

April 23, 2012 7:30 PM

Feds say Wash. farm rehired illegal immigrants

SEATTLE — A Washington state herb farm that was forced to lay off more than 200 illegal immigrants because of a government audit rehired dozens of those workers, paid them cash and asked them to work at night because production began to drop, according to court documents filed Monday.

HerbCo International Inc. now faces four federal criminal charges, including knowingly hiring illegal immigrants, and a \$1 million fine.

HerbCo's attorney, Geoffrey George Revelle, declined to comment on the pending case.

The Duvall, Wash.-based company started as a single farm selling organic herb products in the Seattle area. It was bought by Ted Andrews, a former Nordstrom executive, in the early 1990s, and the company has grown nationwide with affiliates in five states and distribution in more than 2,700 stores.

HerbCo operates from 150 acres in Duvall, and packaging is done on-site. Annual sales top \$25 million.

According to a sentencing memorandum filed Monday, U.S. Immigration and Customs Enforcement audited HerbCo's payroll in February 2011 after a 2009 anonymous tip saying the farm had workers who were illegally in the country. An ICE agent then notified HerbCo that 214 workers didn't have valid documentation.

Following standard procedures, HerbCo officials fired all 214 workers. Expecting a labor shortage, the company hired the firm Labor Ready to fill in the vacancies with legal workers. But within days, company officials began to see production disrupted.

"This packaging disruption caused immediate complaints from the HerbCo customers and threatened existing and future contracts. Time was of the essence in correcting this critical packing disruption," U.S. Assistant Attorney Don Reno wrote in the memorandum.

General Manager Debra Howard then came up with the plan of rehiring 86 of the laid off workers, paid them cash and have them work at night — out of sight from the workers hired through the labor firm, court documents said.

Howard withdrew about \$40,000 in cash from a company bank account to pay the workers in cash put in envelopes.

A HerbCo employee tipped authorities about the scheme, including taking pictures of the cash

envelopes.

In the past few years, ICE has targeted employers that hire illegal immigrants, serving audits to thousands of companies across the country.

During an audit, ICE agents go through a company's I-9 employment eligibility verification forms and check Social Security numbers to make sure they're real, matching them against copies of other forms of identification.

Under federal law, an employer is required to ask a worker for identification that shows they're legally in the United States. An employer can hire the worker if the documents look real upon a visual check.

ICE spokesman Andrew Munoz declined to comment.

Besides Andrews and Howard, HerbCo Vice President David Lykin also was charged. The three are due in court May 1 where they are expected to plead guilty and face sentencing. Prosecutors are recommending a \$1 million fine.

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