

required to comply with this clause if the Secretary determines that such compliance would interfere with an effort by the Secretary to investigate or secure compliance with the employer with the requirements of this subsection. A determination by the Secretary under this clause shall not be subject to judicial review.”.

(H) in clause (vi), as redesignated, by striking “An investigation” and all that follows through “the determination.” and inserting “If the Secretary of Labor, after an investigation under clause (i) or (ii), determines that a reasonable basis exists to make a finding that the employer has failed to comply with the requirements under this subsection, the Secretary shall provide interested parties with notice of such determination and an opportunity for a hearing in accordance with section 556 of title 5, United States Code, not later than 120 days after the date of such determination.”; and

(I) by adding at the end the following:

“(vii) If the Secretary of Labor, after a hearing, finds a reasonable basis to believe that the employer has violated the requirements under this subsection, the Secretary may impose a penalty under subparagraph (C).”; and

(4) by striking subparagraph (H).

(c) INFORMATION SHARING BETWEEN DEPARTMENT OF LABOR AND DEPARTMENT OF HOMELAND SECURITY.—Section 212(n)(2) of such Act, as amended by this section, is further amended by inserting after subparagraph (G) the following:

“(H) The Director of United States Citizenship and Immigration Services shall provide the Secretary of Labor with any information contained in the materials submitted by H-1B employers as part of the adjudication process that indicates that the employer is not complying with H-1B visa program requirements. The Secretary may initiate and conduct an investigation and hearing under this paragraph after receiving information of noncompliance under this subparagraph.”.

(d) AUDITS.—Section 212(n)(2)(A) of such Act, as amended by this section, is further amended by adding at the end the following: “The Secretary may conduct surveys of the degree to which employers comply with the requirements under this subsection and may conduct annual compliance audits of employers that employ H-1B nonimmigrants. The Secretary shall conduct annual compliance audits of not less than 1 percent of the employers that employ H-1B nonimmigrants during the applicable calendar year.”.

(e) PENALTIES.—Section 212(n)(2)(C) of such Act, as amended by this section, is further amended—

(1) in clause (i)(I), by striking “\$1,000” and inserting “\$2,000”;

(2) in clause (ii)(I), by striking “\$5,000” and inserting “\$10,000”; and

(3) in clause (vi)(III), by striking “\$1,000” and inserting “\$2,000”.

(f) INFORMATION PROVIDED TO H-1B NON-IMMIGRANTS UPON VISA ISSUANCE.—Section 212(n) of such Act, as amended by this section, is further amended by inserting after paragraph (2) the following:

“(3)(A) Upon issuing an H-1B visa to an applicant outside the United States, the issuing office shall provide the applicant with—

“(i) a brochure outlining the employer’s obligations and the employee’s rights under Federal law, including labor and wage protections; and

“(ii) the contact information for Federal agencies that can offer more information or assistance in clarifying employer obligations and workers’ rights.”.

“(B) Upon the issuance of an H-1B visa to an alien inside the United States, the officer of the Department of Homeland Security shall provide the applicant with—

“(i) a brochure outlining the employer’s obligations and the employee’s rights under Federal law, including labor and wage protections; and

“(ii) the contact information for Federal agencies that can offer more information or assistance in clarifying employer’s obligations and workers’ rights.”.

SEC. 422. L-1 VISA FRAUD AND ABUSE PROTECTIONS

(a) IN GENERAL.—Section 214(c)(2) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(2)) is amended—

(1) by striking “Attorney General” each place it appears and inserting “Secretary of Homeland Security”;

(2) in subparagraph (E), by striking “In the case of an alien spouse admitted under section 101(a)(15)(L), who” and inserting “Except as provided in subparagraph (H), if an alien spouse admitted under section 101(a)(15)(L); and

“(3) by adding at the end the following:

“(G)(i) If the beneficiary of a petition under this subsection is coming to the United States to open, or be employed in, a new facility, the petition may be approved for up to 12 months only if the employer operating the new facility has—

“(I) a business plan;

“(II) sufficient physical premises to carry out the proposed business activities; and

“(III) the financial ability to commence doing business immediately upon the approval of the petition.

“(ii) An extension of the approval period under clause (i) may not be granted until the importing employer submits an application to the Secretary of Homeland Security that contains—

“(I) evidence that the importing employer meets the requirements of this subsection;

“(II) evidence that the beneficiary meets the requirements under section 101(a)(15)(L);

“(III) a statement summarizing the original petition;

“(IV) evidence that the importing employer has fully complied with the business plan submitted under clause (i)(I);

“(V) evidence of the truthfulness of any representations made in connection with the filing of the original petition;

“(VI) evidence that the importing employer, during the preceding 12 months, has been doing business at the new facility through regular, systematic, and continuous provision of goods or services, or has otherwise been taking commercially reasonable steps to establish the new facility as a commercial enterprise;

“(VII) a statement of the duties the beneficiary has performed at the new facility during the preceding 12 months and the duties the beneficiary will perform at the new facility during the extension period approved under this clause;

“(VIII) a statement describing the staffing at the new facility, including the number of employees and the types of positions held by such employees;

“(IX) evidence of wages paid to employees;

“(X) evidence of the financial status of the new facility; and

“(XI) any other evidence or data prescribed by the Secretary.

“(iii) Notwithstanding subclauses (I) through (VI) of clause (ii), and subject to the maximum period of authorized admission set forth in subparagraph (D), the Secretary of Homeland Security may approve a petition subsequently filed on behalf of the beneficiary to continue employment at the facility described in this subsection for a period beyond the initially granted 12-month period if the importing employer demonstrates that the failure to satisfy any of the requirements described in those subclauses was directly caused by extraordinary circumstances beyond the control of the importing employer.

“(iv) For purposes of determining the eligibility of an alien for classification under section 101(a)(15)(L), the Secretary of Homeland Security shall work cooperatively with the Secretary of State to verify a company or facility’s existence in the United States and abroad.”.

(b) INVESTIGATIONS AND AUDITS BY DEPARTMENT OF HOMELAND SECURITY.—

(1) DEPARTMENT OF HOMELAND SECURITY INVESTIGATIONS.—Section 214(c)(2) of such Act, as amended by this section, is further amended by adding at the end the following:

“(I)(i) The Secretary of Homeland Security may initiate an investigation of any employer that employs nonimmigrants described in section 101(a)(15)(L) with regard to the employer’s compliance with the requirements of this subsection.

“(ii) If the Secretary of Homeland Security receives specific credible information from a source who is likely to have knowledge of an employer’s practices, employment conditions, or compliance with the requirements under this subsection, the Secretary may conduct an investigation into the employer’s compliance, with the requirements of this subsection. The Secretary may withhold the identity of the source from the employer, and the source’s identity shall not be subject to disclosure under section 552 of title 5.

“(iii) The Secretary of Homeland Security shall establish procedure for any person desiring to provide to the Secretary of Homeland Security information described in clause (ii) that may be used, in whole or in part, as the basis for the commencement of an investigation described in such clause, to provide the information in writing on a form developed and provided by the Secretary of Homeland Security and completed by or on behalf of the person.

“(iv) No investigation described in clause (ii) (or hearing described in clause (vi) based on such investigation) may be conducted with respect to information about a failure to comply with the requirements under this subsection, unless the Secretary of Homeland Security receives the information not later than 24 months after the date of the alleged failure.

“(v) Before commencing an investigation of an employer under clause (i) or (ii), the Secretary of Homeland Security shall provide notice to the employer of the intent to conduct such investigation. The notice shall be provided in such a manner, and shall contain sufficient detail, to permit the employer to respond to the allegations before an investigation is commenced. The Secretary is not required to comply with this clause if the Secretary determines that to do so would interfere with an effort by the Secretary to investigate or secure compliance by the employer with the requirements of this subsection. There shall be no judicial review of a determination by the Secretary under this clause.

“(vi) If the Secretary of Homeland Security, after an investigation under clause (i) or (ii), determines that a reasonable basis exists to make a finding that the employer has failed to comply with the requirements under this subsection, the Secretary shall provide interested parties with notice of such determination and an opportunity for a hearing in accordance with section 556 of title 5, United States Code, not later than 120 days after the date of such determination. If such a hearing is requested, the Secretary shall make a finding concerning the matter by not later than 120 days after the date of the hearing.

“(vii) If the Secretary of Homeland Security, after a hearing, finds a reasonable basis to believe that the employer has violated the requirements under this subsection, the Secretary may impose a penalty under section 214(c)(2)(J).”.