

IT Management

Feds Plan Increased H-1B Site Inspections

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Following nationwide arrests earlier in 2009 involving fraud and abuse in the H-1B visa program, the new director of U.S. Citizenship and Immigration Service promises a substantial increase in site visits to third parties employing H-1B workers.

The U.S. Citizenship and Immigration Services plans to beef up its fraud and compliance assessment of the nation's H-1B visa program, including increasing site visits from a little more than 5,000 in 2008 to 25,000 in 2010.

In a Nov. 10 letter to [Sen. Charles Grassley](#), USCIS Director Alejandro Mayorkas said the agency will use the increased site inspections to determine "whether the location of employment actually exists and if a beneficiary is employed at the location specified, performing the duties as described and paid the salary as identified in the [H-1B] petition."

Grassley's office released Mayorkas' letter Nov. 17.

A favorite of American technology companies, the H-1B program is a temporary work visa program allowing American companies and universities to employ foreign guest workers who have the equivalent of a U.S. bachelor's degree in a job category that is considered by USCIS to be a "specialty occupation." The idea is to help companies hire foreign guest workers on a temporary basis when there is not a sufficient qualified American work force to meet those needs.

Grassley, a longtime critic of the H-1B program, had written Mayorkas in September complaining of "substantial fraud and program violations by employers who bring in H-1B visa holders and then outsource them to other work sites."

The Iowa senator's concern over fraud and abuse in the H-1B visa program grew in February when [raids conducted by the Department of Justice](#) resulted in 11 arrests across seven states. According to the DOJ, the scheme involved hiring college-educated foreign workers to ostensibly fill high-tech jobs in Iowa when, in fact, the workers were sent to the East and West coasts while being paid the lower prevailing Iowan wage rate.

Those arrests were preceded by a separate incident in late 2008 when four men were charged with producing documents falsely stating that H-1B visa applicants had a job with the Commonwealth of Massachusetts when, in fact, according to the charges, they did not. Richard Schwartz, a now former Massachusetts employee, signed the documents and is charged with one count of visa fraud, which brings penalties of up to five years in prison time and a \$250,000 fine.

"If employers are hiring visa holders without actual jobs lined up, American workers are losing out," Grassley said in September when he sent his letter to Mayorkas. "Employers must be held accountable, and should be required to submit contracts and itineraries to prove that a job exists. Simply having them attest that they are complying with the law isn't good enough."

In the Iowa arrests, Vision Systems Group and VenturiSoft, both incorporated in New Jersey, allegedly used mail drops in Coon Rapids and Clive, Iowa, as part of the scam.

U.S. Attorney Matthew Whitaker said at a Feb. 12 press conference that the indictments were "just the tip of the iceberg" when it comes to U.S. visa fraud. "This is an enforcement effort that points to a significant vulnerability in our visa process, and we're trying to close these loopholes and to take away the incentive to conduct these fraudulent schemes," Whitaker said.

An October 2008 USCIS report found that the H-1B program has more than a 20 percent violation rate. The fraud identified in the report included jobs not being located where employers claimed, H-1B visa holders not being paid the prevailing wage, forged documents, fraudulent degrees and "shell businesses."