

CHUCK GRASSLEY, IOWA, CHAIRMAN

MIKE CRAPO, IDAHO  
PAT ROBERTS, KANSAS  
MICHAEL B. ENZI, WYOMING  
JOHN CORNYN, TEXAS  
JOHN THUNE, SOUTH DAKOTA  
RICHARD BURR, NORTH CAROLINA  
ROB PORTMAN, OHIO  
PATRICK J. TOOMEY, PENNSYLVANIA  
TIM SCOTT, SOUTH CAROLINA  
BILL CASSIDY, LOUISIANA  
JAMES LANKFORD, OKLAHOMA  
STEVE DAINES, MONTANA  
TODD YOUNG, INDIANA  
BEN SASSE, NEBRASKA

RON WYDEN, OREGON  
DEBBIE STABENOW, MICHIGAN  
MARIA CANTWELL, WASHINGTON  
ROBERT MENENDEZ, NEW JERSEY  
THOMAS R. CARPER, DELAWARE  
BENJAMIN L. CARDIN, MARYLAND  
SHERROD BROWN, OHIO  
MICHAEL F. BENNET, COLORADO  
ROBERT P. CASEY, Jr., PENNSYLVANIA  
MARK R. WARNER, VIRGINIA  
SHELDON WHITEHOUSE, RHODE ISLAND  
MAGGIE HASSAN, NEW HAMPSHIRE  
CATHERINE CORTEZ MASTO, NEVADA

## United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

KOLAN DAVIS, STAFF DIRECTOR AND CHIEF COUNSEL  
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

May 21, 2020

### VIA ELECTRONIC TRANSMISSION

The Honorable Chad Wolf  
Acting Secretary  
U.S. Department of Homeland Security  
Washington, D.C. 20528

Dear Acting Secretary Wolf:

In a March 2018 letter to then-Secretary Nielsen, I raised concerns about fraud and abuse in F-1 student visa programs, including the Optional Practical Training (OPT) program that allows foreign students to apply for temporary employment in the United States.<sup>1</sup> At the time, my concerns related in part to bad actors operating “visa mills.” Visa mills masquerade as educational institutions but actually serve as de facto employment agencies that provide the necessary approval for aliens who seek to enter the U.S. under F-1 visas and work in this country. Recent news reports have shed light on additional types of fraud involving these programs.<sup>2</sup> These reports discuss fraudulent companies that operate in a mold similar to visa mills but serve students who have already been admitted to the U.S. These companies provide fake employment offers to foreign students so that they can meet OPT employment requirements, extend their F-1 visas, and remain in the U.S. after graduation.

Last December, Weiyn “Kelly” Huang, who set up two such fake companies, pleaded guilty in U.S. District Court to conspiracy to commit visa fraud. Among other crimes, Ms. Huang admitted to providing false employment verification to more than 2,500 customers who held F-1

---

<sup>1</sup> Hon. Charles E. Grassley, Chairman, Sen. Comm. on the Judiciary, to Hon. Kirstjen Nielsen, Secretary, U.S. Dep’t. of Homeland Security (Mar. 22, 2018), available at: [https://www.judiciary.senate.gov/imo/media/doc/2018-3-22%20CEG%20to%20DHS%20\(SEVP%20and%20Student%20Visas\).pdf](https://www.judiciary.senate.gov/imo/media/doc/2018-3-22%20CEG%20to%20DHS%20(SEVP%20and%20Student%20Visas).pdf).

<sup>2</sup> Gabe Gutierrez and Rich Gardella, “Thousands of foreign students in U.S. on student visas may have ‘worked’ for fake companies,” NBC News (Jan. 2, 2020), available at: <https://www.nbcnews.com/politics/immigration/thousands-foreign-students-u-s-student-visas-may-have-worked-n1109286>; Stephen Stock, Michael Bott, Sean Myers, Jeremy Carroll, Michael Horn, and Molly Forster, “Thousands of Foreign Students May Have Overstayed Visas Through Employment at Possible Shell Companies,” NBC News (Nov. 27, 2019), available at: <https://www.nbcbayarea.com/news/local/thousands-of-foreign-students-may-have-overstayed-visas-through-employment-at-shell-companies/2178507/>.

visas.<sup>3</sup> The fraudulent documents Ms. Huang provided to her clients included offer letters, employment verification letters, and tax forms, all of which served as evidence of employment so her customers could fraudulently extend F-1 student visas under the OPT program. According to court documents, Ms. Huang also provided false employment verification to approximately eight H-1B visa holders.<sup>4</sup>

Earlier this year, media reported that “some of the companies on the government’s list of top OPT employers appear to be illegitimate” and that “[t]housands of foreign students... may have ‘worked’ for fake companies.”<sup>5</sup> Last year, reports also identified “14 suspicious companies” on DHS’s list of top OPT employers for 2017, including the two companies that were formerly operated by Ms. Huang. These companies reportedly employed a combined total of more than 5,500 students in 2017.<sup>6</sup> When reporters investigated further, they found that these companies had “[u]nreachable corporate officers, an OPT workforce comprised of 99% Chinese nationals and corporate headquarters based at either single-family homes, luxury residential high-rises or shared workspaces.”<sup>7</sup> According to reports, some of the companies identified as suspicious suddenly dissolved in the wake of Ms. Huang’s indictment, yet still continued to hire new employees.<sup>8</sup>

DHS should have no problem getting to the bottom of these issues. Thirteen of the companies identified by media as potentially fraudulent have reportedly hired employees through the Science, Technology, Engineering, and Math (STEM) OPT program, meaning that under existing regulations, they are subject to U.S. Immigration and Customs Enforcement (ICE) inspection.<sup>9</sup> In DHS’s June 1, 2018, response to my March 2018 letter, the Department confirmed that ICE’s Student and Exchange Visitor Program (SEVP) has the authority to conduct site visits of STEM OPT employers and that it has conducted these types of visits in the past.<sup>10</sup>

---

<sup>3</sup> United States of America vs. Weiyun Huang, Plea Agreement, <https://www.courtlistener.com/recap/gov.uscourts.ilnd.363006/gov.uscourts.ilnd.363006.42.0.pdf>.

<sup>4</sup> *Id.* at 7.

<sup>5</sup> Gabe Gutierrez and Rich Gardella “Thousands of foreign students in U.S. on student visas may have ‘worked’ for fake companies,” NBC News (Jan. 2, 2020), available at:

<https://www.nbcnews.com/politics/immigration/thousands-foreign-students-u-s-student-visas-may-have-worked-n1109286>.

<sup>6</sup> Stephen Stock, Michael Bott, Sean Myers, Jeremy Carroll, Michael Horn, and Molly Forster, “Thousands of Foreign Students May Have Overstayed Visas Through Employment at Possible Shell Companies,” NBC News (Nov. 27, 2019), available at: <https://www.nbcbayarea.com/news/local/thousands-of-foreign-students-may-have-overstayed-visas-through-employment-at-shell-companies/2178507/>.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> Mr. Thomas D. Homan, Deputy Director and Senior Official, U.S. Immigration and Customs Enforcement, to Hon Charles E. Grassley, Chairman, Sen. Comm. on the Judiciary (June 1, 2018), available at: <https://www.judiciary.senate.gov/imo/media/doc/2018-06-01%20DHS%20to%20CEG%20-%20Student%20and%20Exchange%20Visitor%20Program.pdf>.

In February 2020, there were reports that ICE is conducting audits of STEM OPT employers at an “increasing rate.”<sup>11</sup> In the same month, the Department also posted new information to one of its web pages stating that, “[f]or F-1 students and employers participating in the science, technology, engineering and mathematics (STEM) optional practical training (OPT) program, the Student and Exchange Visitor Program (SEVP) may visit employer locations.”<sup>12</sup>

As these efforts continue, it is also important to ensure that companies operating on a small scale remain subject to strong federal oversight. When reporters looked into the activities of OPT employers, they identified a suspicious company that had only a few employees. That company is not included on DHS’s list of top OPT employers.<sup>13</sup> Reporters also identified a suspicious company that did not hire workers through the STEM OPT extension. As a result, that company may not be subject to ICE inspection.<sup>14</sup>

If these companies or others like them are actively engaged in fraudulent activities, they must not be allowed to fly below the radar of federal investigators simply because they operate on a smaller scale. As the authority responsible for overseeing all aspects of institutional compliance, including OPT recommendations, SEVP should be on the watch for signs of fraud, and it should remain ready to hold schools and designated school officials accountable by withdrawing its certifications where there is clear evidence of wrongdoing.

If accurate, reports that DHS is strengthening oversight of STEM OPT employers suggest a step in the right direction. However, the scope and extent of the existing fraud in the OPT and STEM OPT programs remains unclear. Additionally, it remains unclear how fraudulent companies made it onto DHS’s list of top OPT employers in the first place. Moving forward, it is important to establish how many fraudulent companies are still actively facilitating visa fraud and what, if any, relationships exist between visa mills posing as educational institutions and phony companies providing fabricated employment verification for F-1 visa extensions.

In order for Congress to conduct effective oversight of our immigration system, it is important to better understand the nature and extent of these problems, as well as the status of DHS’s current oversight and enforcement efforts. Accordingly, please answer the following no later than June 5, 2020.

---

<sup>11</sup> Klasko Immigration Law Partners, LLP, “Client Alert: ICE Ramping Up Efforts to Police the STEM OPT Program” (Feb. 13, 2020), available at: <https://www.klaskolaw.com/news-politics/client-alert-ice-ramping-up-efforts-to-police-the-stem-opt-program/>; see also Raymond G. Lahoud, “An Overview of STEM OPT Employer Site Visits,” National Law Review (Feb. 20, 2020), available at: <https://www.natlawreview.com/article/overview-stem-opt-employer-site-visits>.

<sup>12</sup> “Read this Overview of STEM OPT Employer Site Visits” (Feb. 23, 2020), available at: <https://studyinthestates.dhs.gov/2020/02/read-this-overview-of-stem-opt-employer-site-visits>.

<sup>13</sup> Stephen Stock, Michael Bott, Sean Myers, Jeremy Carroll, Michael Horn, and Molly Forster, “Thousands of Foreign Students May Have Overstayed Visas Through Employment at Possible Shell Companies,” NBC News (Nov. 27, 2019), available at: <https://www.nbcbayarea.com/news/local/thousands-of-foreign-students-may-have-overstayed-visas-through-employment-at-shell-companies/2178507/>.

<sup>14</sup> *Id.*

1. Please describe the steps DHS currently takes to validate the employment of F-1 visa holders who apply to remain in the U.S. under the OPT and STEM OPT programs.
2. How many companies currently provide employment to F-1 visa holders under the OPT and STEM OPT programs?
3. Please describe the steps DHS currently takes to validate the companies that provide employment to F-1 visa holders under the OPT and STEM OPT programs.
4. Please describe DHS's policy concerning site audits of STEM OPT employers.
  - a. Please describe the process that DHS follows when deciding which STEM OPT employers will be audited.
  - b. Please describe any current initiatives to enhance audit procedures or strengthen oversight of STEM OPT employers.
5. For each of the last five years:
  - a. How many STEM OPT site visits were conducted by SEVP?
  - b. How many companies were identified as being engaged in fraudulent or potentially fraudulent activities as a result of STEM OPT site visits?
  - c. For each of these entities identified in 5(b):
    - i. Please provide the name of the company and the total number of employees.
    - ii. How many of the company's employees are U.S. visa holders? Please provide a breakdown of employees by visa type.
    - iii. Among F-1 visa holders employed by the company, how many are employed under the STEM OPT extension? Please provide a breakdown by nationality.
    - iv. Please provide a list of the educational institutions represented among the company's STEM OPT workforce.
    - v. What steps has DHS taken to investigate any potentially fraudulent activities by the company? Please describe all investigative findings and any criminal referrals made as a result.
    - vi. What steps has DHS taken to review or, where necessary, to change the visa status of individuals employed by the company?

- vii. What steps has DHS taken to ensure that future applicants who list the company as an employer on visa application forms will receive an appropriate level of scrutiny?
  - viii. What steps has DHS taken to investigate the knowledge and/or complicity of educational institutions listed in 5(c)(iv) with the company involved the fraudulent or potentially fraudulent activities? Please describe all investigative findings and any criminal referrals made as a result.
  - ix. For each educational institution found to have been complicit in fraudulent activities, please describe the steps that have been taken to review or revoke the school's SEVP certification. If a review is ongoing, please provide the timeline for completion.
- d. How many companies were identified as being engaged in potentially fraudulent activities through means other than STEM OPT site visits that were also not already mentioned in the response to 5(c)? For each of these companies, please provide responses to the questions under 5(c).

Thank you for your attention to this important matter. Should you have questions, please contact Daniel Parker of my Finance Committee staff at 202-224-4515 or Drew Robinson of my Judiciary Committee staff at 202-224-5225.

Sincerely,



Charles E. Grassley  
Chairman  
Senate Finance Committee