

SRPL Board Complaint No. 004-2026

DISPOSITION

The Site Remediation Professional Licensing Board ("Board") reviewed the complaint and decided to dismiss it without further investigation as the Board did not find grounds for investigation.

ISSUE

This complaint was received from the LSRP's former employer and colleagues alleging ethics violations, including theft of company documents and work product, diversion of clients, duplicate billing and misleading clients to generate work.

These allegations arise in the broader context of bankruptcy proceedings, during which attorneys and a Federal Special Counsel allegedly identified theft of assets and improper billing practices involving former employees who later joined other companies or formed new companies.

INVESTIGATION

The LSRP's former employer entered into hundreds of contracts with New Jersey residential homeowners for environmental remediation services and worked closely with the attorneys representing the insurance companies who insured those homeowners. The former employer provided no cost financing and remediation of New Jersey Underground Heating Oil Tank (UHOT) sites with delayed grant payments beginning in 2009.

In 2022, the LSRP's former employer filed for Chapter 11 bankruptcy in an attempt to recover millions of dollars of unpaid overdue invoices. In the process of the bankruptcy proceedings, the former employer alleges that attorneys discovered thefts of revenue, assets and information, primarily centered around grant funds for reimbursement. A year later, the Chapter 11 bankruptcy case was converted to Chapter 7. A Federal Special Counsel was appointed to recover the former employer's assets and allegedly found stolen checks and false billings. Two years later, a bankruptcy complaint was filed by the Bankruptcy Trustee against the LSRP along with other former employees and their new companies that the former employer asserts stole clients and committed fraud. A second bankruptcy complaint was filed against insurance companies and their attorneys.

The LSRP's former employer provided supporting documentation for five (5) cases which included a proposal from either the former employer or a competing company or email with proposed actions or status of the case. The documentation is provided to show that the LSRP had knowledge of the cases and proposed actions based on the work product "stolen" from the former employer.

FINDINGS

Pursuant to N.J.A.C. 7:26I-1-7.1(a), the Board's authority is limited to investigating complaints against any person suspected of:

- Violating the Site Remediation Reform Act (N.J.S.A. 58:10C), or any rule, regulation, or order adopted or issued pursuant thereto; particularly, the SRPL Board Rules (N.J.A.C. 7:26I);
- Not applying appropriate guidance; or
- Knowingly making any false statement, representation, or certification in any document or information submitted to the Board or the Department.

The Board has determined that the issues raised in the complaint are contractual in nature. The conduct described in the complaint, even if true, does not fall within the Board's jurisdiction.