



STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
DIVISION OF BUILDING, DESIGN & FIRE PROFESSIONALS  
560 JEFFERSON BLVD.  
WARWICK, RI 02886-1394

<p><b>IN THE MATTER OF:</b></p> <p><b>HAM, INC. d.b.a. 911 RESTORATION OF RHODE ISLAND,</b></p> <p><b>BTTR, LLC,</b></p> <p><b>and</b></p> <p><b>MICHAEL BRESSETTE,</b></p> <p><b>RESPONDENTS.</b></p>	<p><b>2021-CRLB-001</b></p>
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**EMERGENCY ORDER SUMMARILY SUSPENDING REGISTRATION (RESPONDENT BTTR, LLC); ORDER TO SHOW CAUSE WHY REGISTRATION SHOULD NOT BE REVOKED (RESPONDENT BTTR, LLC), WHY AN ORDER TO DENY ANY RENEWAL, REINSTATEMENT OR REISSUANCE OF REGISTRATION SHOULD NOT BE ISSUED (RESPONDENT HAM, INC.), AND WHY RESPONDENTS SHOULD NOT OTHERWISE BE SANCTIONED; NOTICE OF HEARING AND APPOINTMENT OF HEARING OFFICER**

The Director of the Rhode Island Department of Business Regulation (“Department”) hereby issues this Emergency Order summarily suspending registration of Respondent BTTR, LLC ; Order to Show Cause why Respondent BTTR, LLC’s registration should not be revoked, why an order to deny any renewal, reinstatement or reissuance of HAM, Inc.’s registration should not be issued, and why both Respondents should not otherwise be sanctioned; and Notice of Hearing and Appointment of Hearing Officer (collectively the “Order”) to HAM Inc., doing business as 911 Restoration of Rhode Island, (“Respondent HAM” or “HAM”), BTTR, LLC occasionally doing business as IMPRC Company or Imperial Restoration Company (“Respondent



BTTR” or “BTTR”) and Michael Bresette (“Respondent Bresette” or “Bresette”) pursuant to R.I. Gen. Laws § 5-65-10(f), 440-RICR-10-00-1 (the “CRLB Regulation”), the Administrative Procedures Act (the “APA”), R.I. Gen. Laws Chapter 42-35, specifically R.I. Gen. Laws § 42-35-14(c), and the Department’s Rules of Procedure for Administrative Hearings, 230-RICR-10-00-2 (the “Rules of Procedure”). This Emergency Order is issued pursuant to the Director’s emergency authority because all three Respondents and their agents are acting to the detriment of the health, welfare and safety of the general public, and continue to so threaten the public if they remain in operation.

This Order requires Respondents BTTR and Bresette to appear before a Hearing Officer within thirty (30) days to answer why the Hearing Officer should not issue an order extending the suspension of BTTR’s contractor registration certificate during the pendency of the administrative proceeding (where the Department seeks to revoke that registration). This Order further notifies Respondent HAM and Bresette that if they attempt to renew HAM’s currently expired contractor registration certificate or apply for a new certificate, that the Department’s State Building Office within the Division of Building, Design & Fire Professionals (the “State Building Office”)<sup>1</sup> intends to refuse to reissue or reinstate that registration. The Order also requires Respondents HAM, BTTR and Bresette to bring with them to the initial hearing a list of all consumers who have executed and have an ongoing “Authorization and Direct Payment Agreement,” and within thirty (30) days of the hearing, Respondents are Ordered to provide to the State Building Office copies of all ongoing “Authorization and Direct Payment Agreements.” This Order is effective upon issuance.

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<sup>1</sup> R.I. Gen. Laws § 5-65-10(a) empowers the Office to take certain actions. R.I. Gen. Laws § 5-65-1(10) defines Office as the State Building Office. R.I. Gen. Laws § 5-84-3.1 established that the State Building Office was within the Division of Building, Design and Fire Professionals of the Department of Business Regulation.



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The Director issues these Orders for the following reasons:

A. Identity of the Respondents

1. Respondent HAM, Inc. (“Respondent HAM”) is a domestic profit corporation registered with the Rhode Island Secretary of State. Respondent HAM is located and currently operating at 1381 Cranston Street, Cranston RI 02920. Respondent does business under the name of 911 Restoration of Rhode Island per a September 26, 2016, fictitious name filing with the Rhode Island Secretary of State.



2. Respondent HAM possessed a Contractor's Residential and Commercial Registration ("Registration") #40678 that expired on January 1, 2021, and Respondent HAM has not submitted a renewal application to the Department. Heather Kitterick is listed as the owner of Respondent HAM in the Department's records.
3. In recent dealings with Respondent HAM, Departmental staff have only dealt with Michael Bresette or an attorney. Michael Bresette signed a form filed with the Rhode Island Secretary of State in 2018 as an "authorized officer of the corporation." On information and belief, Michael Bresette is the operator of Respondent HAM.
4. Respondent HAM has been incorporated in the state since September 26, 2016. Heather Kitterick is listed with the RI Secretary of State as the President of Respondent HAM, and at various times as the Vice President, Treasurer and Secretary.
5. Respondent HAM holds the franchise rights to use the name 911 Restoration of Rhode Island from national franchisor 911 Restoration Franchise, Inc., which is appropriately registered with the Department of Business Regulation.
6. Respondent BTTR, LLC, ("Respondent BTTR") is a domestic limited liability company registered with the Rhode Island Secretary of State. Respondent BTTR, has filed documents with the Secretary of State identifying two authorized persons, Heather Kitterick and Michael Bresette.
7. Respondent BTTR holds a Contractor's Residential and Commercial Registration ("Registration") #39902 that is not set to expire until April 1, 2022. Michael Bresette is listed as the applicant of Respondent BTTR in the Department's records.
8. Respondent Michael Bresette ("Respondent Bresette") is the owner and operator of Respondent BTTR. Respondent Bresette is also an authorized officer of Respondent HAM, as well as its primary point of contact with consumers who have complained to the Department.



Bresette is the signatory on numerous Mechanics' Liens filed against homeowners in various cities and towns throughout the state. On those Mechanics' Liens, Respondent Bresette typically signs as the manager of Respondent HAM.

9. Respondent Bresette has previously been individually licensed as an insurance adjuster and producer, and the insurance adjuster license was revoked by the Department<sup>2</sup>. In March 2009 Bresette was granted an insurance adjuster license. On December 12, 2011, Bresette was charged with five counts of insurance fraud, two counts of obtaining money under false pretenses and one count of larceny. On December 29, 2011, the Department, through its Insurance Division, issued an Order to Show Cause related to that criminal action. On January 9, 2012, a pre-hearing conference was held and at that hearing, evidence was entered about seven consumer complaints filed against Respondent Bresette between January 2010 and January 2011 alleging improprieties by Bresette relative to his conduct as an insurance adjuster. An Order Revoking Respondent Bresette's insurance adjuster license was issued by the Department on January 13, 2012. On March 9, 2012, the Department issued an Order denying a Motion for Reconsideration of the revocation. On January 7, 2013, following Bresette's appeal, Justice Nugent of the Rhode Island Superior Court issued a decision upholding the Department's revocation order.

B. Why these Orders are Being Issued

10. The Department's State Building Office (hereinafter referred to as the "Department" or the "State Building Office") received nine (9) complaints in 2020 against Respondents HAM and Bresette containing multiple allegations of violations of contractor registration laws, local building code violations, health and safety violations, as well as fraud and poor workmanship. After conducting a preliminary investigation, common themes have been identified by the

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<sup>2</sup> Respondent Bresette was issued an insurance producer license in 2008 that lapsed for non-renewal in 2009.



Department: complaints against Respondents HAM and Bresette for sending invoices for work allegedly not completed, work done without obtaining building permits, work done in an unsafe or incomplete manner, “contractual” disputes, and negligent and improper work. From the Department’s review of the complaints, inspections of work done by Respondents, discussions with town officials, discussions with complainants, and investigation of insurance claim files, the Department has found considerable evidence of: negligent and/or improper work; work performed without permits; items billed without the work having been performed; and incomplete work.

11. The Department recently became aware of a Criminal Information charge filed in February 2020 against Respondent Bresette that alleges that Bresette did not maintain workers’ compensation coverage for BTTR. In a single count, the Attorney General stated “on diverse dates between the 22nd day of May, 2017, and the 31<sup>st</sup> day of March, 2019,... [Bresette] did knowingly fail to secure workers’ compensation insurance as required under Title 28, chapters 29-38 of the General Laws of Rhode Island, in violation of § 28-36-15(a) of the General Laws of Rhode Island, 1956, as amended (Reenactment of 2002).” That case was filed as P2-2020-0683A.
12. That filing contains documents where Respondents BTTR and Bresette entered into a 2017 Workers’ Compensation Court Consent Decree with the Rhode Island Department of Labor and Training (the “DLT”) where Respondents BTTR and Bresette paid a fine and admitted to not having workers’ compensation insurance for 39 days between February and March of 2017. That prior violation, Consent Decree and fine show active knowledge of Respondents BTTR and Bresette about the state’s workers compensation insurance requirements. Having workers’ compensation insurance is a requirement for every registered contractor with employees under



R.I. Gen. Laws § 5-65-7, and Respondent BTTR would be open to sanction for not having maintained such coverage in 2017 when it entered into the Consent Decree.

13. The Department also previously issued a \$100 fine against Respondent BTTR over a 2018 insurance cancellation issued on February 2, 2018. That fine was paid in April 2020.
14. Upon information and belief, the Department believes that Respondents HAM and BTTR are operated interchangeably, and that Respondent Bresette created Respondent HAM and obtained a license under the name of a different individual (Heather Kitterick) to avoid the scrutiny that Respondents BTTR and Bresette have received from state and local officials, consumers and insurance companies.
15. The Department also believes that Respondents HAM, BTTR and Bresette have a business practice of soliciting consumers after a traumatic experience, gaining trust of the consumer to sign a document that is then pointed to later as a 'contract,' providing some services for the homeowner, and then billing an insurance company for both the services Respondents performed but also for other goods and services that Respondents did not perform or provide. These inflated invoices are also the basis which Respondents use when threatening legal action, bringing legal action, and threatening the filing of mechanics' liens on consumers' homes. In several instances, the inflated estimate of the work is then used as an invoice in collection efforts, rather than an invoice generated that conforms to the work performed.
16. Respondents have used referrals from other reputable businesses in Rhode Island and leveraged each of those referrals to obtain a customer signature on a document titled "Authorization and Direct Payment Agreement."
17. Those standard form documents themselves list a general description of the work to be performed, and in paragraph 2, those forms state: "*The work to be performed by 911*



*Restoration of Rhode Island is more particularly described on the prepared estimate and scope of work provided.”*

18. On information and belief, Respondents have a business practice of NOT preparing an “estimate and scope of work” at the time the “Authorization and Direct Payment Agreement” is signed, and when they do prepare such an estimate, Respondents have a business practice of NOT providing it to their customer. Instead of coming to an agreement with their customers on a dollar figure for the work they are to perform, as is required of all registered contractors, the Respondents practice seems to be to send estimates directly to an insurer or potential third-party payor. In the few cases where the Department has seen consumers who have detailed invoices, it appears that invoices were provided only after consumers made repeated requests to the Respondents.
19. Based on this pattern and practice, Respondents’ “Authorization and Direct Payment Agreement” is NOT itself a contract under Rhode Island law, and not having a written agreement for work exceeding \$1,000 is a violation of the contractors’ statutes. (*see* R.I. Gen. Laws § 5-65-3(o) requiring a written contract for work exceeding \$1,000). The Department has seen at least ten of these forms and none of the forms reviewed by the Department have included an estimated cost. By not listing an estimated amount and not providing a written estimate as indicated on the “Authorization and Direct Payment Agreement,” Respondents’ business practice amounts to not having a contract for work in excess of \$1,000. The Department believes Respondents employ this business practice in order to take advantage of Rhode Island consumers and third-party payors (like insurers) and to get paid for work not provided.





### C. Consumer Complaints

20. Numerous Rhode Island residents have filed complaints against Respondents with the State Building Office because of negligent or incomplete work by Respondents. In multiple cases, work was stopped and not completed for months, leaving consumers in a worse position than they had been initially. Some of those consumers had demolition or reconstruction work performed by Respondents without the required permit having been pulled or work performed that was not consistent with building code requirements. Two consumers were left with a non-working bathroom for months. These extreme facts and the volume of the complaints point to an exigent circumstance necessitating Emergency Suspension of Respondents' registrations.

#### **Complaint A**

21. Complaint A, CRLB Claim No. 10068, was filed at the Department by a homeowner in Cumberland. The homeowner alleged that:

- a. Respondent HAM had completed some work, but had done a poor job with it, replacing custom cabinets and a built-in desk with stock cabinets that did not fit.
- b. Respondent HAM had been paid over \$45,000 by the homeowner's insurance company and had not completed the work; and
- c. Respondent HAM had invoiced the insurer for work not performed and had already been paid for work that Respondent HAM was refusing to complete.

22. The Department inspected the work done by Respondent HAM in response to Complaint A and found that:

- a. Permits were never obtained by Respondents HAM and Bresette for work requiring local building permits, which meant that local building inspectors would not be on notice of the work and then be able to inspect the work to ensure it was done appropriately;



- b. Numerous examples of work were identified to have been performed in a negligent and/or improper manner; and
- c. Numerous items included in bills submitted to the insurance company had not been completed, even though the work was presented as completed.

23. Consumer A's insurer also identified the following inappropriate charges by Respondents:

- a. Charges to remove and reinstall a boiler. The insurer determined the work was unnecessary and did not think it was performed. Even if this work was actually performed, doing so would be a code violation because no permits were obtained;
- b. More than \$8,000 of mitigation charges to replace cabinets. The insurer noted that there was also a reconstruction charge to replace the cabinets; and
- c. Charges to remove a toe kick in the sewing room, where there had not been a toe kick.

#### **Complaint B**

24. Complaint B, CRLB Claim No. 10130, was filed at the Department by a homeowner in Coventry. The homeowner alleged the following:

- a. Massive defects in the work that was done and large amounts of incomplete work;
- b. Numerous incidents of unsafe conditions that were left as a result of the work done by Respondents HAM and Bresette;
- c. That Respondents HAM and Bresette were only hired by Complainant's husband who has been diagnosed with major cognitive impairment;
- d. Inflated bills that included duplicate entries/charges for the same work; and
- e. That Respondents HAM and Bresette did not provide an estimate of the cost of the project until after Respondents were fired from the job.

25. The Department inspected the work done by Respondent HAM in response to Complaint B and found that:



- a. Respondents had not obtained permits where permits were required;
- b. Work was done poorly and in a negligent manner;
- c. Other work was left incomplete or not started;
- d. The inspector's notes identified:
  - (1) Rotted studs, sheathing, and sheetrock were not removed and replaced;
  - (2) Shower base was too small;
  - (3) Improper framing in shower area;
  - (4) Cut wires were never fixed properly; and
  - (5) Improper sill work and sistering of joists.

26. Complainant B's insurer had its adjuster review the work done in comparison to the invoices, and he identified the following differences, among other items:

- a. Respondents HAM and Bresette included 4 hours of "content manipulation" labor when there were no contents in the area to be moved;
- b. Respondents' invoice had included replacement of entire hardwood flooring, with sanding and finishing, but the adjuster had inspected the home after mitigation and no flooring was removed; and
- c. Respondents' invoice included a replacement of the tub when there was no damage to the tub.

### **Complaint C**

27. Complaint C, CRLB Claim No. 10201, was filed at the Department by a homeowner in East Providence. The homeowner alleged the following in her complaint:

- a. Complainant C hired Respondents HAM and Bresette to mitigate water damage at her house;
- b. That Respondents HAM and Bresette did some work on that mitigation;



- c. That Respondents HAM and Bresette invoiced her for mitigation work that they did, but also invoiced her for reconstruction work that Respondents did not perform;
- d. That Complainant C's insurer reviewed the invoiced work from Respondents HAM and Bresette, and Complainant C's insurer inspected the home, determined that several items in the invoice had not been completed, and the insurer declined to reimburse the cost of that unperformed work; and
- e. That Respondents HAM and Bresette then sent an invoice to Complainant C for mitigation work that had not been performed, and later sent an invoice for construction work that was not done.

28. After some time, Complainant C had to hire other contractors to repair her home.

29. The Department reviewed insurance files from Complainant C's insurer and the insurance adjuster was able to visually inspect the property after an invoice was received. After that inspection, the adjuster removed half of the labor and service charges as being either duplicative or not done.

#### **Complaint D**

30. Complaint D, CRLB Claim No. 9880, was filed with the Department by a homeowner in Providence. The homeowner alleged the following in his complaint:

- a. Complainant D hired Respondents HAM and Bresette to perform water mitigation at his home, paid for that service, then engaged Respondents HAM and Bresette to perform reconstruction.
- b. Complainant D alleged that he contacted Respondent over ten (10) times, seeking the scope of work and inquiring when the job would be completed and that he has been without a working bathroom at the premises for four (4) months. Complainant D e-



mailed Respondents on several occasions, continuing to ask for the scope of work and pricing. Respondents failed to provide a response;

- c. After five (5) months, Complainant D terminated the relationship with Respondents, as work had not been completed. Complainant D states that after he terminated the relationship, Respondents sent Complainant D a bill in the amount of \$6,064.58 for services purportedly rendered on the bathroom;

31. Respondent HAM filed suit in Superior Court in case PC-2020-756, alleging breach of contract.

32. Complainant D filed an Answer with a Counterclaim against Respondents alleging both breach of contract and negligence on behalf of Respondent HAM.

#### **Complaint E**

33. Complaint E, CRLB Claim No. 10000, was filed with the Department by a homeowner in Warwick. The homeowner alleged the following in his complaint:

- a. That Respondents HAM and Bresette were hired without providing a cost estimate of the work;
- b. That Respondents HAM and Bresette assured Complainant E on four separate occasions that Respondents' work would be covered by Complainant E's insurance carrier;
- c. That Respondents HAM and Bresette started the work before the claim was rejected by the insurance carrier;
- d. That Respondents HAM and Bresette have submitted exorbitant bills to Complainant E even though Respondents have not done any of the reconstruction work;



e. That Respondents HAM and Bresette started the job, and gutted Complainant's bathroom, but left the job incomplete for months, rendering the bathroom unusable;

and

f. That Complainant E is elderly, and the bathroom that was left unusable was his first-floor bathroom. The only other bathroom in his home was inaccessible to him, and he had several falls and other bathroom issues while using his only working bathroom.

34. From the Department's review of Complainant E's insurance company's files, the Department identified that "Michael Richardson" prepared estimates submitted to the insurer on behalf of Respondent HAM. On information and belief, no individual named Michael Richardson works for Respondent HAM and the references to Michael Richardson, Michael and Michael R. are aliases for Respondent Bresette. (See paragraphs 47-49 below for more on this issue)

35. In an attempt to resolve the claim, Complainant E, Respondent HAM and the Department participated in a Departmental Claims Hearing on September 15, 2020. A tentative agreement was reached, but to date, the agreement has not been signed.

#### **Complaint F**

36. Complaint F, CRLB Claim No. 10217, was filed by a consumer from Central Falls on December 14, 2020. It alleged that Complainant F found Respondents HAM and Bresette through an online advertisement and was quoted one price to remediate a sewer backup, which the consumer found reasonable, and the consumer engaged Respondents HAM and Bresette who were at the property that day and completed work several hours later. However, thereafter Complainant F alleges:

a. Respondents did not provide Complainant F with a copy of his contract or a written estimate for their work;



- b. Complainant F called Respondents HAM and Bresette multiple times on four separate days over the next three weeks to get an invoice;
- c. Eventually, Respondents gave Complainant F an invoice (Invoice 1, dated 10/17/2020 but noted as received on 11/9), but it contained no line items or any explanation of the work done, and only the words "Sewage Mitigation." It was for \$5,938.49, approximately double the initial verbal quote;
- d. After requesting details, Respondents sent a detailed invoice (Invoice 2, dated 10/17/2020 but received on 11/12) that included multiple services and charges for work not performed, and the invoice did not justify why the price was now twice the quoted amount. Complainant F balked at the invoice;
- e. That the Complainant called to have services not provided removed and an employee of Respondents' agreed to remove items and verbally reduced the price to \$3,680.64. Complainant F was willing to cut a check for that price (even though that amount was 20% above the verbal quote, presumably because it was more reasonable). Complainant F even showed the Department an unsigned check for \$3,680.64 payable to 911 Restoration of RI. However, the employee of Respondents called back two days later and said that the owner had rejected the corrected bill and that the bill was \$4,200 (40% above the quoted estimate).
- f. That the following week, Complainant F got his third and final invoice from Respondents HAM and Bresette for \$4,200 (Invoice 3, dated 10/17/2020, but received on 11/30), with only the words "Sewage Mitigation" describing the work.
- g. Complainant F explained that he filed his complaint because he was concerned this was a routine business practice of Respondents, writing: "During the process of dealing with this company, I think I just dismissed the way they did business as being



disorganized or just poorly managed but with the way they are handling the billing, I no longer think that it is in error. I believe this is their business practice. Give an estimate, get the job started, perform the work, delay sending the bill, bill out two or three times what was estimated, give as little info on pricing as possible, and threaten with collections when the bill is disputed.”

37. The Department has learned that Respondent HAM contacted the City of Central Falls, seemingly in hopes that the City was responsible for Complainant F’s sewer problem. This ties into the Department’s theory that Respondents seek a third-party payor when the customer is unwilling to pay their inflated invoices. The City denied responsibility and it is unknown whether an inflated invoice was ever submitted to the City.

#### **Complaint G**

38. Complaint G, CRLB Claim No. 9639, was filed by a homeowner in East Providence in March 2019. She alleged that she had hired Respondent HAM to perform restoration work after a fire, but that Respondents had not performed the work they had billed her insurer for nor had Respondents completed the job. Her allegations included the following:

- a. That Respondents HAM and Bresette had not pulled demolition or building permits until the city inspector threatened to fine Respondents for not pulling those permits;
- b. That when Respondents BTTR (notably it was BTTR that applied for the permit, and not HAM) and Bresette did file for and obtain a permit from the East Providence Building Department, Respondents BTTR and Bresette grossly undervalued their work (\$7,000 vs \$78,006) so as to pay a lower permit fee than was appropriate, and that when Respondent BTTR did ultimately obtain a permit, it was for the wrong service, slowing the work of Complainant G’s replacement contractor;





- c. That Respondents HAM and Bresette had billed her insurance company for work that they did not perform;
- d. That Respondents HAM and Bresette did not properly perform the mitigation work that they invoiced Complainant's insurer for, as mold persisted in the house long after Respondents had claimed to have performed mold mitigation; and
- e. That Respondents included many work items in their invoices that they had not performed.

39. The Department inspected Complainant G's home and its inspector noted many observations of work that had been invoiced that was obviously not completed or not possible based on the building.

40. The Department has reached out to the East Providence building inspector, who explained that Respondents had completed the demolition without applying for a permit. When the city building inspector told Respondents they needed a demolition permit, Respondents BTTR and Bresette applied for a building permit instead of a demolition permit. The East Providence building inspector reported that he later found out that the amount of the building permit included a substantial misrepresentation as to the value of the job (\$7,000 vs. \$76,759.91).

#### **Complaint H**

41. Complaint H, CRLB Claim No. 10202, was filed by a homeowner in Providence in November 2020. It alleged that after initially hiring a public adjuster, the public adjuster informed Complainant H that the job was too small to continue working. Eventually, Complainant H called Respondent HAM, and Respondent Bresette arrived at her house and explained that he owned Respondent HAM.

42. Complainant H alleged that:



- a. She believes she signed an Authorization and Direct Payment Form, but she was not given a copy, and has repeatedly asked Respondent HAM for a copy, but was not provided one;
- b. Complainant H has never received an estimate of the work to be done;
- c. Numerous specific jobs were performed without prior authorization by the Complainant;
- d. Respondents invoiced both her insurance company and the Complainant herself for materials that were not used including N95 masks and hazmat suits; and
- e. Respondents HAM and Bresette used an attorney to threaten both a mechanics lien and lawsuit during attempts to collect on invoices for work not performed.

#### **Complaint I**

43. Complaint I, CRLB Claim No. 9981, was filed by a homeowner in Barrington in April 2020.

It alleged that Respondents HAM and Bresette:

- a. Did not give him a quote for the amount before they began work;
- b. Invoiced his insurance company for work not done;
- c. Left the job incomplete for months leaving a bathroom unusable;
- d. Left the bathroom open to the elements for months until the homeowner hired a replacement contractor due to their incomplete mitigation work; and
- e. After Complainant I's insurer denied the claim, Respondents HAM and Bresette Invoiced Complainant I for work that had not been performed.

#### **D. The Department's Investigation**

44. In the course of its investigation, working with other consumers, insurers and town officials, the Department has identified additional serious concerns.



45. Respondents HAM and Bresette have filed for numerous Mechanics' Liens and Lis Pendens throughout communities in Rhode Island. Of the filings identified by the Department's investigation, the only certifications that work was completed are signed by Respondent Bresette as Manager of Respondent HAM. In other filed Mechanics' Liens, there was no certification of completion of work included with the publicly available filings.

**Consumer J**

46. The Department's investigation has identified work performed by Respondents HAM and Bresette on a home in North Providence. At that home, Respondents HAM and Bresette performed mitigation services after a sewer backup. A plumber fixed the sewer, but then referred the homeowners to Respondents HAM and Bresette. The homeowners' insurance company took examinations under oath of both homeowners.

47. The insurer deposed the husband and wife homeowners in separate recorded depositions, and the homeowners made clear that Respondents HAM and Bresette:

- a. Had the homeowners sign an Authorization and Direct Payment Agreement without providing any estimate of the cost of the work, and never thereafter provided an estimate of the cost to the homeowners;
- b. Submitted a false invoice for \$2,500 to the homeowner's insurance company for uninstalling and reinstalling the boiler and hot water heater without the homeowners knowledge – work that the homeowners believe was not done; and that even if the boiler and hot water heater were uninstalled and reinstalled as claimed by Respondents HAM and Bresette, the Department's investigation has identified that Respondents HAM and Bresette hired an unlicensed sub-contractor to perform work that required both mechanical and plumbing permits, and Respondents did not obtain the appropriate town plumbing or mechanical permits;



- c. Performed demolition of sections of a basement and of walls that had not been impacted by the sewage backup; and
  - d. Submitted invoices to the insurance company for a dumpster that was not used, for considerably more waste disposal than was actually created or disposed of, for cleaning and repairs to a ceiling that did not exist, and for personal protective equipment allegedly used by Respondents HAM and Bresette (latex boots, full face respirators, and respirator cartridges) that both homeowners testified were *not* used during the mitigation work.
48. Concerning the North Providence work, one of the estimates of the work to be done submitted to the insurer by Respondent HAM identified Michael Richardson as the estimator using the email address of Michael.R@911restoration.com. An individual identifying himself as Mike also gave the homeowners a 911 Restoration business card listing his name as Michael (with no last name) and the email address Michael.R@911restoration.com.
49. The phone number listed on the Michael (no last name) business card matches the phone number that was listed as the home phone number for Michael Bresette in his contractor registration application filing for BTTR, LLC, filed with the Department.
50. On information and belief, no individual named Michael Richardson works for Respondent HAM and the references to Michael Richardson, Michael and Michael R. are aliases for Respondent Bresette.

#### **Consumer K**

51. The Department's investigation has also identified another location in East Providence where Respondents did not obtain permits, as required by the building code. In discussions with the East Providence Building Department, that building inspector identified that Respondents were seen doing work without a permit on a Walnut Street home. That Building Inspector recalled



informing Respondents that they needed both a demolition and building permit, which was sought under permit B-19-744. But the Building Inspector in reviewing the file also noted that the Walnut St location also was never inspected because Respondents did not call in the work as completed.

### **Consumer L**

52. The Department's investigation has also received information from an insurer relating to a home on Armistice Boulevard, in Pawtucket. The owner of the house hired Respondents HAM and Bresette to mitigate damage and perform some reconstruction from a plumbing leak.

53. An employee of Respondent HAM sent invoices to the homeowner's insurance company on May 29 and June 2, 2020. The invoice for the mitigation work was submitted for \$42,286.61. The estimate for reconstruction after the mitigation work was completed was submitted for \$86,745.75.

54. The homeowner has disputed numerous items on the invoices submitted by Respondents HAM and Bresette to the homeowner's insurer. The homeowner oversaw work himself, taking notes on the employees present and not present on various days, tasks performed by various employees, and had regular communication with Respondents HAM and Bresette communicating his concerns.

55. The homeowner noted the following items were not used in the reconstruction but were invoiced to his insurer:

- a. PPE Equipment;
- b. Fog the Apartments;
- c. Detach and reattach boilers.

56. The Department reviewed invoices sent to Consumer L's insurer included the following charges for those items:



- a. Five separate line items related to PPE totaled \$1,796.80
- b. Four separate line items stating "Disinfect building – Fog" totaled \$2,306.18
- c. Two separate line items about removing and reattaching the boiler and hot water heater, as well as cleaning underneath them while they were moved totaled \$4,350.82.

57. Respondents HAM and Bresette have sent numerous invoices to the homeowner for the reconstruction work. As recently as 12/31/2020, Respondent HAM sent another invoice for \$129,032.36, which included the full amount of Respondent's initial estimate of the reconstruction totaling \$86,745.75.

58. A review of permits at this home shows that a permit was pulled by the plumber and a building permit was obtained by Respondents Bresette and BTTR, even though Respondent HAM was the contractor hired by the homeowner and Respondent HAM is the contractor sending the homeowner invoices.

#### **Consumer M**

59. Through its investigation, the Department has identified a homeowner on Muratore Lane in Charlestown, Rhode Island who hired Respondents HAM and Bresette to perform reconstruction on their home after a water leak. The homeowner hired a contractor to perform all mitigation work. That other contractor completed all of Consumer M's mitigation work, as agreed to. Subsequently, the homeowner hired Respondents HAM and Bresette exclusively for the reconstruction. The homeowner and the first contractor confirmed for the insurer that the first contractor performed all the mitigation services and Respondents HAM and Bresette did not perform any mitigation services on this project.

60. Respondents HAM and Bresette submitted an invoice for \$4,400.56 to the homeowner's insurer for mitigation work, and then when it wasn't paid, invoiced the consumer in October



2020 for the same \$4,400.56 amount. The insurer denied the claim because the insurer had already paid a different mitigation company for the same work.

61. Per the insurer, before the claim relating to Respondent HAM and Bresette's mitigation work, the insurer asked Respondents HAM and Bresette for photos of the work before and after and logs of their work. Respondents HAM and Bresette did not provide that information.

62. Respondents HAM and Bresette also submitted an invoice for \$18,600.39 in October 2020 for the reconstruction work done for the homeowner. The insurer had its adjuster, who had personally inspected the property, prepare an analysis of the reconstruction invoice submitted by Respondents HAM and Bresette. The adjuster identified that the invoice was overstated in numerous ways, including:

- a. 120 sf of replacement of plaster, while the insurer had identified 10 sf of drywall replacement that was needed; the insurer also noted that there was no plaster in the house. (The Department notes that plaster is more expensive to repair and replace than drywall.);
- b. 43 bf of stud wall replacement (believed by the adjuster to be board feet), while the insurer had identified 3 linear feet of stud wall (43 board feet of stud wall represents almost double 3 linear feet of stud wall);
- c. 3 coats of paint on the ceiling and in the living room (one sealer and two of paint) while the insurer did not identify any damage to the ceiling or the living room; and
- d. Removing and replacing all the casings around doors when there was no damage to the casings around the doors.

E. Relevant Law

63. R.I. Gen. Laws § 5-65-10(f) empowers the Director of the Department of Business Regulation to revoke or suspend a registration *without a hearing* for a period of thirty (30) days.



64. R.I. Gen. Laws § 5-65-10(a) authorizes the Contractors' Registration and Licensing Board ("Board") or the Department's State Building Office to revoke or suspend, or refuse to issue, reinstate, or reissue a certificate of registration if the Board or Office determines, after notice and opportunity for a hearing:

- (1) That the registrant or applicant has violated § 5-65-3.
- (2) That the insurance required by § 5-65-7 is not currently in effect.
- (3) That the registrant, licensee, or applicant has engaged in conduct as a contractor that is dishonest or fraudulent that the board finds injurious to the welfare of the public.
- (4) Has violated a rule or order of the board.
- (5) That the registrant has knowingly assisted an unregistered person to act in violation of this chapter.
- (7) That the registrant has substantially violated state or local building codes.
- (9) That a registrant has engaged in repeated acts in violation of this chapter and the board's rules and regulations inclusive of substandard workmanship and any misuse of registration.
- (11) That the registrant breached a contract.
- (12) That the registrant performed negligent and/or improper work.
- (14) That the registrant has failed to complete a project(s) for construction or a willful failure to comply with the terms of a contract or written warranty.
- (18) When a violation for hiring a nonregistered contractor, working as a nonregistered contractor, or not maintaining the insurance required is issued, the registration may become invalidated until the violation is resolved, or hearing is requested on this offense.
- (19) That the registrant has violated any of the provisions of chapter 36 of title 28. A finding that the registrant has violated any of those chapters shall not be grounds for imposition of a monetary penalty under subsection (c) below.

65. R.I. Gen. Laws § 5-65-10(k)(3) provides: "When upon investigation a complaint reveals: serious code infractions; ... abandonment of a job for a substantial period of time without apparent cause; or any other conduct detrimental to the public, the board can double the fines."

66. 440-RICR-10-00-1.12.2(A) of the Rhode Island Code of Regulations authorizes the issuance of notice of violations for the following:

2. Claims;
3. Disciplinary action;
5. Lack of workers' compensation coverage;
8. Hiring non-registered/non-licensed contractor(s) or subcontractor(s);
9. No registration/license number on contract;
11. No mechanics' lien release form/notice provided in contract;
12. No right of rescission clause;





14. Failure to list employee(s);
15. Violation of State Building Code;
16. Violation of rule, regulation or order of the Board;
18. Registrant/licensee engaged in conduct dishonest or fraudulent conduct;
22. Engaged in any act, conduct, or practice which violates this Subchapter;
24. Failure to provide list of sub-contractors or employees;
25. Failure to comply with the disclosure requirements...

#### F. Summary of Alleged Violations

67. The allegations summarized above evidence numerous violations of law by Respondents' including but not limited to:

- a. Violating R.I. Gen. Laws § 5-65-3.
- b. Engaging in conduct as a contractor that is dishonest or fraudulent that the Department finds injurious to the welfare of the public.
- c. Engaging in repeated acts in violation of R.I. Gen. Laws Chapter 5-65 and the Board's rules and regulations, 440-RICR-10-00-1, inclusive of substandard workmanship and any misuse of registration.
- d. Performing negligent and/or improper work.
- e. Failing to complete a project(s) for construction or a willful failure to comply with the terms of a contract or written warranty.
- f. Breach of contract.
- g. Violating state and/or building codes.

#### G. CONCLUSION & BASIS FOR EMERGENCY ACTION

68. Due to the volume and serious nature of the consumer complaints against Respondents HAM and Bresette, which include numerous allegations of dishonest or fraudulent conduct, multiple cases of not obtaining building permits, multiple documented violations of the state building code, two bathrooms left in unusable condition (in at least one case it was the only bathroom



in the dwelling), the Director has cause to believe that Respondents are acting in violation of R.I. Gen. Laws Chapter 5-65.

69. Respondents BTTR and Bresette were named in a criminal case brought and supported by sworn affidavits that Respondents did not possess workers' compensation insurance for several years. If proven, such a violation presents a danger both to their employees and to any consumer who allowed BTTR's employees to work on their home, and is a repeat and flagrant violation of an important requirement for all registered contractors.

70. Due to the fact that Respondent Bresette appears to be the person principally responsible for the actions of both Respondents HAM and BTTR, and because Respondent BTTR was the entity that applied for the building permit for Complainant G and Consumer L, even though Respondents HAM and Bresette were the entities who entered into the "Authorization and Direct Pay Agreement" with Complainant G and Consumer L, the Department believes that it is necessary to suspend through the emergency authority the contractor registration of Respondent BTTR because Respondent BTTR and Respondent HAM appear to be operated as a common enterprise, for the mutual benefit of Respondent Bresette.

71. In consideration of the above, the Director finds that the Respondents' actions pose a serious threat to Rhode Island consumers, and that Respondents HAM, BTTR and Bresette are acting to the detriment of the health, welfare and safety of the general public and requires this emergency action.

### **Order**

1. The Director ORDERS the EMERGENCY SUSPENSION of the contractor registration certificate of Respondents BTTR, LLC for thirty (30) days.



- a. This Suspension prohibits Respondent BTTR, LLC from entering into new written and/or verbal agreements with consumers to provide services.
  - b. If prior to the date of this Order, a consumer executed a copy of an "Authorization and Direct Payment Agreement," BTTR is allowed to continue to provide services to that consumer in accordance with the written terms of that agreement during the pendency of this administrative action.
2. The Director further ORDERS that absent further order of the Department, the State Building Office will not issue, reinstate or reissue the registration of Respondent HAM if Respondent HAM applies for a renewal of its expired contractor's registration.
- a. Respondent HAM, Inc.'s contractors registration certificate having expired prior to the issuance of this Order, no further contractor work shall be performed by or on behalf of Respondent HAM, Inc. or of its employees, officers and agents.
3. The Director further ORDERS Respondents BTTR, LLC and Bresette to appear before a Hearing Officer at a **hearing on March 16, 2021, at 10:00 A.M.** (within 30 days of this Order) to show cause why the Director should not issue an Order Suspending Respondent BTTR, LLC's contractor registration certificate during the pendency of the administrative action to revoke that registration.
4. The Director further ORDERS Respondents HAM, Inc., BTTR, LLC and Bresette to appear before a Hearing officer at a **pre-hearing conference on February 19, 2021, at 10:00 A.M** to show cause why the Director should not issue Orders:
- a. Revoking Respondent BTTR's contractor's registration certificate;
  - b. Authorizing the Department's State Building Office to deny any future application from Respondents HAM or Bresette;



- c. Imposing the maximum penalties authorized under the statutes for previously issued violations and newly identified violations of the applicable statutes and CRLB Regulations by Respondents HAM, Inc., BTTR, LLC and Bresette;
  - d. Ordering Respondents to cease and desist all conduct prohibited by the statutes governing registered contractors; and/or
  - e. Issuing whatever other penalty or sanction is determined to be appropriate.
5. The Director further ORDERS Respondents HAM, BTTR and Bresette to:
- a. Appear before a Hearing Officer at the Department for a **Pre-Hearing Conference on Tuesday, March 16, 2021 at 10:00 A.M.** via an audio-visual conference via Zoom (detailed instructions are included in an attached sheet), in accordance with Rules of Procedure §§ 2.5 and 2.6.
  - b. Pursuant to R.I. Gen. Laws § 42-6-8, the Director hereby appoints Catherine Warren, Esq., as Hearing Officer for the purpose of conducting the hearing and rendering a decision in this matter. The proceedings shall be conducted in accordance with the APA and the Rules of Procedure.
6. The Director further ORDERS Respondents HAM, BTTR and Bresette to:
- a. Bring with them to the Pre-Hearing Conference a list of all consumers (including name, address and phone number) with whom any of Respondents has an executed and still ongoing "Authorization and Direct Payment Agreement."
  - b. Within thirty (30) days of the Pre-Hearing Conference, to provide to the State Building Office a list and full and complete copies of all still ongoing "Authorization and Direct Payment Agreements" identified pursuant to 6(a) of this Order.



It shall be the Respondents' sole responsibility or his/her or its representative to present his/her or its defense to the Hearing Officer. Rules of Procedure § 2.5. Respondents may be represented by legal counsel admitted in the State of Rhode Island, and individuals may appear *pro se*, but corporations may *not* appear *pro se*. Rules of Procedure § 2.7. If Respondents fail to appear at the Pre-Hearing Conference and have not otherwise notified the Hearing Officer or the Department of his/her or its inability to attend, the Hearing Officer may enter a default judgment against Respondents. Rules of Procedure § 2.21.

All interested parties with questions regarding this Order please contact the prosecuting attorney, Matthew Gendron, Esq., by e-mail at [Matthew.Gendron@dbr.ri.gov](mailto:Matthew.Gendron@dbr.ri.gov) or John Dean, Esq., at [John.Dean@dbr.ri.gov](mailto:John.Dean@dbr.ri.gov) and reference the case name and number. Please refrain from contacting the Hearing Officer on any matters related to the subject of the above unless all parties are notified of and participate in the communication.

Entered this 22nd day of February 2021

Elizabeth M. Tanner, Esq., Director

**All are welcome at the Rhode Island Department of Business Regulation ("DBR"). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact DBR at 401-462-9551, RI Relay at 7-1-1, or email DBR.dirofficeinq@dbr.ri.gov at least three (3) business days prior to the hearing. To request sign language and/or CART services for the deaf and hard of hearing, please contact the Department via email at shirley.dossantos@dbr.ri.gov or via telephone at (401) 462-9551. We strongly encourage you to do this at least five (5) business days before the date of the scheduled hearing to allow adequate time to process your request.**

#### **CERTIFICATION**

I hereby certify on this 22 day of February 2021, that a copy of this Emergency Order, Order to Show Cause, Notice of Hearing and Appointment of Hearing Officer was sent by first class mail, postage prepaid, and also by certified mail to:



HAM Inc. dba 911 Restoration of Rhode Island 115 Auburn Street Cranston, RI 02910	Heather Kitterick 115 Auburn Street Cranston, RI 02910	Thomas W. Heald, Esq. Heald & LeBoeuf, LTD One Turks Head Place 76 Westminster Street, Suite 600 Providence, RI 02903-2817
HAM Inc. dba 911 Restoration of Rhode Island 1381 Cranston St, Cranston RI 02920	Michael Bresette 115 Auburn Street Cranston, RI 02910	BTTR, LLC & HAM, Inc. <i>through their Registered Agent:</i> Daniel S. Kaplan 2377 Pawtucket Ave East Providence, RI 02914
HAM Inc. dba 911 Restoration of Rhode Island 301 Farnum Pike Smithfield, RI 02917	BTTR, LLC 10 DORRANCE ST #700, PROVIDENCE, RI 02903	

AND BY E-MAIL TO:

1. Catherine Warren, Esq., Hearing Officer
2. Donna Costantino, DBR Associate Director
3. James Cambio, State Building Code Commissioner
4. Respondent, [HEATHER.K@911RESTORATION.COM](mailto:HEATHER.K@911RESTORATION.COM)
5. Respondent HAM's intermittent counsel: [twh@healdandleboeuf.com](mailto:twh@healdandleboeuf.com)
6. Respondent Bresette: [michael.r@911restoration.com](mailto:michael.r@911restoration.com)
7. Dan Kaplan, Respondent HAM and BTTR's registered agent: [dan@kdlawri.com](mailto:dan@kdlawri.com)
8. [Matthew.Gendron@dbr.ri.gov](mailto:Matthew.Gendron@dbr.ri.gov)
9. [John.Dean@dbr.ri.gov](mailto:John.Dean@dbr.ri.gov)