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Crime & Safety

Staten Island construction company convicted of wage theft, unemployment fraud

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STATEN ISLAND, N.Y. — A Staten Island construction company and its two owners were convicted Thursday of withholding overtime wages from employees and failing to pay unemployment contributions to the New York State Department of Labor (DOL), the state’s attorney general announced.

Michael Murphy and James Murphy Jr., owners of Premier Builders, were each convicted of one count of failure to pay wages, said the office of Attorney General Letitia James. The company was convicted of one count of fourth-degree grand larceny and one count of first-degree falsifying business records.

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“New York’s construction workers, who risk their lives building our communities, are often cheated out of their fair pay by greedy employers,” said James.

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“These convictions serve as a clear warning: Any employer that attempts to exploit workers will be pursued to the fullest extent of the law,” added James. “My office will continue to do everything in our power to ensure no New Yorker is cheated out of their hard-earned money and that those who steal off the backs of their workers are held accountable.”

A joint investigation by James’ office and the DOL discovered that the construction company did not accurately report to the DOL’s Unemployment Insurance Division how many employees worked between Jan. 1, 2014 and Dec. 31, 2016.

As a result, the attorney general’s office said the company significantly underpaid in its unemployment contributions.

Separately, between Nov. 1, 2013 and March 31, 2015, Premier Builders failed to pay its workers the proper rate of time-and-one-half after workers surpassed 40 hours in any given workweek, instead only paying a straight time rate, according to the attorney general’s office.

“Mike and James Murphy are both hard-working professionals and craftsmen, and their company, Premier, did its very best to pay all of its workers a fair wage,” said Vincent Martinelli, the company’s defense attorney. “When minor discrepancies arose, they immediately recognized it and paid full restitution.”

“No worker was cheated out of a penny,” he added . “Maybe the AG’s office should focus on corruption in Albany instead of driving essential employers out of business so that they can no longer fairly employ the many workers who need jobs in these tough times.”

The company’s owners have paid \$300,000 in restitution to date, according to the attorney general’s office, and have agreed to pay an additional \$280,000.

Additionally, the two men have paid \$151,915 in restitution to be paid out to 76 employees who were owed overtime wages during the aforementioned span.

An additional \$148,085 has been paid to the state’s unemployment insurance fund, and the court entered confessions of judgement against both men and the company for an additional \$289,695 owed to unemployment insurance contributions.

“Let this serve as a reminder to unscrupulous employers everywhere: Unemployment Insurance fraud will not be tolerated in New York state,” said DOL Commissioner Roberta Reardon. “There is no excuse to steal from a system that is helping New Yorkers during their greatest time of need, especially during a global



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