

Wednesday, June 6, 2007

EMPLOYMENT AGENCIES LOSE THEIR LICENSES AS PART OF SETTLEMENT WITH DEPARTMENT OF CONSUMER AFFAIRS

DCA Secures Restitution for More Than 100 Consumers

New York City Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz today announced another successful milestone in the agency's recent sweep targeting deceptive employment agency practices. DCA secured a settlement with Fast Finders of NY, Inc. and Bernstein Business Services, Inc. and their principal Charles Noonan, requiring the employment agencies to surrender their licenses, pay \$15,000 into a consumer restitution fund, and be barred from operating an employment agency in New York City for a minimum of four years. DCA recently charged that Fast Finders broke a prior agreement and continued to deceive New Yorkers by collecting \$100 fees for jobs that didn't exist and running false advertisements. Using funds secured by the agreement, DCA will be refunding deposits and fees to more than 100 consumers and will also ensure that Fast Finders advertises in local media to alert consumers that it is out of business, directing consumers to DCA with any complaints. In addition, DCA padlocked Cohen & Cohen, an unlicensed employment agency illegally operating at the former Bronx office used by Fast Finders, and will pursue appropriate penalties. Last month, DCA secured a similar agreement with Best Choice Employment Agency, which included license revocation and securing \$20,000 in consumer restitution.

"This is the second time in recent weeks an employment agency had to learn that deceiving job seekers, especially those with low or no income, is a ticket to their own unemployment," said Commissioner Mintz. "We're pleased to be able to get money back for more than 100 consumers, and to spread the word to all New Yorkers to empower themselves by knowing their rights."

Employment agencies that engage in these deceptive practices impair the City's workforce development efforts and ability to ensure that New Yorkers of modest means get ahead and build financial stability. Protecting workers with low incomes is a key part of Mayor Bloomberg's comprehensive efforts to fight poverty, including the programs of DCA's new Office of Financial Empowerment.

Employment agencies that secure jobs within New York City must obtain a license from DCA. By law, employment agencies cannot guarantee that they will find a job. Depending on the type of employment, they may not be able to charge an advance fee; if allowed, it cannot exceed the maximum amount set by law and consumers have the right to a refund before the agency has found them a job.

DCA licenses 55 different categories of businesses in New York City, including approximately 400 employment agencies, and enforces the City's Consumer Protection Law prohibiting deceptive practices. To file a complaint against an employment agency or to check if an agency is licensed, call 311 (or 212-NEW-YORK outside of the five boroughs) or go to DCA's Web site www.nyc.gov/consumers. In addition, information, including DCA's free guide, *What You Need to Know About Employment Agencies*, is available in English, Spanish, Russian, Hindi, Haitian Creole, traditional Chinese,

Bengali, and Korean online.

EMPLOYMENT AGENCY TIPS

- **Only Use A Licensed Employment Agency.**

Employment agencies operating within New York City must be licensed by DCA. Check to see if the employment agency is licensed by calling 311 or online at www.nyc.gov/consumers.

- **Avoid Employment Agencies That Guarantee Jobs.**

By law, employment agencies *cannot* guarantee that they will find you a job. In addition, they cannot refer you to a job that pays less than minimum wage or does not pay overtime.

- **Get Job Description in Writing.**

By law, employment agencies are required to describe, in writing, all jobs available for agency referral. The description must include the employer's name, address, the wages, work hours, services you are expected to perform, and the agency fee. If you are not provided this information, call 311.

- **Know Your Rights When It Comes to Advance Fees and Refunds.**

In some cases, an employment agency can charge you an advance fee for job placement. If the agency does charge a fee, they must refund that fee at any time if you choose to end your contract before they have found you a job.

Employment agencies may also charge a placement fee after finding you a job. The placement fee cannot exceed the maximum amount set by law, which varies depending on the type of employment and the salary amount. In addition, if an advance fee was charged, the amount must be deducted from the total placement fee.

- **Know Your Contract Rights.**

Employment agencies must show you the entire contract before you sign it. Read the contract carefully to make sure that what you are agreeing to in writing is the same as the deal you accepted verbally. Before signing the contract, get the agency to answer all of your questions, in writing. Fees in the contract cannot exceed the fees that are legally permitted. **Contracts negotiated in Spanish must also be written in Spanish.**