H-1B Visa Fraud Analysis Brief

Texas LCA Data — FY2024 Q4

Prepared: January 26, 2026
Data Source: Department of Labor OFLC Disclosure Data
Scope: Texas H-1B Labor Condition Applications with residential worksite addresses

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Executive Summary

Analysis of publicly available DOL Labor Condition Application (LCA) data reveals a pattern of suspected H-1B visa fraud involving **285 filings listing residential addresses as worksites** in Texas during FY2024 Q4 alone. Of these, **90 filings explicitly list apartment units** as the primary worksite — a strong indicator of worker "benching" and wage theft schemes.

Top Offenders by Filing Volume: | Company | Residential Filings | |———|————————| | Cognizant Technology Solutions | 79 | | Eficens Systems Inc | 16 | | Wipro Limited | 10 | | RJ Systems Inc | 6 | | Capgemini America Inc | 5 |

Fraud Patterns Identified

1. Systematic Worker Benching

What it is: H-1B regulations require employers to pay the LCA-stated wage and provide actual work. "Benching" occurs when companies bring workers to the U.S. but have no immediate project placement, leaving workers at home without pay or at reduced wages.

Evidence in data: - 79 Cognizant filings list individual apartment addresses (e.g., "8401 Memorial Lane, Apartment 7171, Plano") - Workers listed as "Manager" or "Senior Manager" at apartment addresses - Same apartment complexes appear repeatedly with different unit numbers

Violation: 20 CFR 655.731 — Employer must pay required wage for nonproductive time if benching is employer's fault

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2. Body Shop / Staffing Mill Operations

What it is: Small IT staffing companies file speculative LCAs, bring workers on H-1B visas, then attempt to find client placements. Workers wait at residential addresses (often their own apartments) until placed.

Evidence in data: - Small companies (EFICENS SYSTEMS, SAGE IT, RJ Systems) filing multiple LCAs at apartment addresses - No apparent commercial office presence - Pattern of residential addresses across multiple ZIP codes suggests distributed "workforce" with no central workplace

Companies of concern: - EFICENS SYSTEMS INC — 16 filings at residential addresses - SAGE IT INC — 3 filings at apartments - RJ Systems Inc — 6 filings at residential addresses

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3. Shell Company Networks

What it is: Related entities operating under different company names at the same residential address, potentially to circumvent H-1B caps, distribute liability, or obscure ownership.

Evidence in data: - **2309 Gracy Farms Ln, Austin 78758** — Two different companies (SDH Systems LLC and Persistent Systems Limited) list this address as worksite with combined 19+ LCAs and 27+ workers - Multiple small IT companies share addresses in Irving/Plano apartment corridors - Pattern suggests coordinated operations rather than coincidental co-location

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4. Wage Theft Mechanism

How it works: 1. Company files LCA stating wage of $80,000-$150,000/year 2. Worker brought to U.S. on H-1B tied to that employer 3. Worker placed at apartment address (no actual work assignment) 4. Company pays fraction of stated wage — or nothing during "bench" periods 5. Worker cannot report violations due to deportation fear (visa status controlled by employer) 6. Company profits from wage differential

Indicators in data: - High wages listed ($100K+) for workers at apartment addresses - "Manager" and "Senior Manager" titles at residential worksites (title inflation to justify higher LCA wages) - IT consulting roles that typically require on-site client presence listed at apartments

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Legal Framework

Relevant Statutes & Regulations

- **INA § 212(n)** — LCA attestation requirements
- **20 CFR 655.731** — Wage obligations (including nonproductive time)

- **20 CFR 655.734** — Worksite posting requirements
- **18 U.S.C. § 1546** — Visa fraud
- **18 U.S.C. § 1351** — Fraud in foreign labor contracting
- **18 U.S.C. § 1589-1592** — Forced labor / trafficking (if worker coercion present)

Civil vs Criminal

- **DOL Wage & Hour:** Civil penalties, back wage recovery
- **USCIS:** Visa revocation, debarment from H-1B program
- **DOJ/FBI:** Criminal prosecution for fraud, trafficking, conspiracy

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Recommended Investigative Actions

1. **Subpoena payroll records** for flagged companies to compare actual wages paid vs. LCA-stated wages

2. **Interview workers** at identified apartment addresses (victim/witness interviews)

3. **Corporate structure analysis** of companies sharing addresses (beneficial ownership, related entities)

4. **Cross-reference with USCIS** I-129 petition data for worker placement history

5. **Bank records** for flagged companies to trace wage payments and fee collections

6. **Expand analysis** to additional quarters/years for pattern confirmation

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Attachments

1. **residential_h1b_worksites.xlsx** — 285 LCA filings at residential addresses with case numbers, employer names, wages, and dates (high-confidence apartments highlighted)

2. **suspicious_residential_lca.csv** — Addresses with multiple different employers

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Contact

[Your contact information]