



Department of Labor Issues Stop Work Orders To 27 Companies; Investigates Misclassification

WETHERSFIELD, March 26, 2013 – The Connecticut Department of Labor’s Division of Wage and Workplace Standards issued Stop Work orders to 27 companies working at construction project sites in Stamford during the period of January 9 to March 14, State Labor Commissioner Sharon M. Palmer announced today.

Stop Work orders are levied against companies that misclassify workers as independent contractors with the intent of avoiding their obligations under federal and state employment laws covering such matters as workers’ compensation, unemployment taxes and payroll reporting. Stop Work orders result in the halting of all activity at a cited company’s worksite, as well as a \$300 civil penalty for each day the company does not carry workers’ compensation coverage as required by law.

According to Commissioner Palmer, Division of Wage and Workplace Standards Investigators issued Stop Work orders at these construction sites to the following companies:

Jan. 9 at the following project site: 1100 Hope Street, Stamford

- Sheng Chang Renovations Inc. (NY)

Jan. 23 at the following project site: Pacific Street, Stamford

- Heritage Drywall (CT)
- Rammer Development (CT)

Jan. 30 at the following project site: 278 Old Gate Lane, Milford

- ACI Drywall (MD)

Jan. 30 at the following project site: Pacific Street, Stamford

- Edge Star Resources LLC (CT)

Feb. 1 at the following project site: 625 School Street, Putnam

- G. Logan Construction (MA)
- J&R General (CT)
- Moccia Concrete Construction (NH)
- United Drywall (MA)

Feb. 1 at the following project site: 450 Providence Road, Brooklyn

- J. Hatchett Masonry LLC (MA)

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Feb. 15 at the following project site: 57 West Rocks Road, Norwalk

- G. Castro Contractor (CT)
- LIGB Corp. (NY)
- M. Rivera Construction Inc. (NY)
- Rick's Main Roofing (CT)

Feb. 21 at the following project site: 1201 Boston Post Road, Milford

- DeLaurentis Inc. (CT)
- Flushing Carpet (NY)
- Front Street Facilities (NY)
- Rivera-Salazar Group Inc. (CT)

March 13 at the following project site: 1 Ketchum Road, Westport

- Green Day Landscape LLC (CT)
- Domack Roofing (CT)
- Gamma Construction Services (NY)

March 13 at the following project site: Amity Road, New Haven

- Dani's Home Builders (NY)
- Extreme Drywall (NY)
- Floor Expo (NY)
- Franchise Contractors (NY)
- Premium Decorating (NJ)

March 14 at the following project site: Factory Lane, Milford

- Shoreline Carpentry LLC (CT)

In the past 12 months the agency has inspected 108 construction projects and reviewed the records of 299 contractors. Approximately 199 Stop Work orders have been issued during this time, with 92 identified as out-of-state contractors. Since October 2007, a total of 898 Stop Work Orders have been issued with \$600,000 collected in civil penalties for the misclassification of workers. Additionally, referrals have been made to the Department of Revenue Services and the Labor Department's Tax Division audit unit for further investigation.

"Some employers will misclassify workers as independent contractors with the intent of avoiding their obligations under federal and state employment laws covering such matters as workers' compensation, unemployment taxes and payroll reporting," Palmer noted "Unfortunately, when an employer fails to pay for the proper coverage for injuries suffered on the job, and a worker gets hurt, the state's taxpayers ultimately foot the bill."

Companies issued a Stop Work Order have 10 days to appeal the decision. Once a cited employer provides proof of appropriate coverage, work at that site is allowed to resume. The agency has developed an online site to help educate the public about misclassification laws. Located on the agency's website at www.ct.gov/dol (under Wage and Workplace Standards) it also provides contact information for those wishing to report any suspicion of misclassification.

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