



**ALVIN L. BRAGG JR.,
DISTRICT ATTORNEY**

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**D.A. BRAGG, DOI COMMISSIONER STRAUBER, NYS INSPECTOR
GENERAL LANG ANNOUNCE GUILTY PLEA OF UNLICENSED LABOR
BROKER**

*Salvador Almonte Jr. Evaded Insurance Premiums for Workers on Dangerous High-Rise
Construction Jobs*

Manhattan District Attorney Alvin L. Bragg, Jr., New York City Department of Investigation Commissioner Jocelyn E. Strauber and New York State Inspector General Lucy Lang today announced the guilty plea of unlicensed labor broker SALVADOR ALMONTE, JR., 42, for an extensive insurance fraud scheme in which they underreported the size of ALMONTE's companies and lied to insurance carriers about the work being performed by his employees in order to evade more than \$1 million in insurance premiums, leaving more than a hundred construction workers underinsured. He will be sentenced on May 17, 2023.

ALMONTE pleaded guilty to Insurance Fraud in the Second Degree and Fraudulent Practices in violation of Workers' Compensation Law § 114(3).

He will be required to pay \$500,000 in restitution to the New York State Insurance Fund ("NYSIF") and will be sentenced to five years' probation.

The case represents continued efforts of the Manhattan District Attorney's office to [protect workers](#) from predatory practices and unsafe work conditions.

"Salvador Almonte Jr. lied to insurance companies and the State of New York, putting workers' lives at risk all in the name of saving a buck. Because of his actions, employees were denied access to the

medical treatment and disability pay they deserved,” said **D.A. Bragg**. “Hard-working New Yorkers employed in one of New York City’s most dangerous and vital industries deserve the strongest protections. Alongside our law enforcement partners, we will continue to ensure accountability in cases like these.”

DOI Commissioner Jocelyn E. Strauber said, “This unlicensed labor broker prioritized saving money on insurance premiums over protecting his workers, leaving them and their families with inadequate or zero coverage for job-related injuries and fatalities. We thank our partners, the Manhattan District Attorney and the New York State Inspector General, for their commitment to pursue frauds that victimize workers and their families. ”

“The Workers’ Compensation fraud perpetrated here left contractors to do a dangerous job without the financial safety net they deserve, while also undermining the system for all New Yorkers,” said **New York State Inspector General Lucy Lang**. “This case serves as an example of the real-world consequences for the criminals perpetrating fraud and their victims. I commend the Manhattan District Attorney’s Office’s handling of this case and their work to secure appropriate restitution, as well as my team, whose expertise was essential in this case.”

As admitted by the defendant in his plea allocution in court, from January 2015 to late 2018, ALMONTE ran an insurance fraud scheme in which he made false representations to insurance carriers, including NYSIF, to secure workers’ compensation insurance coverage at fraudulently reduced prices.

ALMONTE operated a multi-million-dollar construction labor supply business in New York City as an unlicensed labor broker. His companies – including Power Services Solutions LLC, Power Services of New York, Inc., South Side Services, Inc., and North Star Strategy, Inc. – provided workers to construction companies.

ALMONTE evaded premiums from the New York State Insurance Fund by misrepresenting the true size and work being performed with the help of STEVEN ASVAZADOURIAN, a former insurance broker. Workers’ compensation insurance premiums are based on a company’s annual payroll and the risk involved in the type of work done by its employees. For instance, ALMONTE would tell insurance companies that cleaning or interior carpentry tasks were being done while his workers were engaged in high-rise superstructure projects.

ALMONTE refused to cooperate with the New York State Workers’ Compensation Board after injured workers submitted claims for their work-related injuries. His refusal to acknowledge that he employed the injured workers meant the Board could not assign insurance coverage and disability pay delayed for workers.

At times, ALMONTE supplied labor for projects completed by SSC High Rise, Inc., which pleaded guilty to Manslaughter in the Second Degree in 2018 for causing the death of construction worker Juan Chonillo.

ALMONTE's co-defendant ASVAZADOURIAN, pleaded guilty in August of 2020 to Insurance Fraud in the Second Degree, a class C felony, and Scheme to Defraud in the First Degree, a class E felony, and to a violation of the workers compensation law regarding false statements in procuring workers' compensation insurance. He paid \$100,000 to the New York State Insurance Fund and carried a sentence of three years' probation, 800 hours of community service and permanently surrendered his insurance broker license.

Assistant D.A.s Kenneth Moore handled the prosecution of the case under the supervision of Rackets Bureau Assistant D.A.s Judy Salwen, Principal Deputy Chief; Michael Ohm, Deputy Bureau Chief; and Jodie Kane, Bureau Chief; and Executive Assistant D.A. Susan Hoffinger, Chief of the Investigation Division. Analyst Danielle Corbett and Privilege Review Data Specialist Olivia Savell assisted with the case. Former Assistant D.A. Leah Keith, former Analyst Damaye Williams and former paralegals Olivia Estes and Claire Williams also assisted.

D.A. Bragg thanked DOI, particularly Assistant Inspector General Dan Taylor, who investigated under the supervision of Senior Inspector General Gregory Cho, Deputy Commissioner/Chief of Investigations Dominick Zarrella and First Deputy Commissioner Daniel G. Cort. D.A. Bragg also thanked the NYS IG's Office, especially; Investigative Counsel Jaclyn Belson, Deputy Chief of Investigations for the Downstate Region Dave Regazzi and Investigator James Maluk; as well as the New York State Department of Financial Services' Criminal Investigations Unit and Insurance Licensing Unit, D.A. Bragg also thanked the New York State Insurance Fund, especially Jessica Silver, Director of Investigations, NYSIF Division of Confidential Investigations; Michael Totaro, Assistant Secretary to the NYSIF Board of Commissioners; Investigator Maliaka Williams; and Senior Auditors Aura Villanueva and Granville Mo. D.A. Bragg additionally thanked the Port Authority of New York & New Jersey Inspector General and the Metropolitan Transit Authority Inspector General for their ongoing contributions to the Construction Fraud Task Force.

Defendant Information:

SALVADOR ALMONTE JR.
Brooklyn, N.Y.

Convicted:

- Insurance Fraud in the Second Degree, a class C felony, one count
- Fraudulent Practices in violation of Workers' Compensation Law § 114(3), a class E felony, one count

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