



NEWS RELEASE

From New York State Workers' Compensation Fraud Inspector General
Catherine Leahy Scott

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CORRUPT CAPITAL REGION CONTRACTOR SENTENCED, ORDERED TO PAY RESTITUTION, FOR FRAUD AS PART OF THEFT FROM CUSTOMER

ALBANY – New York State Inspector General Catherine Leahy Scott today announced the sentencing of a corrupt capital region contractor who stole from a homeowner customer and filed fraudulent documents that falsely asserted that he provided the required Workers' Compensation coverage to his employees when he in fact did not.

Daniel P. Morelli, 52, of Western Turnpike, Altamont, was sentenced in the Town of Glenville Justice Court to a conditional discharge with one year interim probation for his previous plea to the charge of Falsifying Business Records in the Second Degree in full satisfaction of the larceny and fraud charges filed against him late last year stemming from a Glenville new home project he was supposed to build but failed to fully deliver. Concurrent to the plea, Morelli was ordered to pay \$15,000 restitution to the homeowner victim.

“This corrupt contractor cheated his client and his own employees through criminal schemes meant to enrich himself,” said Inspector General Leahy Scott. “He shamelessly left a home construction project unfinished and his own workers unprotected. This prosecution makes clear that law enforcement will vigorously pursue those who commit fraud for personal gain.”

An investigation by Inspector General Leahy Scott subsequent to Morelli's arrest last year found that in July 2016 Morelli – when applying for a building permit with the Town of Glenville Building Department to construct a home for a customer – submitted a certificate with the application asserting he had the required Workers' Compensation insurance coverage for his employees, which he in fact did not. Morelli's arrest last year included charges that he failed to finish the 2016 home construction project he was paid for and that he failed to pay subcontractors he hired to assist on the project.

The court previously issued an order of protection meant to ensure that Morelli has no contact with the homeowner victim for a period of three years.

Inspector General Leahy Scott thanked Schenectady County District Attorney Robert M. Carney and his office for their assistance with the investigation and for prosecuting this case.

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The New York State Office of the Workers' Compensation Fraud Inspector General investigates fraud, abuse and/or illegal acts against the New York State Workers' Compensation system, including fraud by medical service providers, employers seeking to evade appropriate Workers' Compensation charges, and employees who fabricate injuries to fraudulently receive system benefits. Complaints and referrals are kept confidential.

We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form at <http://www.ig.ny.gov> or sending an email to: inspector.general@ig.ny.gov. You also can write to our office at: Office of the Workers' Compensation Fraud Inspector General, Empire State Plaza, Agency Building 2, 16th Floor, Albany, New York 12223