construction, Inc., one of the prime

contractors on the project, and Beacon Restoration, had the workers, many of whom did not speak English, sign releases falsely claiming that they had been paid in full.

Despite this representation, the Comptroller's Office continued its investigation and found that Beacon had submitted falsified payroll reports to hide underpayments. While payroll reports and cancelled paychecks showed payments of \$64.00 per hour on particular dates, the Comptroller's investigation revealed that the company delayed payments to its workers and ended up paying them salaries of \$140 to \$180 per day based on the total hours worked by the end of the project—far less than the doctored records showed.

The settlement agreement provides that Beacon Restoration and its owner are barred from public works in the State of New York for the next five years.

Comptroller Stringer is committed to enhancing economic opportunity for all New Yorkers. Under his leadership, the Comptroller's office is focused on defending workers' rights to their earned wages by rooting out fraud and abuse through the enforcement of prevailing wage laws. Since 2014, Comptroller Stringer's Bureau of Labor Law has paid over \$7 million in unpaid prevailing wages with interest to workers, remitted over \$500,000 in civil penalties to the City of New York and debarred more than 30 contractors who had taken advantage of their workers, a record amount.

"Beacon Restoration took advantage of workers for financial gain and now they are paying for their actions," Stringer said. "These 24 workers deserve to be paid for the work they did so they can live, work and raise a family here, just like everyone else. My message today is this: paying prevailing wages is not a choice, it's the law. If you think you may have been cheated while working on a City-funded public works project, know that my office has your back."

To read more about how the Comptroller's Office sets and enforces prevailing wage and benefit rates on New York City public works projects, please click <u>here</u>.