Congress of the United States

Washington, DC 20510

March 29, 2017

VIA ELECTRONIC TRANSMISSION

The Honorable John Kelly Secretary U.S. Department of Homeland Security Washington, D.C. 20528

The Honorable Edward Huglar Acting Secretary U.S. Department of Labor Washington D.C. 20210

Dear Secretaries Kelly and Huglar:

On Sunday, March 19, 2017, 60 *Minutes* aired "You're Fired," an episode investigating businesses that laid off American workers and replaced them with cheaper foreign labor through the H-1B visa program. We write to ascertain what actions you are taking to address this abuse of the H-1B visa.

60 Minutes told the story of several American workers who lost their jobs due to the H-1B visa program. Congress originally created the H-1B visa program to help American companies fill jobs when there were not enough American workers. It was never meant to be used to replace American workers. However, the program, through the abuse of loopholes, has become just that.

The 60 Minutes piece highlighted how Craig Diangelo, who worked for Northeast Utilities, now known as Eversource Energy, was laid off and replaced by an H-1B worker. Diangelo learned from his replacement that the foreign worker would be making half of Diangelo's salary, and would not receive benefits. Mukesh Aghi, president of the U.S.-India Business Council, admitted that companies are replacing American workers with foreign workers to save money.

American workers are being hurt by these abuses. Robert Harrison, a Senior Telecom Engineer at the University of California San Francisco (UCSF), lost his job along with 79 other American IT workers. He explained that he and his colleagues were told that they would lose their job on February 28, and would be replaced by H-1B workers. They would be allowed to stay and be paid for an additional four months, and given a bonus if they trained their

replacements. *60 Minutes* pointed out that UCSF stood to save \$30 million, but that is a small fraction of its \$5.8 billion budget and cannot justify replacing Americans with foreigners.

Many Americans have been forced to train their replacements in order to receive their severance pay. Sarah Blackwell, an attorney who has represented American workers who have been replaced by H-1B workers, said that companies regularly threaten to withhold workers' severance pay unless they train their replacements in the way the company approves.

This is an outrage, and there is simply no excuse for this conduct. American workers should not be fired and forced to train their foreign replacements to receive their duly owed severance pay.

This treatment of American workers is degrading. Leo Perrero, who worked for Disney, said he expected to get a promotion and a raise because he had just received high marks for his performance, but instead he was told he would be replaced by a foreign worker. He said this experience "was the most humiliating and demoralizing thing I've ever gone through in my life." No American should experience this kind of humiliation.

As you know, we have introduced bipartisan legislation that would fix many of the loopholes in current law that allow for these unconscionable abuses of the program. Until this legislation becomes law, you have a duty to use your authority to investigate H-1B abuses and fix them. The need for action is urgent because in early April, the government will conduct its annual lottery to decide which employers will receive Fiscal Year 2018 H-1B visas. If nothing is done, outsourcing companies will secure the right to import tens of thousands of additional lowwage foreign guest workers to replace American workers. Given the extent of the fraud and abuse of the H-1B visa program and the harm it poses to American workers, we request that you respond to the following questions and provide answers no later than April 14.

- 1. Has an investigation into the companies highlighted in *60 Minutes*' "You're Fired," and their abuse of the H-1B visa program been initiated? If not, why not?
- 2. Has a review of your policies and procedures under the H-1B program that allows for this kind of abuse been initiated? If so, have you determined loopholes and ambiguities that can be fixed by regulation or other executive action? If not, why not?
- 3. What steps are you taking, in conjunction with the President and the White House, to initiate necessary administrative action to fix the worst abuses in the H-1B visa program?
- 4. What tools do you need from Congress to better ensure that the H-1B program is used as it was meant to be used, to ensure that American companies have access to foreign workers, when, and only when, there are insufficient American workers to fill those jobs?

Thank you for your attention to this important matter.

Sincerely,

Chuck L assley Chuck E. Grassley

Senator

Sherrod Brown Senator

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Bill Pascrell, Jr. Member of Congress

Dave Brat Member of Congress

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Richard J. Durbin Senator

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Richard Blumenthal Senator

Paul A. Gosar, D.D.S. Member of Congress