



The City of New York
Department of Investigation

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DOI COMMISSIONER REMARKS FOR PRESS CONFERENCE ON WAGE THEFT ARRESTS

Thank you District Attorney Vance and thank you to your team standing here today, including Chief of the Investigation Division Michael Sachs, Chief of the Rackets Bureau Jodie Kane, Attorney in Charge of the Construction Fraud Task Force Diana Florence and Assistant District Attorney Meredith McGowan.

The work on this case – the results of this investigation – drive home the striking impact that construction fraud has in New York City. In this case, it stole the hard-earned wages from construction workers, \$1.75 million in wages, according to the charges.

Parkside Construction and its co-defendants manipulated these workers by teasing them with the promise of a fair and honest wage. Instead, the reality was that paychecks failed to accurately represent all the hours worked; or underpaid the overtime rate.

The sheer number of workers whose wages were stolen – more than 500 – powerfully demonstrates the far-reaching nature of this charged conduct and how many unsuspecting workers it entrapped. One worker, for instance, had nearly \$50,000 in wages stolen from him over a three-year period.

Working alongside prosecutors, DOI interviewed dozens of workers and executed four search warrants.

DOI brought its insight and knowledge about the construction industry and how fraud, including wage theft, can invade these sites.

We have worked so many of these investigations alongside the Manhattan District Attorney and the other members of the Construction Fraud Task Force – a task force borne of the recognition that following the rules, keeping construction sites safe, and protecting workers' wages requires a vigorous and coordinated approach. And combining our expertise and knowledge in this area has had some great results, including in reaching and connecting with construction workers to ensure that they have the right training.

Together, when the Manhattan District Attorney and DOI saw that safety card certifications were being fabricated, and workers' lives were at risk, we established a program to reach out to these workers, through the relevant consulates from the countries where many of these workers had originated – including Ecuador and Mexico. I'm so pleased to announce that since beginning this effort in 2016, we have conducted dozens of safety training presentations and reached more than 2,000 workers, providing proper training to them and letting them know that law enforcement in New York City is on their side.

This is very clear: These workers' courage helped law enforcement advance this investigation and uncover this insidious corruption. I commend them for speaking to us and stepping forward.

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This investigation is an example of how government, how law enforcement, should work: holding those accountable who seek to exploit the vulnerable; providing justice to victims.

I am proud to stand here with this team of investigators and prosecutors.

Before ending, I would like to thank the DOI team who worked tirelessly on this investigation to bring justice to these hundreds of workers who failed to get their correct wages: Special Investigator Janaina Siguencia, Assistant Inspectors General Daniel Taylor and Tiffany Ingraham, and Chief Investigator James McElligott, under the supervision of Inspector General Gregory Cho, Associate Commissioner Jay Flaherty, Deputy Commissioner/Chief of Investigations Susan Lambiase and First Deputy Commissioner Lesley Brovner.

Thank you.

Indictments are an accusation. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country and New York City's corruption watchdog. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City. DOI's strategy attacks corruption comprehensively through systemic investigations that lead to high-impact arrests, preventive internal controls and operational reforms that improve the way the City runs.

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