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Columbus City Attorney Approves Charges Against Unlicensed Contractor

Company not registered to conduct business in Ohio, lacked industry licensure and accused of misclassifying jobsite workers

COLUMBUS, OH—Columbus City Attorney Zach Klein submitted criminal charges today against an out-of-state construction contractor accused of violating Ohio law that requires all companies doing business in the state to be properly registered and licensed.

Henry Cruz of Durham, North Carolina and his company, Cruz Perdomo Electric, were both named in the complaint and accused of criminal misconduct. Cruz Perdomo Electric was retained as a subcontractor of locally-based company Settle Muter Electric to supply labor for the [Mount Carmel East Modernization Project](#) during the first half of 2017.

While Cruz Perdomo Electric provided 20-25 workers for the project, records indicate the business was not registered with the Ohio Secretary of State, in violation of Chapter [1703.03](#) of the Ohio Revised Code mandating that no out-of-state company “shall transact business in this state unless it holds an unexpired and uncanceled license to do so issued by the secretary of state.”

Violating this section of Ohio law is a misdemeanor of the fourth degree.

The company also allegedly misclassified their 20-25 workers as independent contractors, who were provided no formal training, received no healthcare benefits and earned \$10-\$15 less per hour than other workers on the site.

“By prosecuting this case and others like it that may arise, we’re standing up for local workers and making sure out-of-state companies play by the same rules as those from Ohio in securing and performing labor,” said Columbus City Attorney Zach Klein. **“This company performed work under two layers of contractors, unlicensed and under the radar.”**

Along with not being properly registered with the secretary of state, the complaint asserts that Cruz Perdomo Electric did not have an electrical contractor’s license issued by the Ohio Construction Industry Licensing Board.

“As the recent tragedy at Florida International University illustrates, there is always a very real public safety component to any construction project,” said Columbus Deputy Chief Prosecutor Joseph M. Gibson. **“That’s why it is so important for us to protect both workers and the safety of our community by ensuring Ohio’s standards and regulations are enforced.”**

Records also indicate that Cruz Perdomo Electric was not registered with the North Carolina Secretary of State either.