



A.G. Schneiderman And DOI Commissioner Peters Announce The Conviction And Sentencing Of NYC Housing Authority Subcontractor For Underpayment Of Wages To Workers

Subcontractor On Affordable Housing Project Underpaid Workers \$30,000 in Wage Kick-Back Scheme

Schneiderman: We Will Continue To Take Aggressive Action Against Employers Who Cheat Workers Out Of Their Hard-Earned Wages

NEW YORK – As part of an ongoing widespread investigation into wage theft at public works projects in New York City, Attorney General Eric T. Schneiderman and New York City Department of Investigation Commissioner Mark G. Peters today announced the conviction and sentencing of Jagdish Singh and Navico B & S Construction Corp. (Navico) for underpaying wages and benefits to 5 workers at a publicly-funded New York City Housing Authority (NYCHA) construction project in Queens by requiring wage kickbacks from employees. Singh, 57, was sentenced on his plea of Failure to Pay Wages to a 1 year conditional discharge, 100 hours of community service and a \$500 fine. Navico was sentenced on its plea of Falsifying Business Records in the First Degree to pay \$31,106.61 in back wages to the 5 former employees.

“Construction workers building affordable housing for families, like all other workers, deserve to be paid properly,” **Attorney General Schneiderman** said. “My office will continue to take aggressive action against employers who cheat workers out of their hard-earned wages. We will not rest until all workers in New York are treated with the respect they deserve.”

Department of Investigation Commissioner Mark G. Peters said, "Dodging labor and prevailing wage laws, as this contractor did, are serious crimes that target New York's most vulnerable populations and impact the lives of honest workers and their families. DOI will continue to work with the Attorney General to aggressively seek

out and prosecute anyone who ignore their legal obligations to pay employees a decent wage."

Navico supplied and maintained the scaffolding for brickwork and roof restoration at the Pomonok Houses located on Parsons Boulevard. In the Fall of 2014, NYCHA's Inspector General's Office was informed by a Navico employee that the company foreman, Jagdish Singh, required a "kick-back" of a portion of his weekly wages if he wanted to maintain employment. The scheme began in August 2014 and continued through November 8, 2014. The kick-backs for this employee totaled \$5,785.00. Four other employees were also required to kick- back a portion of their paycheck in cash to Mr. Singh in order to keep their job.

To further the scheme and in an effort to deceive NYCHA, Navico and Singh took measures to conceal their failure to pay the required prevailing wage rates. On four occasions, the defendants created false business records, which were certified payroll records, showing that full payment of the required prevailing wages had been made to their employees when in fact they were not.

The Attorney General thanks the Inspectors General for the New York City Housing Authority for their assistance on this investigation. The case was investigated by Special Investigator Robert Dianno and Edward Bradley, Deputy Inspector General led by Inspector General Ralph Ianuzzi. The Department Investigation's effort to combat prevailing wage violations on this investigation was led by Deputy Commissioners William Jorgenson and Michael Carroll.

Attorney General investigators working on this case were Edward Ortiz and Michael Yun. The investigation was conducted by Supervising Investigators John Sullivan led by Deputy Chief Investigator John McManus. The Attorney General's Investigations Bureau is led by Chief Investigator Dominic Zarrella.

The criminal case was prosecuted by Assistant Attorney General Richard Balletta, Labor Bureau Criminal Section Chief with assistance from Stephanie Swenton, the Deputy Bureau Chief of the Criminal Enforcement and Financial Crimes Bureau.

The Labor Bureau Chief is Terri Gerstein. The Executive Deputy Attorney General for Social Justice is Alvin Bragg and Kelly Donovan is the Executive Deputy Attorney General For Criminal Justice.