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U.S. says IT firm underpaid H-1B workers

Labor department seeks back wages and \$1.9M penalty payment from N.J. company

By Patrick Thibodeau
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Computerworld - The U.S. Department of Labor is alleging that a Newark, NJ software firm, Peri Software Solutions Inc., underpaid its tech workers on H-1B visas and owes some \$1.45 million in back wages to 163 workers.

The labor department is also seeking a \$439,000 civil penalty and a two-year debarment from the H-1B program. About 20 H-1B employers are on the department's [its current list of debarred firms](#).

Peri officials are not commenting on the action, but the labor department spokeswoman Leni Fortson said the company is seeking an administrative hearing to challenge the finding.

"Everything is contingent upon the outcome of the administrative hearing," she said.

In a statement, U.S. Secretary of Labor Hilda L. Solis said that the company's alleged actions "demonstrate the kind of abuses that our laws are designed to prevent. "Every worker deserves to be paid for his or her work, and the Labor Department is committed to holding those companies that violate our nation's labor laws accountable."

Specifically, department investigators contend that the company failed to pay prevailing wages to workers hired under the H-1B program. The company also "forced employees to sign employment contracts and then sued them when contracts were broken," said the labor department.

Peri was approved to hire nearly 190 H-1B workers in recent years -- 120 in 2007, 64 in 2008 and three in 2009, according to U.S. Citizenship and Immigration Service records.

More broadly, Immigration authorities have been [increasing enforcement](#) of the H-1B program, and demanding more evidence to support the application.

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