



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

FOR IMMEDIATE RELEASE

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**D.A. BRAGG, DOI COMMISSIONER STRAUBER, I.G. LANG ANNOUNCE
SENTENCING OF UNLICENSED LABOR BROKER**

Salvador Almonte Jr. Pleaded Guilty to Evading Insurance Premiums, Must Pay \$500,000 in Restitution

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 sentencing of SALVADOR ALMONTE, JR., 42, an unlicensed labor broker, for carrying out an extensive insurance fraud scheme. ALMONTE underreported the size of his 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 one hundred construction workers underinsured.

ALMONTE pleaded guilty on March 29, 2023, to Insurance Fraud in the Second Degree and Fraudulent Practices in violation of Workers' Compensation Law. He was sentenced to five years' probation and is required to pay \$500,000 in restitution to the New York State Insurance Fund.

This case is part of the Office's continued efforts to [protect workers](#) from predatory practices and unsafe work conditions. Agencies of the [Construction Fraud Task Force](#) joined to investigate this case.

"Salvador Almonte Jr. put workers' lives at risk by lying to insurance companies and the State of New York. Instead of receiving the medical insurance and disability pay they deserved, his employees were left exposed and vulnerable because of his criminal conduct," said **District Attorney Bragg**. "We will continue to work alongside our law enforcement partners to ensure the strongest protections for hard-working New Yorkers who put their safety at risk to keep this city moving."

DOI Commissioner Strauber said, “Salvador Almonte Jr. had a legal – and ethical -- obligation to his workers to provide proper insurance coverage, but instead used fraud and deception to reduce the premiums he paid. His self-serving scheme left workers in a high risk industry with inadequate or zero coverage for themselves and their families. DOI and our partners at the Manhattan District Attorney’s Office and the New York State Inspector General’s Office remain steadfast in our determination to protect construction workers in New York City and to root out this type of reckless fraud.”

“This brazen fraud put contractors’ safety and financial security at risk in the name of profits,” said **Inspector General Lang**. “I am grateful for our partnership with the New York City Department of Investigation in rooting out those who would imperil the vital safety net provided by the workers’ compensation insurance system, and to the Manhattan District Attorney’s Office for ensuring accountability.”

“Companies are obligated to support this important safety net for workers, and will be held responsible when they shortchange them,” said **Acting MTA Inspector General Elizabeth Keating**. “Our office is grateful to our law enforcement and investigative partners, at all levels of State and New York City government, for seeing that justice was served 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.

More than one hundred workers working on dangerous high-rise construction jobs were left underinsured because of this scheme.

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. 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 acting 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

Sentenced:

- Five years' probation
- \$500,000 restitution

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