Contact:
Harry Pierre
(617) 727-2543

MARTHA COAKLEY
ATTORNEY GENERAL

June 16, 2009 - For immediate release:

New Bedford Company Agrees to Pay Nearly $60,000 and to a One Year Debarment for Intentionally Violating the State's Wage and Hour Laws

BOSTON - Attorney General Martha Coakley's Office has reached a settlement agreement with a New Bedford drywall company to settle allegations that the company failed to pay employees the prevailing wage rate, the correct overtime rate and failed to keep proper payroll records for work performed at four Massachusetts public works job sites. Garcia Drywall, Inc. (Garcia Drywall), and its president, Emanuel Garcia, have agreed to pay over $41,600 in restitution to the affected employees and over $18,000 in fines for intentionally violating the Prevailing Wage, and Overtime and Record Keeping Laws. In addition, Garcia and his company have agreed to a one-year debarment, which prevents them from bidding on any public construction projects, as well as from accepting any contracts for public work for a one-year period in the Commonwealth.

In January, the Attorney General's Office received a complaint alleging that Garcia and his company failed to pay the prevailing wage rate to employees at public construction projects. Investigators from the Attorney General's Fair Labor Division reviewed a self-audit prepared by the company and discovered that the company had misclassified 26 employees at four public construction sites, including: two separate projects at UMass/Dartmouth; the Massport State Police Station at Logan Airport; and the Prattville Apartments in Chelsea. Additionally, Garcia Drywall failed to submit certified payroll records to the awarding authorities at these job sites. As a result of the misclassification, Garcia and his company agreed to pay over $18,000 in restitution to 26 employees and over $9,000 in fines to the Commonwealth. Investigators also discovered that the company failed to pay time and a half to employees for working more than 40 hours in a work week. As a result, the company agreed to pay nearly $24,000 in restitution to 86 employees, as well as more than $6,000 in fines for the violations. In addition, Garcia and his company will pay a $3,000 fine for failing to submit certified payroll records.

The Prevailing Wage and Records Keeping Laws apply to all construction work performed on public works projects in Massachusetts. The Prevailing Wage Laws allow all contractors bidding on public works projects to enjoy a "level playing field" by standardizing the rate of pay the workers will earn. The Records Keeping Laws allow state agencies to monitor the spending of taxpayer monies on public construction projects.

The Attorney General's Office is responsible for enforcing the laws regulating the prevailing wage, payment of wages laws, overtime and misclassification of employees in the Commonwealth. Workers who believe they have been misclassified or that their rights have been violated are strongly urged to call the Attorney General's Fair Labor Hotline at (617) 727-3465. More information about the wage and hour laws is also available in multiple languages at the Attorney General's Workplace Rights website: www.massworkrights.com.

The matter was handled by Assistant Attorney General Miranda Jones and investigated by Senior Prevailing Wage Investigator James