

Department of Justice
U.S. Attorney's Office
District of Rhode Island

FOR IMMEDIATE RELEASE

Monday, January 4, 2016

Landscaping Executive to Plead Guilty to Orchestrating Schemes to Avoid Paying Union Benefits, Falsify Unemployment Documents

PROVIDENCE, R.I. – Steven F. Pagliarini, 57, Executive Vice-President and Treasurer of Central Landscaping Construction Company, located in Johnston, R.I., and Executive Vice-President of Central Nurseries, Inc., located in Chepachet and Johnston, R.I., has agreed to plead guilty in federal court to charges that he allegedly orchestrated a scheme in which Central Landscaping avoided paying contractually obligated union benefits for employees of two unions who worked on federally-funded projects, by paying a portion of the employees' wages through Central Nursery, a non-union company.

In addition, Pagliarini has agreed to plead guilty to allegedly providing false information to the Rhode Island Department of Labor and Training (RIDLT) regarding the employment status of some of his Central Nursery employees. Based on the information allegedly provided to RIDLT, the employees were paid unemployment compensation they would not have been paid had accurate information regarding the employees' employment status been provided.

According to an information and plea agreement filed in U.S. District Court in Providence, Pagliarini will plead guilty to three counts of falsification of documents and one count of wire fraud. Pagliarini is scheduled to be arraigned on Thursday.

The filing of the information and plea agreement is announced by United States Attorney Peter F. Neronha; Cheryl Garcia, Special Agent in Charge of the New York Region of the U.S. Department of Labor - Office of Labor Racketeering and Fraud Investigations; Susan A. Hensley, Regional Director, U.S. Department of Labor Employee Benefits Security Administration; Todd Damiani, Special Agent in Charge of Region One U.S. Department of Transportation Office of Inspector General; Christina D. Scaringi, Special Agent in Charge of the Northeast Region of the U.S. Department of Housing and Urban Development Office of Inspector General; and Scott Jensen, Director of RIDLT.

According to court documents, it is alleged that at various times, between January 2007 and December 2010, Pagliarini submitted false documents to union welfare and pension plan administrators of two unions that represent construction equipment operators and other employees

of Central Landscaping. It is alleged that the documents did not accurately reflect the actual number of hours worked by some employees and the actual amount of wages paid to those employees.

The employees worked on federally-funded projects at the Hartford Park Project in Providence and the I-195 Relocation Project.

It is also alleged in court documents that in order to avoid paying wages to some employees between November 2009 through April 2010, Pagliarini devised a scheme in which he reported to the RIDLT that the employees of Central Nurseries had been laid-off because of a lack of work. It is alleged that, in fact, Pagliarini required the employees to work part-time. Pagliarini did not pay the employees. Instead, RIDLT paid the employees a total of \$68,487 in unemployment compensation.

An information is merely an allegation and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

The case is being prosecuted by Assistant U.S. Attorney Dulce Donovan.

The matter was investigated by the United States Attorney's Office, the U.S. Department of Labor - Office of Labor Racketeering and Fraud Investigations, U.S. Department of Labor Employee Benefits Security Administration, U.S. Department of Transportation Office of Inspector General the U.S. Department of Housing and Urban Development Office of Inspector General, and the Rhode Island Department of Labor and Training.

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