

Labor broker guilty in workers' compensation fraud

Staff Reports

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A Memphis-based construction contractor has pleaded guilty to four counts of workers' compensation fraud. Mike Nobles admitted he put employees on construction jobs and concealed them from workers' compensation insurance companies.

"Companies like Nobles' typically supply labor to larger construction companies," said James Kerley, executive secretary-treasurer of the [Mid-South Carpenters Regional Council](#). "They cheat their workers' compensation insurers out of premiums so they can steal jobs away from law-abiding employers. It happens on large construction projects, and it is unfair to honest employers and taxpayers."

Nobles will spend 10 years on probation and weekends in jail for a year. His nine-year prison sentence was suspended. He must pay \$1.2 million in restitution to workers' comp insurance carriers.

In 2003, Nobles described for the Denver Post how he operated his \$6 million-a-year business, promising construction companies no hassles and cheap labor. Workers said they frequently put in more than 40 hours a week at \$9-\$16 an hour without workers' compensation protection. But they didn't complain because of their immigration status. He was arrested in 2010 by Tennessee law enforcement officials after being indicted on four counts of workers' compensation premium fraud.

"It's the first prosecution in the state of a contractor for workers' compensation premium fraud," Kerley said. "More are needed to give honest construction employers a better chance to survive."

Nobles' worked on projects with Delta United Specialties, Inc. and FL Crane & Son, Inc., and he performed work at LeBonheur Children's Hospital, Southwest Tennessee Community College and other job sites in Memphis.

Anyone who is aware of similar fraud can go to tdlwd.tn.gov/forms/ or call 1-888-243-7283 to report it.

Anderson-Tully lays off 80 in Vicksburg

[Anderson-Tully Company](#) is shutting down a second shift at its Vicksburg, Miss., sawmill and is laying off 80 employees by Jan. 4. The company blames a depressed housing market.

Instead of two eight-hour shifts during the workweek, the facility will go to a single 10-hour shift at least five days a week. Workers on the second shift will receive

severance pay and benefits based on tenure, the company said.

After the layoffs, Anderson-Tully will have fewer than 200 workers.

Anderson-Tully has had operations in Vicksburg since 1889 and manages 300,000 acres of timber along the Mississippi River. It turns that timber into hardwood flooring for national distribution.

Eastern U.S. hardwood production is down 35 percent since 2006 and "not likely to return to those levels," while hardwood lumber prices are down 25 percent over the same period, the company said.



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