



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Contracting Company Owner Pleads Guilty to Stealing Employee Wages

BALTIMORE, MD (November 5, 2021) – Maryland Attorney General Brian E. Frosh today announced that Sergio Blanco, 49, pleaded guilty today before the District Court for Baltimore City to stealing wages from an employee of his contracting company, BAC Contractors, Inc (BAC). Blanco was sentenced to six months in jail with all but 50 days suspended, followed by three years of supervised probation upon release. Pursuant to a plea agreement, Blanco prepaid \$50,000 in restitution which will be made available to certain workers his company underpaid in violation of Maryland’s prevailing wage laws. Blanco also participated in a testimonial video produced by the Office of the Attorney General regarding the consequences of violating prevailing wage laws.

From January 7, 2019 through at least September 23, 2019, BAC was a subcontractor on the construction of a new student services building at Morgan State University in Baltimore City. Pursuant to state law and the procurement contract for this construction project, Blanco and BAC were required to pay specified prevailing wages to their workers and to submit certified payroll records documenting the payment of the required wages. During this period of time, Blanco issued payroll checks to his employees reflecting the required wages and caused to be submitted payroll records reflecting the payment of the required wages and certifying compliance with prevailing wage laws. However, Blanco represented to his employees that they must pay him a subsequent rebate as a condition of continued employment. One such employee worked on the project for Blanco from February 18, 2019 to March 13, 2019. Over this period of time, Blanco represented to the employee that he must pay \$200 per week in rebates to Blanco as a condition of continued employment, when in fact Blanco was precluded by law and the terms of the procurement contract from imposing such a requirement. As a result of this representation, the employee paid to Blanco a total of \$600 in illegal cash rebates.

“When employers steal wages from their employees, they commit a crime,” said Attorney General Frosh. “Mr. Blanco will pay a stiff penalty for exploiting his workers. More importantly, the workers who were victimized by Mr. Blanco’s fraud will receive restitution.”

Attorney General Frosh urges all employees of Blanco or BAC Contractors who were required to pay a rebate out of their wages while working on the new student services building at Morgan State University to contact the Office of the Attorney General at 410-230-1712 as soon as

possible and no later than February 5, 2022 in order to claim any restitution funds to which they may be entitled.

In making today's announcement, Attorney General Frosh thanked Assistant Attorney General Alexander Huggins for handling this case, and the Maryland State Police and Corporal John Wildman for their assistance with the investigation.

<https://www.marylandattorneygeneral.gov/press/2021/110521a.pdf>