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**REMARKS OF DOI COMMISSIONER JOCELYN E. STRAUBER AT PRESS CONFERENCE WITH
MANHATTAN DISTRICT ATTORNEY TO ANNOUNCE INDICTMENT OF VALOR SECURITY FOR
OPERATING SHAM SAFETY TRAINING SCHOOL WITH APPROX. 20K "STUDENTS"**

Thank you, Alvin, and thank you to your team with whom we worked so closely on this significant investigation. I want to recognize Buildings Commissioner Oddo and his team as well, for their assistance in this case, and also for their commitment to ensuring construction safety in New York City, including by further strengthening DOB's oversight of the safety training that our local laws require.

I want to take a moment to thank the DOI team who diligently pursued this investigation, including Special Investigator James Ferris, Deputy Inspector General Edward Zinser, Inspector General Gregory Cho, and DOI's Digital Forensics Unit.

This investigation highlights the importance of so-called "buy back" programs — in which construction workers surrender fraudulent or invalid safety certifications, including Site Safety Training cards or "SST cards, to DOB-approved Site Safety Training providers in exchange for discounted training. Buy-back programs aim to reduce the number of fraudulent safety cards in circulation, and incentivize workers to get the critical safety training that our local laws require. That's 40 hours of safety training relating to OSHA regulations, scaffold safety, and fall prevention, among others, for particular types of construction sites. The Local Laws empower DOB to oversee the approved providers – the schools -- that supply this training, but do not give DOB the same authority over the site safety instructors – the actual trainers.

In 2021, a training provider reported to DOI that a safety card surrendered in a buy-back program had been issued to someone who had not received training. DOI determined that the card had been issued by Valor.

From that initial determination, DOI, working with the team of prosecutors here today, conducted an extensive investigation that led to today's charges against Valor Security & Investigations, Inc., six of its executives and employees; and 19 individuals who acted as SST card brokers. The indictments and other documents unsealed today reveal the defendants' alleged participation in a widespread scheme in which Valor and its executives sold to brokers approximately twenty thousand fraudulent site safety training certifications, for workers who never received the required site safety training.

The alleged conduct facilitates evasion of Local Law site safety training requirements and thereby endangers workers on construction sites, and members of the public in proximity to them, throughout the City. A lack of training can have devastating consequences. As charged, Valor submitted documentation that falsely represented that a 36-year-old construction worker had completed 10 hours of safety training, including eight hours of fall protection, when in fact Valor had never trained this worker. That worker was

killed in November 2022 when he fell from the 15th floor of a building on West End Avenue under construction.

As in all DOI investigations where fraud is identified – and particularly where, as here, that fraud has serious implications for public safety – DOI considers the policy and procedural changes that can prevent that misconduct in the future. As I mentioned earlier, DOB oversees the providers of site safety training, requires the providers to post a schedule of the training offered and conducts audits of the providers' records and classes, all intended to ensure that course providers actually provide training consistent with DOB rules and local law. But DOB's oversight does not extend to ensuring that the instructors who teach the classes are qualified, or that the recipients of SST cards in fact received the training that the card indicates.

To that end, DOI has issued a number of recommendations to enhance DOB's authority and oversight in three areas: over course providers, instructors, and the SST training process. We have hard copies of the recommendations with us and they will be posted on our website later today. The key points of those recommendations are:

1. DOB should pursue the appropriate legislative or regulatory changes necessary to enhance DOB's oversight over site safety training instructors, so that DOB can more directly seek to ensure their qualifications and integrity;
2. DOB should pursue the appropriate legislative or regulatory changes necessary to enhance DOB's oversight over site safety training providers. With appropriate authority, DOB should require these providers to (1) document trainees' attendance through the use of an electronic, automated system that will generate "time stamps" unique to each trainee, reflecting the times that they began and ended the required trainings; (2) direct their instructors to make a sworn written statement that they have provided SST training in accordance with DOB guidelines for each course provided; and (3) issue SST cards through an automated database and system to be created by DOB that will prevent the issuance of SST cards unless the time stamps establish that each trainee has attended training courses as required, and that other requirements have been met;
3. DOB should hire additional Training Compliance Investigators to increase DOB's capability to audit course providers and to assist in the design and implementation of the automated DOB system that I just mentioned. Pending implementation of the other recommendations, DOB should require that course providers pre-register their courses at least three days in advance of the scheduled course dates and provide other critical course-related information, and upload that information in the DOB system, which will prevent the issuance of SST cards for any course provider who does not provide that information. DOB also should identify red flags through queries of the automated system that may indicate that providers are fraudulently issuing cards, such as in-person training at multiple locations simultaneously.

DOB has accepted all of these recommendations and DOB indicated that full implementation may require not only certain legislative and rule changes but also additional funding. DOI will support DOB's efforts in that regard and work with DOB toward full implementation.

Unscrupulous construction site safety course providers pose a serious public safety risk. This prosecution, and DOI's recommendations, are important steps forward in mitigating that risk and in ensuring safety in this critical City industry.

Thank you.

Indictments are an accusation. Defendants are presumed innocent until proven guilty.

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