

## THE COMMONWEALTH OF MASSACHUSETTS OFFICE OF THE ATTORNEY GENERAL

March 1, 2023

Michael D. Hurley Clerk of the Senate State House, Room 335 Boston, MA 02133

Steven T. James Clerk of the House of Representatives State House, Room 145 Boston, MA 02133

Dear Clerks Hurley and James:

The Attorney General's Fair Labor Division is pleased to submit this report on enforcement actions and violation trends within the construction industry, pursuant to our Wage Enforcement line item 0810-0045 of the FY23 General Appropriations Act.

## **Enforcement Actions & Violation Trends**

In calendar year 2022, the Division issued 179 citations against 112 construction companies for violating state wage and hour, misclassification, and prevailing wage laws. As a part of these and other enforcement actions, more than 883 employees will receive over \$2.25 million in restitution and the companies will pay \$1.1 million in penalties to the General Fund. Construction was the second most cited industry in 2022, representing 19 percent of all enforcement. The violations with the highest assessments were failure to pay the prevailing wage (\$1,593,826), failure to pay overtime (\$933,933), records violations (\$431,050), and nonpayment of wages (\$128,859).

The Division debarred 5 companies and individuals that failed to comply with citations. These companies will be barred from obtaining public construction contracts in Massachusetts. The Division also issued letters to state and local awarding authorities, notifying them of prevailing wage violations that occurred on their construction projects. The Division of Capital Asset Management and Maintenance's Certification Unit was copied on each letter.

Additionally, the Division made 99 payroll fraud referrals to the Massachusetts Council on the Underground Economy and other agencies to investigate and combat insurance fraud and tax evasion by unscrupulous employers.

Please contact Shane Blundell in the Policy & Government Affairs Division at (857) 260-3343 with any questions.

Sincerely,

Lauren Moran

Chief, Fair Labor Division

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