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MEDIA — District Attorney Jack Stollsteimer and Attorney General Josh Shapiro today announced the filing of criminal charges in an Unlawful Labor Investigation. Armando Garcia-Ramirez, his wife and business partner Martha Guzman, their daughter and employee Stephanie Garcia-Ramirez, and employee Angelita Paulin-Santos have been charged with multiple counts of Workplace Misclassification, Making False Statements, Theft, Receiving Stolen Property, Deceptive Business Practices, and related charges in connection with their roles in the conspiracy to operate an enterprise known as G&R Drywall and Framing, LLC (G&R). This York County-based enterprise sourced workers for a large construction project in Delaware County and, in order to subvert employment requirements and protections, misclassified those individuals as independent subcontractors in violation of Act 72, the Construction Misclassification Act.

“Today’s prosecutions send a clear message — misclassification will have real consequences in Pennsylvania,” said AG Shapiro. “We cannot tolerate business practices that ignore the legal requirements for contractors and engage in this kind of theft here in the Commonwealth.”

“My office is committed to working with the Attorney General’s Fair Labor Section to investigate and prosecute violations of Act 72 in Delaware County. To be clear, the misclassification of employees as independent contractors harms everyone: the misclassified workers, who lose the rights and protections to which they are legally entitled; law-abiding contractors, who lose work to unscrupulous competitors who illegally game the labor market; and lastly, the general public, which loses out on tax revenue ,” said District Attorney Stollsteimer.. “Using Act 72, we take the fight for fair labor practices to Pennsylvania’s criminal

courts and those who cheat employment requirements and exploit workers will be prosecuted,” said Stollsteimer.

Act 72, known as the Construction Workplace Misclassification Act, criminalizes the misclassification of employees as “subcontractors.” Hourly-wage employees who work at the direction of the same individual every day do not become “independent contractors” just because their employer chooses to characterize them as such. Instead, the law provides that independent contractors must be, as the name suggests, autonomous. An individual who has his or her own business performing tasks on an “arm’s-length” basis for contractual payment may be properly referred to as an independent contractor. Under the Act, unscrupulous employers who attempt to circumvent employment requirements and protections by misclassifying their employees, face a criminal charge for the act of misclassification.

“I want to commend Criminal Investigation Division Lt. William Wright, Sgts. Joseph Hackett and Robert Fuss, and Detective Steven Cortese for their efforts in building this case, and the work of Deputy District Attorney Douglas Rhoads and Assistant District Attorney Elizabeth Schneider, Chief of the Economic Crimes Unit,” said Stollsteimer. “In addition, I want to thank the Attorney General and Chief Deputy Attorney General Nancy Walker for their support in bringing today’s charges,” said Stollsteimer.

Defendants have been released on bail. An arrest or criminal complaint is an accusation. A defendant is presumed innocent unless and until proven guilty.

The District Attorney and the Criminal Investigation Division remind anyone in Delaware County who observes suspicious activity to call 911 immediately and provide the most specific and accurate details possible to assist law enforcement agencies investigating the call for service.

For press inquiries, please contact Margie McAboy, Public Information Officer, Delaware County District Attorney’s Office, 610-579-0429.

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