

# Project Firewall Targets H-1B Employers: Best Practices for Compliance

## Labor & Employment Law Update

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On September 19, 2025, the U.S. Department of Labor (DOL) announced the launch of Project Firewall, described as “an H-1B enforcement initiative that will safeguard the rights, wages, and job opportunities of highly skilled American workers by ensuring employers prioritize qualified Americans when hiring workers and holding employers accountable if they abuse the H-1B visa process.”

### Compliance and Penalties Under Project Firewall

Through Project Firewall, where there is reasonable cause that an H-1B employer is not in compliance, the secretary of labor will personally certify the initiation of investigations, as opposed to the typical Wage and Hour Division (WHD) complaint-driven investigations.

Violations may result in the collection of back wages owed to affected workers, the assessment of civil money penalties, and/or debarment from future use of the H-1B program for a prescribed period of time. Additional information about the difference between a secretary-certified labor condition application (LCA) investigation and a complaint-driven investigation is contained in the WHD LCA Field Operations Handbook.

### Collaboration Amongst Enforcement Agencies

Project Firewall is a collaboration within the DOL between the Office of Immigration Policy, Employment and Training Administration, and WHD. Additionally, DOL will share information and coordinate with relevant government agencies, including the Civil Rights Division of the Department of Justice, the Equal Employment Opportunity Commission, U.S. Department of Homeland Security and U.S. Citizenship and Immigration Services (USCIS) to combat discrimination against U.S. workers and to ensure the law is properly enforced. USCIS and DOL have already entered into a memorandum of agreement to share data between the agencies.

## Key Takeaways: Implications for Employers

To avoid penalties, fines, or other adverse consequences under Project Firewall, employers should ensure they are in compliance with H-1B requirements. To do so, companies should prioritize:

- **Taking proactive compliance measures.** Conduct regular audits of LCAs, jobs titles and descriptions, wages and benefits, and work locations.
- **Keeping complete, accurate records.** WHD lists the records every H-1B employer must keep and make available to it upon request. One critical recordkeeping requirement for employers is to maintain proper H-1B Public Access files, which must be created within one day of filing the LCA and include all required materials.
- **Training staff on legal obligations.** Provide education to HR staff on H-1B compliance requirements.
- **Monitoring regulatory developments.** To ensure compliance with legal obligations, employers must remain up-to-date on changes to the current framework. By working with trusted legal counsel, employers can stay abreast of changes and develop strategies accordingly.

It is important to note that during the government shutdown, DOL will not be working on Project Firewall, so now is a good time to conduct an audit and ensure compliance.

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