CLIENT ALERTS & INSIGHTS

Tracking “Project Firewall” and Its Significant Expansion of H-1B Enforcement Activity

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On September 19, 2025, the Department of Labor (DOL) announced a substantial expansion of its enforcement authority through a new initiative known as Project Firewall, marking the most aggressive shift in H-1B oversight in more than a decade. Historically, most H-1B investigations began only after an employee complaint. Under Project Firewall, however, the Secretary of Labor may now initiate H-1B investigations based solely on “reasonable cause.” Given the unprecedented level of cooperation between government agencies, it is not surprising that immigration practitioners are reporting a notable increase in investigative activity. To date, approximately 175-200 investigations under Project Firewall have been initiated, signaling vigorous and proactive enforcement in the H-1B space.

Key Elements of Project Firewall

1. Expanded Scope of Review - Investigations are now focusing on:

- Required wage compliance and payroll accuracy
- Alignment of actual job duties with those listed in the H-1B petition
- Accuracy of worksite locations and relocation reporting
- Maintenance of fully compliant Public Access Files
- H-1B-dependent employer practices
- Third-party placement arrangements, including staffing and consulting environments

2. Consequences for Non-Compliance - Employers found non-compliant may face:

- Back wage assessments
- Civil monetary penalties
- Debarment from the H-1B program for up to three years
- Referral to USCIS or other agencies for additional action

Recommended Employer Action Steps

Given the heightened enforcement environment, employers should take immediate steps to review and strengthen their H-1B compliance programs:

1. **Conduct an Internal H-1B Compliance Audit -** Review LCAs, wage documentation, worksite postings and Public Access Files for completeness and accuracy.
2. **Reconfirm Wage Compliance** - Ensure all H-1B workers are being paid the required wage at all times, including during reduced hours or non-productive periods.
3. **Assess Job Duties and Organizational Changes** - If job duties or responsibilities have changed, determine whether an H-1B amendment is required.
4. **Review Third-Party Placement Arrangements -** Confirm that contracts, supervision structures and worksite details accurately reflect actual working conditions.
5. **Educate HR, Managers, and Onboarding Teams -** Ensure internal stakeholders understand when H-1B updates or amendments are triggered.
6. **Prepare for Potential DOL Requests -** Establish a protocol for responding to inquiries or audits, including record preservation and centralized documentation.

Conclusion

With Project Firewall investigations steadily increasing, employers should act now to mitigate risk by proactively reviewing their H-1B processes and documentation. Our immigration team is available to assist with internal audits, policy reviews and employer-specific compliance strategies.