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PINK SLIPS LOOM FOR EMPLOYMENT AGENCIES CHARGED WITH DECEIVING JOB SEEKERS

DCA Seeks License Revocation, Maximum Fines and Restitution for More Than 170 Consumers from Fast Finders of NY, Inc. and Best Choice Employment Agency

New York City Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz today announced that pink slips are looming for two employment agencies – Fast Finders of NY, Inc. and Best Choice Employment Agency, Inc. – as the agency seeks to revoke their licenses before an administrative judge for a pattern of deceptive practices. DCA charges, that despite signing prior agreements, the agencies continued to engage in deceptive business practices that ranged from enticing would-be job seekers with advertisements for jobs that didn't exist, to refusing consumer refunds of advance fees. Many of the job seekers were workers with low incomes or immigrant New Yorkers who were lured with the promise of opportunities, only to end up paying for job placements that were never available. DCA is seeking maximum penalties, including fines and license revocation for both employment agencies, as well as restitution for more than 170 total consumers.

"Last time we took these agencies to task we thought we'd made it clear that we would not tolerate deceiving those in need of a job, either by being untruthful about what's available or by charging illegal fees," said Commissioner Mintz. "Now we're not only demanding that these repeat violators refund money to more than 170 job seekers, but we're also seeking to revoke their licenses. New Yorkers have significant protections when using employment agencies, including the right to demand a refund of their deposit at any time."

DCA's charges against Best Choice, in particular, involved the targeting of Spanish-speaking job seekers who were not fluent in English, taking advantage of their difficulty reading contracts and understanding their rights. As part of its work with the Mayor's Office of Immigrant Affairs and community groups, DCA continues to expand outreach efforts citywide and ensure New Yorkers fully understand their rights when hiring employment agencies.

"Far too often, immigrant workers, particularly those who are not proficient in English, are victims of discriminatory practices," said Guillermo Linares, Commissioner of the Mayor's Office of Immigrant Affairs. "Immigrant workers make up 43 percent of the City's workforce, and when their rights are violated, the effect is felt by the entire City. I applaud DCA for holding these businesses accountable."

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, like the ones targeted by these two companies, is a key part of Mayor Bloomberg's comprehensive efforts to fight poverty, including the programs of DCA's new Office of Financial Empowerment.

FAST FINDERS, INC.

DCA began an investigation into Fast Finders in 2004 after receiving complaints that

the employment agency was accepting fees without placing people in jobs. DCA secured an agreement with Fast Finders in June 2005 that included fines and full refunds for consumers, as well as an agreement to comply with the City's licensing regulations and Consumer Protection Law. Over the last few months, DCA received more than a dozen additional consumer complaints and following an investigation found additional violations affecting more than 100 consumers. DCA charges Fast Finders illegally:

- Advertised job openings that did not exist.
- Collected \$100 advance fees from applicants for job openings that did not exist.
- Refused to refund advance fees to applicants.
- Advertised jobs without including required information such as the name, address, and license number of the employment agency.
- Failed to clearly state consumers have a right to a refund of advance fees on receipts.

BEST CHOICE

DCA's investigation into Best Choice was spurred by complaints received in 2005. DCA secured an agreement with Best Choice in June 2006 that included fines, resolution of more than a dozen complaints, and an agreement to comply with the City's licensing regulations and Consumer Protection Law. Over the last several months, DCA received more than a dozen additional consumer complaints and following an investigation found additional violations affecting more than 70 consumers. DCA charges Best Choice illegally:

- Refused to refund advance fees upon demand.
- Charged advance fees but failed to send applicants to interview for the advertised job.
- Told consumers that advance fees were for "background checks" and therefore refunds were not available, though no background checks were performed.
- Failed to provide receipts with a fee description.
- Required customers to fill out application forms and sign contracts that misrepresented the right to a refund of advance fees upon demand.
- Guaranteed jobs in writing without placing all applicants in jobs.

Currently, there are approximately 400 employment agencies licensed to operate in New York City. 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 you a job, and depending on the type of employment, charge an advance fee at all, or above the maximum amount allowed. If an advance fee is charged, 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 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). 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 at www.nyc.gov/consumers.

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 can not exceed the fees that are legally permitted. **Contracts negotiated in Spanish must also be written in Spanish.**