



The FAIR CONTRACTOR

A Publication of the Foundation for Fair Contracting of Massachusetts

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Foundation Programs Finding Their Mark!

The Foundation for Fair Contracting of Massachusetts (FFCM) is functioning at an expanded level. Its educational efforts, its monitoring program and its push for compliance with the Massachusetts prevailing wage law and the Davis-Bacon Act are gaining the attention of enforcement authorities, contractors, and construction workers across the state. Fair competition for public works contracts, based on legitimate prices instead of cheating, is what the FFCM is all about.

Efforts to educate prospective bidders on the applicability of the prevailing wage law have been extensive and unprecedented. Bidders who once could claim ignorance of the law are now put on notice. Fair contractors are encouraged that the word is getting out. Even more encouraging to fair bidders is the FFCM monitoring program, designed to scan all those public documents that can incriminate cheaters. It's positively amazing how the written word (and written numbers!) can come back to haunt the scammers in the construction industry!

Finally, the FFCM is engaged in the most comprehensive effort EVER to communicate with construction workers and their

families about their rights on public works jobs. Sharing public documents related to their own wages with hundreds of workers and their spouses has resulted in a dramatic increase in the number of reported violations.

More education about

time limits for filing a complaint and about treble damages for state prevailing wage violations ensures that more and more violations will result in penalties. And more and more jobs will go to contractors who play by the rules!

Finally hats off to the crime busters at the Attorney General's office who have taken a bold and aggressive approach, tackling big and small violators across the state. The same goes for authorities, who are sending people to jail for requiring kick-backs of wages on Davis-Bacon jobs and getting tough on a wide range of contract compliance issues. Nothing can satisfy when you lose to a cheater, but it helps if they have to answer to the law!

Payroll Records on all State and Local Jobs

The law requires that every contractor and every subcontractor shall submit weekly payroll records to the awarding authority. That means that the names, addresses, and rates of pay will become public records

Attorney General Harshbarger & FFCM Take Wage Fraud Message to the Airways

Massachusetts Attorney General Scott Harshbarger is featured in a new Public Service radio ad informing construction workers on public projects about new protections they have against wage fraud and non-payment of wages. The new ad is a cooperative project with the Foundation for Fair Contracting of Massachusetts (FFCM), a non-profit organization that monitors public construction and highway projects and the AG's Office.

If you're a construction worker whose been the victim of wage fraud or nonpayment of wages, there's a new law that protects your rights," Harshbarger says in the radio ad. "My office now has the responsibility for wage law enforcement, including prevailing wages on public projects. When an employer pays less than the law requires - that's a crime!" An announcer then explains that construction workers who stand up for their rights can win backpay or even triple damages.

"Violation of the prevailing wage law is a growing problem in Massachusetts," explained FFCM Co-Director James Snow.

"Some contractors are cheating the taxpayers and their own workers by deliberately undercutting the prevailing wage - either to win bids unfairly or to increase profits. This radio ad is an important part of our campaign to inform construction workers about their rights and how to file a complaint against an employer who cheats."



The FFCM/AG's begins airing on November 28 and will run until the end of the year. The FFCM sponsored a similar project in the spring when the Foundation offered a series of Public Service Announcements (PSA) to over 95 radio stations in

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Attorney General's Office Targets Wage Fraud Complaints in the Public Construction Industry

CRIMINAL COMPLAINTS ISSUED AGAINST CONTRACTORS INVOLVING ALLEGED PREVAILING WAGE VIOLATIONS

Attorney General Scott Harshbarger announced criminal complaints were issued against two Chelmsford contractors and their presidents for allegedly violating the prevailing wage law.

The Middlesex Corp. and the Middlesex Paving Corp. were each charged with 54 counts of failing to pay the prevailing wage rate and two counts of failing to provide true and accurate payroll records.

The complaints allege that 54 employees were not paid the state-mandated prevailing rate for truck drivers on a state highway paving project on Route 128 in Burlington and Woburn. The employees are allegedly owed a total of \$21,115 in wages for the violations that occurred between May and October, 1991.

If convicted, each defendant faces a maximum fine of \$10,000 on each count and debarment from contracting or performing public works jobs for six months.

A.G. ANNOUNCES DISPOSITION OF TWO LABOR ENFORCEMENT CASES INVOLVING NORTH BILLERICA COMPANY AND DRACUT MAN

Attorney General Scott Harshbarger announced that his Fair Labor and Business Practices Division concluded two separate cases in Lowell District Court involving violations of the Massachusetts Wage laws. A North Billerica Company pleaded guilty to a violation of a payroll record requirement and a Dracut man admitted to sufficient facts to reach a finding of guilty for failure to pay his employees.

"The message must be clear that the Office of the Attorney General is serious about enforcing the wage laws," said Attorney General Harshbarger. "Employers must know that possible criminal prosecution awaits them if they fail to comply with the law."

WATERTOWN CONTRACTOR CHARGED WITH VIOLATING THE PREVAILING WAGE LAW.

Attorney General Scott Harshbarger announced that criminal complaints have been issued out of Waltham District Court against a Watertown contractor for allegedly violating the prevailing wage rate law.

Accurate Paving Corp., 74 Acton Street, Watertown, and its president, John Trainor, 28, of Cambridge, were each charged with 29 counts of violating the prevailing wage rate law. The charges cover 29 weeks for which the prevailing wage rate was allegedly not paid to employees.

"Enforcement of the prevailing wage rate

Case Reviews

law is essential to ensure contractors follow the law and workers receive the proper wages that they have earned," said Attorney General Harshbarger.

The alleged violation occurred between June and December, 1993, while Accurate was performing subcontracting jobs for the Middlesex Paving Corp.

Accurate's employees allegedly received between \$10 and \$15 per hour less than the state-mandated prevailing wage rate. The employees were eventually compensated a total of an additional \$6,592.12, which is the difference between the amount they were originally paid, \$6,851.95 and a total amount of \$13,444.07 that they allegedly should have been paid. The backpay came about only after the defendants were contacted by the Attorney General's Fair Labor and Business Practices Division.

If convicted of nonpayment of the prevailing wage rate, each defendant faces a maximum fine of \$10,000 on each count and debarment from contracting or performing on public works jobs for six months.

W. SPRINGFIELD MAN TURNS HIMSELF IN FOR ALLEGEDLY FAILING TO PAY EMPLOYEE WAGES.

Attorney General Scott Harshbarger announced that a West Springfield man turned himself in to authorities after defaulting on an October, 1992 pretrial conference for his alleged failure to pay employee wages.

Albert Raimondi, president of Transportation Assistance, Inc., of 241 Bliss Street, West Springfield was arraigned in July, 1992 in Springfield District Court on three counts of nonpayment of wages. Raimondi appeared again today in District Court to clear an outstanding arrest warrant.

Raimondi is owner and president of a trucking company which delivers to sites throughout Western Massachusetts. In March, 1991, he allegedly failed to pay three of his employees their wages, amounting to approximately \$2,300.

"My fair Labor and Business Practices Division is committed to enforcing Massachusetts' wage enforcement laws," said Attorney General Harshbarger. "Employers must realize that they will face serious consequences, if they do not abide by the law and respect the rights of their employees."

Judge Robert Howarth released Raimondi and ordered him to appear in court on March 2, 1994. To secure his appearance, the court ordered a \$2,500 personal surety.

If convicted of the charges, Raimondi faces a maximum penalty of two months in the House of Correction and a \$3,000 fine.

SANDWICH MAN ARRESTED FOR FAILURE TO PAY EMPLOYEE WAGES

Attorney General Scott Harshbarger announced that a Sandwich man surrendered himself to State Police officers assigned to the Attorney General's Office on several outstanding warrants issued by Worcester District Court for failure to pay wages to employees.

Contractor Fined \$10,000- Pays \$5,000 in Back Pay For Prevailing Wage Violation

Metric Construction Corp., a Brookline building contractor, has pleaded guilty to a charge of violating the Massachusetts Prevailing Wage Law. According to the complaint filed in West Roxbury District Court, a Metric carpenter was paid approximately \$15 per hour less than the prevailing wage. Charges of failing to pay overtime were also and failure to provide true and accurate records were also brought against Metric. Overtime at the rate of one and one half time the hourly rate is required for all hours worked in excess of 40 in a given week.

In an especially bizarre twist, the violations were committed while Metric was performing work at the courthouse where the case was prosecuted. Judge Sarah Singer imposed a fine of \$10,000 on the company, in addition to ordering \$5,000 in back pay for the employee. Finally, Metric was debarred (prevented from bidding public work) for a period of six months.

The case is among dozens in progress in which the crime fighting tools of the Attorney General are employed to bring prevailing wage and overtime violators to justice.

AG Targets Wage Fraud...

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Louis Masaschi, 27, of Whittemore Point, Buzzards Bay, President of M.E.C., Inc., a South Boston Construction firm, was in connection with work done at the Sullivan Middle School in Worcester.

Masaschi had been ordered to pay restitution of \$85,484 to 21 former employees who had worked at the Worcester job site. Masaschi was found to be in violation of his probation for failure to pay \$2,000 in court costs, in addition to the restitution owed. The incarceration was stayed until June 11, 1993, and would have been stayed further upon each designated installment of restitution.

Masaschi has failed to meet that payment schedule and faces possible imposition of his sentencing.

"Working men and women are entitled to the fullest protection of the Massachusetts wage laws," said Attorney General Harshbarger. "My office is committed to vigorous enforcement, and this case should serve as a clear message that employers who violate those laws will be held accountable. The decisions of the court of law are not to be taken lightly. The integrity of the legal system and the confidence of Massachusetts workers are at stake."

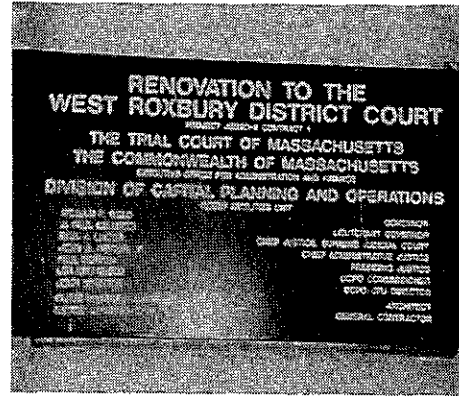
U.S. Labor Dept. seeks to Debar 3 Mass Companies from Federal Bidding

The U.S. Department of Labor is seeking to debar three Massachusetts companies from bidding on federally funded construction contracts because of their alleged violations of federal labor standards on previous contracts involving federally funded construction of Boston City Hospital and the Cathedral Turnkey Housing Project in Boston.

The Department of Labor has initiated debarment proceedings against HML Development Corp. of Haverhill, Eagle Drywall of New England, also of Haverhill, and A&J Drywall Systems, Inc. of Dorchester.

Each of these companies is charged by the Department with violations of the Davis-Bacon and Related Acts (the Federal Prevailing Wage law) and the Contract Work Hours and Safety Standards Act, including failure to pay employees at required prevailing wage rates and falsifying certified payroll records.

These companies will face a hearing before a Labor Department Administrative Law Judge to determine the validity of the Wage and Hour Division's allegations against the companies, determine if back



wages are due and the amounts due to the employees of the firms, and determine if the companies should be debarred from bidding on federal contracts and subcontracts for a period of three years.

Airways

Continued from page 1
Massachusetts.

According to Snow, the following stations have already aired the PSA: WRNX-FM Amherst, WROL-AM Boston, WMSX-AM Brockton, WCAP-AM Lowell, WSSH-AM Woburn, WTTT-AM Amherst, WUNR-AM Boston, WADN-AM Concord, W H M P - F M / A M Northampton, WBBS-FM/WSBS-AM Great Barrington, and WBZ-AM Boston.

The new radio ad is scheduled to play on such popular radio shows as "Imus in the Morning", WBCN's "Big Mattress" as well as sports and talk shows throughout the state on a regular basis.

IF YOU'RE A CONSTRUCTION WORKER WHOSE BEEN THE VICTIM OF WAGE FRAUD OR NON-PAYMENT OF WAGES, THERE'S A NEW LAW THAT PROTECTS YOUR RIGHTS.

THIS IS ATTORNEY GENERAL SCOTT HARSHBARGER.

MY OFFICE NOW HAS THE RESPONSIBILITY FOR WAGE LAW ENFORCEMENT, INCLUDING PREVAILING WAGES ON PUBLIC PROJECTS. WHEN AN EMPLOYER PAYS LESS THAN THE LAW REQUIRES - THAT'S A CRIME!

FOR MORE INFORMATION ON YOUR RIGHTS CALL (617) 727-3465.

A Public Service Announcement paid for by the Foundation for Fair Contracting of Massachusetts.

Contractor on Massachusetts Job Sentenced to Federal Prison for Violations of Anti-Kickback Law

Steven Allard of Rhode Island has been sentenced to 10 months in federal prison for demanding kickbacks from public works employees. Allard was also ordered by the court to pay restitution in the amount of \$10,000 to the employees involved and to pay a \$10,000 fine.

Allard operated a company called Welding Jobs Unlimited of Glendale, R.I. His company obtained a contract to perform steel work in the construction of a new post office in Bellingham, Massachusetts. Since the post office was a federal job financed

by the United States Government, federal law required that all tradesmen on that job be paid the prevailing wage.

A 1991 investigation by the Wage and Hour Division in Providence, RI revealed that Allard had not been paying employees on the post office job prevailing wages and therefore owed employees back wages. The subsequent criminal investigation showed that Allard went through motions of paying the back wages but then met with the employees on the Bellingham job and had them sign over a portion of their wages, threatening them with dismissal if they failed to do so.

Retired State Troopers Supply Expertise to FFCM

The FFCM prevailing wage monitoring program can communicate with law enforcement officials. That's because the communicators are two retired state police officers. Covering both eastern and western Massachusetts, our monitors are working with awarding authorities to improve compliance efforts. They're also helping the many construction workers who come forward with complaints. Assembling documents, getting answers to questions, and getting them to the proper enforcement agency are all ways that FFCM monitors help workers through the complaint process. Above all, supplying accurate information and sources to enforcement personnel keep monitors busy. As the months go by, more and more of their efforts will become public as cases make their way into the media. And more and more contractors will learn that cheating has a cost!

Thumbnail Sketches... Rip-offs Exposed by FFCM Monitoring

A general building contractor reveals illegal "independent contracting" on his payroll records. The result... an unprecedented raid by State Police and the Attorney General's Inspectors!

A sewer contractor uses a bogus WBE to mis-classify an equipment operator as a truck driver, in the process stealing \$5/hr on a four month job.

A steel erector submits payrolls showing an hourly rate more than \$10/Hr less than required for an ironworker.

An asbestos abatement worker who couldn't be conned into thinking he owned part of the company in exchange for \$14/hr less than the correct rate.

A painting contractor who paid a steel painter \$11/hr less than the rate... under the table no less!

All public jobs... all transmitted to the enforcement authorities by the FFCM!

The Foundation for Fair Contracting

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