News & Insights

DOL Launches "Project Firewall" to Intensify H-1B Enforcement and Prioritize U.S. Workers

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By Elizabeth Chatham, Ben Parker and Stephanie Scheck

On September 19, 2025, the U.S. Department of Labor (DOL) announced the launch of Project Firewall, a comprehensive enforcement initiative designed to protect the rights, wages, and job opportunities of highly skilled American workers. The primary objective of Project Firewall is to ensure that employers participating in the H-1B visa program prioritize the hiring of qualified U.S. workers and comply fully with all applicable regulations. This initiative comes amid ongoing concerns from the administration about the misuse of the H-1B program and its impact on the domestic workforce. The launch of Project Firewall coincided with the Proclamation issued by the White House imposing a \$100,000 one-time payment on new H-1B petitions for workers from abroad.

A key feature of Project Firewall is the use of Secretary-certified investigations. For the first time in DOL history, the Secretary of Labor will personally certify the initiation of investigations where there is reasonable cause to believe that an employer is not in compliance with H-1B requirements. This new level of oversight is intended to maximize program compliance, and signals a significant escalation in enforcement efforts. Secretary-certified investigations, along with other H-1B-related investigations, will be used to hold employers accountable and ensure that violations are addressed promptly and effectively.

Project Firewall also emphasizes robust interagency collaboration. The DOL will coordinate closely with the Department of Justice's Civil Rights Division, the Equal Employment Opportunity Commission (EEOC), and U.S. Citizenship and Immigration Services (USCIS) to combat discrimination and abuse within the H-1B program. By sharing information and leveraging the resources of multiple federal agencies, the initiative aims to root out fraud, prevent discriminatory hiring practices, and ensure that the law is enforced to its fullest extent.

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Employers found to be in violation of H-1B regulations may face a range of significant penalties. These include the collection of back wages owed to affected workers, the assessment of civil money penalties, and the debarment of employers from future participation in the H-1B program for a prescribed period of time. The DOL's actions are intended to deter noncompliance and protect the interests of both American and foreign workers.

BEST PRACTICES FOR EMPLOYER H-1B COMPLIANCE

In light of Project Firewall's enhanced enforcement initiatives, employers should take steps to ensure they are properly complying with H-1B requirements. The following are recommendations from USCIS to prevent H-1B fraud and abuse:

- Pay the Required Wage. Ensure H-1B workers are paid at least the wage certified on the Labor Condition Application (LCA), which must be the higher of the prevailing wage for the position and location or the actual wage paid to similarly qualified employees. Avoid wage disparities between H-1B workers and U.S. workers performing similar duties.
- Maintain Accurate Job Duties and Work Location. H-1B workers must perform the duties specified in the H-1B petition and LCA. Do not assign duties at a higher or lower level than described. Ensure H-1B workers are working at the location(s) certified on the LCA. If work location changes, file a new or amended LCA and, if required, an amended H-1B petition.
- Maintain Proper Documentation. Keep thorough records of H-1B employment, including wage payments, job descriptions, and work locations. Maintain a Public Access File (PAF) with required documentation for each H-1B worker, available for inspection by the Department of Labor.
- Avoid Displacement of U.S. Workers. Do not use the H-1B program to displace qualified U.S. workers. H-1B-dependent employers must make good faith efforts to recruit U.S. workers and attest to non-displacement.
- Ensure Timely Notification of Changes. Notify USCIS and DOL of significant changes in employment terms, such as job duties, salary, or work location. Promptly inform USCIS and DOL of H-1B employee terminations.
- Protect Whistleblowers. Do not retaliate against H-1B workers who report suspected fraud or abuse. Immigration law may provide protections for workers who report violations.
- Educate HR and Management. Train HR staff and managers on H-1B compliance requirements, including wage, documentation, and reporting obligations.

Stinson will continue to closely monitor developments and provide updates. For more information on how this impacts you or your organization, please contact Olga Andreyeva, Elizabeth Chatham, Alisa Ehrlich, Ben Parker, Brad Sandler, Stephanie Scheck, Renée Mueller Steinle or the Stinson contact with whom you



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regularly work.

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