



STOPPING TRAVELING SCAM PAVERS
IN MINNESOTA

THE PROBLEM

- OUT-OF-STATE CREWS PITCH 'TODAY-ONLY' DRIVEWAY DEALS
- VICTIMS: SENIORS, STAY-AT-HOME MOMS, BARGAIN-SEEKERS
 - SHODDY WORK, HARDBALL TACTICS, PRICE DECEPTION
- DESTROYS THE REPUTATION OF ASPHALT AS A QUALITY PRODUCT



HOW THE SCAM WORKS

- “LEFTOVER MIX” PITCH → ACT NOW
- POOR QUALITY
 - THIN LIFT, POOR BASE/COMPACTION → EARLY FAILURE
- NO CREDENTIALS OR ENFORCEABLE WARRANTY
- NO BUSINESS ADDRESS, PHONE NUMBER, OR REGISTERED COMPANY NAME

LOCAL NEWS

UPDATE: Man associated with ‘paving scam operation’ located

by: Ben Newhouse, Indiana Schilz
Posted: Oct 13, 2023 / 12:08 PM CDT
Updated: Oct 17, 2023 / 12:06 PM CDT



Photo provided by: Taylor Coun

SHARE    

FRIDAY, 10/13/2023, 3:30 p.m.

MEDFORD, Wis. (WFRV) – Authorities in central Wisconsin say they’ve located the man associated with a ‘paving scam operation’ that targets elderly victims into paying a larger sum of money than what was quoted.

Taylor County Sheriff’s Office says they’ve located the suspect, but no additional details were provided.

Man associated with ‘paving scam operation’ wanted by Wisconsin authorities

FRIDAY, 10/13/2023, 12:08 p.m.

MEDFORD, Wis. (WFRV) – Authorities in central Wisconsin are attempting to locate a man associated with a ‘paving scam operation’ that targets elderly victims into paying a larger sum of money than what was quoted.

According to the Taylor County Sheriff’s Office, authorities are trying to locate 34-year-old Brandon M. Ferguson who is associated with the operation that operates under the name of Community Blacktop LLC.

WHY IT KEEPS HAPPENING

- UNDERREPORTED DUE TO SHAME, EMBARRASSMENT, AND FEAR OF RETALIATION
- UNREGISTERED OPERATORS CAN BUY MIX AND VANISH
- HARD TO ENFORCE WITHOUT A VERIFIED BUSINESS RECORD




MAPA'S SCAM PAVERS LEGISLATION

- REQUIRES ASPHALT PLANTS TO VERIFY AN ACTIVE MN DOLI CONTRACTOR REGISTRATION BEFORE A CONTACTOR CAN BUY ASPHALT
- NON-PAVING CUSTOMERS WOULD BE ALLOWED TO BUY UP TO 5 TON FOR PERSONAL USE ONLY
 - NON-PAVING CUSTOMERS = THOSE NOT SELLING PAVING SERVICES



REQUIRE DOLI REGISTRATION (OR EQUIVALENT PROOF)

- CONFIRMS:
- EIN
- MN TAX ID
- PAYROLL TAX ID
- ADDRESS
- OWNER INFO
- WORKERS' COMP POLICY

m DEPARTMENT OF LABOR AND INDUSTRY Construction Codes and Licensing Division Licensing and Certification Services 443 Lafayette Road North PO Box 64217 St. Paul, MN 55155 E-mail: dli.license@state.mn.us Web Site: www.dli.mn.gov Phone: (651) 284-5034			 CC0515		
Certificate of Compliance Minnesota Workers' Compensation Law This form must be completed by the business license applicant.					
Print in ink or type					
Minnesota Statutes § 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minn. Stat. chapter 176. If the required information is not provided or is falsely stated, it shall result in a \$2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.					
A valid workers' compensation policy must be kept in effect at all times by employers as required by law.					
License or certificate number (if applicable)		Business telephone number		Alternate telephone number	
Business name (Provide the legal name of the business entity. If the business is a sole proprietor or partnership, provide the owner's name(s), for example John Doe, or John Doe and Jane Doe.)					
DBA ("doing business as" or "also known as" an assumed name), if applicable					
Business address (must be physical street address, no P.O. boxes)				City	State ZIP code
County			Email address		
You must complete number 1 or 2 below.					
Note: You must resubmit this form to the authority issuing your license if any of the information you have provided changes.					
1. <input type="checkbox"/> I have a workers' compensation insurance policy.					
Insurance company name (not the insurance agent)					
Policy number		Effective date		Expiration date	
<input type="checkbox"/> I am self-insured for workers' compensation. (Attach a copy of the authorization to self-insure from the Minnesota Department of Commerce; see https://mn.gov/commerce/industries/insurance/licensing/self-insurance/ .)					
2. I am not required to have workers' compensation insurance because:					
<input type="checkbox"/> I only use independent contractors and do not have employees. (See Minn. Stat. § 176.043 for trucking and messenger courier industries; Minn. Stat. § 181.723, subd. 4, for building construction; and Minnesota Rules chapter 5224 for other industries.)					
<input type="checkbox"/> I do not use independent contractors and have no employees. (See Minn. Stat. § 176.011, subd. 9, for the definition of an employee.)					
<input type="checkbox"/> I use independent contractors and I have employees who are not required to be covered by the workers' compensation law. (Explain below.)					
<input type="checkbox"/> I only have employees who are not required to be covered by the workers' compensation law. (Explain below.) (See Minn. Stat. § 176.041 for a list of excluded employees.)					
Explain why your employees are not required to be covered					
I certify the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify I am authorized to sign on behalf of the business.					
Print name					
Applicant signature (required)			Title	Date	
If you have questions about completing this form or to request this form in Braille, large print or audio.					
CC0515 Workers Comp					

EXISTING MN LAWS BACKSTOP FRAUD

- IDENTITY THEFT
- FALSE IMPERSONATION
- FALSE USE OF LICENSE/CERTIFICATE



- OUR BILL COMPLEMENTS THESE WITH A SIMPLE VERIFICATION AT PURCHASE

WHAT MOST PLANTS ALREADY DO

- ACCOUNTS REQUIRED, EVEN FOR CASH
- TRACK BY PLATE/TRUCK/COMPANY
- PLANTS CALL TO CONFIRM ACCOUNT AUTHORIZATION



WHAT PLANTS WOULD HAVE TO DO NOW

- CHECK THE DOLI CONTRACTOR LOOKUP TO CONFIRM ACTIVE REGISTRATION

The screenshot shows a web browser window with the URL `ims.dli.mn.gov/ims/Find3?cat=Pros`. The page header includes the Minnesota Department of Labor and Industry logo and a "Go to Record #" search box. The main content area is titled "Search Pros" and contains a search form. A dark blue instruction box reads: "Use the drop-down list to select search criteria. To add multiple search criteria, click the green 'plus' icon to add more drop-down menus. [Search Instructions](#)". The search form has a dropdown menu labeled "Company Name/DBA" with a downward arrow, a text input field containing "J&W Asphalt", and a green plus icon. Below the input field, it says "Search for **Business** licenses by Company Name or DBA". To the right of the input field, it says "Keyboard TAB or click '+' to add another Criterion". At the bottom of the form is a green "Search" button with a magnifying glass icon.

WHY THIS LEGISLATION WILL WORK?

- WE ESTIMATE MOST TO ALL TRAVELING SCAM PAVING CONTRACTORS LACK EIN, MN TAX ID, PAYROLL TAX ID, WORKERS' COMP
- PURCHASE VERIFICATION STOPS MOST SCAMS BEFORE THEY START



STATUS & TIMELINE

- BILL AUTHOR: REP. ANDREW MYERS (HD 45A)
 - 45A = LAKE MINNETONKA AREA
 - CO-VICE CHAIR: TRANSPORTATION FINANCE AND POLICY
- 11/10/25: STAFF DRAFTING
- WE EXPECT BILL TO PRESENTED TO THIS HOUSE OF REPRESENTATIVES EARLY 2026, AND GET VOTED ON BY SUMMER.



WHAT MAPA MEMBERS CAN DO TO HELP?

- WHEN YOU SEE A SCAM PAVING CONTRACTOR, REPORT IT TO MAPA
- SHARE ANY TESTIMONIES OR PICTURES YOU HAVE



QUESTIONS?

