## **MEDIA RELEASE**



CT Department of Labor Communications Office
Glenn Marshall, Commissioner

# Labor Department Issues 19 Stop Work Orders at Six Westport Construction Sites

Companies Cited for Misclassification of Workers

WETHERSFIELD, Aug. 17, 2011 – The Connecticut Department of Labor's Division of Wage and Workplace Standards issued Stop Work orders to 19 companies working at six different construction project sites in Westport during the two-week period of July 25 to Aug. 5, State Labor Commissioner Glenn Marshall announced today.

Stop Work orders are levied against companies that misclassify workers as independent contractors with the intent to avoid their obligations under federal and state employment laws such 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.

Investigators issued Stop Work orders to the following companies:

#### Issued July 27 at the following project site: 10 Church Lane, Westport

- Pawel Siepka Construction, LLC
- Osvaldo Deleen
- Neri Ortiz
- Rene Herrera
- ACC, LLC
- George Lopez
- Hector Uillavicencia
- Fernando Fiqueroa
- Frank Marini Mason Contractors LLC

#### Issued July 27 at the following project site: 19 Post Road East, Westport

• Scott Rochlin General Contracting, LLC

#### Issued July 27 at the following project site: 22 Main Street, Westport

- The Artisan Group, LLC
- Woodstone Contracting, Inc.
- Luis Puente Tile Marble, LLC
- P&E Services, LLC

- more -

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#### Issued July 27 at the following project site: 71 Main Street, Westport

• H.F. Drywall, LLC

#### Issued July 28 at the following project site: 10 Church Lane, Westport

• Luis Villavivencio-Arevalo

### Issued August 4 at the following project site: 1505 Post Road East, Westport

- ADK Electric
- Retail Store Construction

#### Issued August 4 at the following project site: 69 Main Street, Westport

• Exceed Contracting

"When businesses fail to recognize their workers as employees of the company, they avoid providing certain protections, such as Workers' Compensation, which ensures our workers are safe should they be injured on the job," noted Commissioner Marshall.

"Unfortunately, companies that do play by the rules have no way of competing with those that try to cut costs at the expense of their own employees. Under the law, it is an employer's responsibility to ensure that their employees have adequate coverage while at work. When an employer does not pay its fair share, the state's taxpayers ultimately foot the bill if a worker is hurt on the job or gets laid off."

In the past six months the agency has inspected 67 construction projects and reviewed the records of 299 contractors. Approximately 103 Stop Work orders have been issued during this time, with 20 identified as out-of-state contractors. Companies issued a Stop Work order have 10 days to appeal the decision and once a cited employer provides proof of appropriate coverage, work at that site is allowed to resume.

As a result of these Stop Work orders, \$81,110 has been collected in civil penalties for the misclassification of workers and referrals have been made to the Department of Revenue Services and the Labor Department's Tax Division audit unit for further investigation.

The first Stop Work order was issued by the Connecticut Department of Labor in October 2007. Since that time, more than 560 have been issued. The agency has developed an online site to help educate the public and members of the business community about misclassifications laws. Located under the agency's website at <a href="https://www.ct.gov/dol">www.ct.gov/dol</a>, it also provides contact information for those wishing to report any suspicions of misclassification.