People who are out of work or looking for supplemental income are sometimes targeted by unscrupulous employment agencies or other job scams. Some job hunters report that these scams have cost them thousands of dollars that they could not afford. Don’t let this happen to you! Minnesota Attorney General Lori Swanson provides the following tips to job hunters:

**Employment Agencies**
Some people seeking work have been victimized by so-called “employment agencies” that charge stiff upfront fees and then fail to deliver on promises of job leads or other services. In some cases, employment agencies may claim that they have access to “hidden job markets” or special relationships with employers that do not materialize. Employment agencies are required to register with the Minnesota Department of Labor and Industry. Citizens should contact the Department before agreeing to do business with any employment agency.

**Minnesota Department of Labor and Industry**
443 Lafayette Road North
St. Paul, MN 55155
(651) 284-5005 or (800) 342-5354
www.dli.mn.gov

**Consumer Tips for Job Seekers**

1. **Be suspicious of any agency that charges upfront fees.** Beware of companies that charge upfront fees, and guarantee or promise to get you a job. Although some agencies make “money back guarantees,” it may be difficult to obtain a refund if the company goes out of business or disappears.

2. **Get it in writing.** Thoroughly review the contract and do not take the company’s word for it. Know what you are agreeing to and exactly what services will be provided. Make sure that any verbal promises match up with what’s on paper.

3. **Research the company.** Employment agencies are required to register with the Minnesota Department of Labor and Industry. Check with the Department to make sure an entity is registered before agreeing to do business with it. Consumers may also check with the Federal Trade Commission and Better Business Bureau to obtain more information.

4. **Be wary of companies that respond to your online resume, but provide little information.** Agencies may claim they are following up on your online resume for a given company, or that they work with specific companies hiring people who match your skill set. Ask the agency what companies it works with, and check with the employers to make sure they are really hiring and actually work with the agency. If the agency is hesitant to give you information, or answer your questions, think twice about doing business with the company.

5. **Don’t be rushed!** Some employment agencies may use high-pressure sales tactics to get you to agree to purchase their services. Don’t be blinded by claims that you may miss out on a given job or opportunity if you do not hire the company immediately.

**What is an Employment Agency?**
Under Minnesota law, employment agencies are required to register with the Minnesota Department of Labor and Industry. The term “employment agency” means “any person, firm, corporation, partnership, association, or job listing service in this state engaged for hire or compensation in the business of furnishing persons seeking employment or changing employment with information or other service
enabling or tending to enable such persons to procure employment, by or with employers, other than such employment agency; or furnishing any other person, firm, corporation, partnership, or association who may be seeking to employ or may be in the market for help of any kind, with information enabling or tending to enable such other person, firm, corporation, partnership, or association to procure such help. Any party performing the services of an employment agency as herein defined, is not an employment agency if the performance of these services is peripheral to the primary business of that party, and if no part of any fees or compensation is paid by the person seeking employment unless that party has an employee, officer, department or division whose primary responsibility is providing employment services to clients. The term ‘employment agency’ does not include any exclusively teacher or exclusively nurse or exclusively medical doctor placement service, theatrical, booking, modeling, babysitting agency, educational or labor organization, resume service, newspaper, magazine, trade or professional journal or like publication of general circulation, the main purpose of which is dissemination of news, reports, trade, or professional information.”

Beware of Other Employment Scams
Consumers should also be on guard against other employment scams such as the “Mystery Shopper,” or payment processing, scams, in which the scam artist sends the consumer a “check” and convinces him or her to cash it, send an “excess amount” to a third-party (usually located outside of the country), and keep a remaining amount as a commission. The “check” soon turns out to be fake, and the consumer’s bank account is debited for the loss. Other employment scams are predicated on the “phishing” scam, in which a scam operator convinces a consumer to disclose sensitive personal information such as his or her social security number or banking information, in order to either “verify their identity” for an “interview process,” or to set up a payment process for the “new hire.” Don’t be fooled into giving out such sensitive information over the Internet or telephone. For more information on employment scams, work-at-home scams, or other scams targeting job seekers, contact the Attorney General’s Office.

Resources

Minnesota Department of Labor and Industry
443 Lafayette Road North
St. Paul, MN 55155
(651) 284-5005 or (800) 342-5354
www.dli.mn.gov

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
(202) 326-2222 or (877) 382-4357
TTY: (866) 653-4261
www.ftccomplaintassistant.gov

Better Business Bureau
of Minnesota and North Dakota
220 South River Ridge Circle
Burnsville, MN 55337
(651) 699-1111 or (800) 646-6222
www.bbb.org/minnesota

Office of the Secretary of State
Retirement Systems of Minnesota Building
60 Empire Drive, Suite 100
St. Paul, MN 55103
(651) 296-2803 or (877) 551-6767
www.sos.state.mn.us

Office of Minnesota Attorney General
Lori Swanson
445 Minnesota Street, Suite 1400
St. Paul, MN 55101
(651) 296-3353 or (800) 657-3787
TTY: (651) 297-7206 or (800) 366-4812
www.ag.state.mn.us