

CASE STUDY #7

Kizzy Kalu v. USA

On July 1, 2013, Kizzy Kalu, a businessman from Highlands Ranch, Colorado and owner of staffing agency, Foreign Healthcare Professionals Group (FHPG), was found guilty of 89 counts of human trafficking, money laundering, mail fraud, and visa fraud in the U.S. District Court in Denver:¹

- 19 counts of commercial carrier/mail fraud
- 3 counts of visa fraud
- 9 counts of trafficking in forced labor
- 13 counts of forced labor
- 15 counts of encouraging and inducing aliens to enter the U.S.
- 30 counts of money laundering

Kizzy Kalu is a naturalized citizen of the United States, originally from Nigeria, who in 2004 worked for Teikyo Loretto Heights University and devised a scheme with fellow recruiter, Philip Langerman, to fabricate a higher education university, Adam University.² Mr. Kalu and Mr. Langerman recruited foreign-educated nurses to work as nurse instructors and supervisors at Adam University, which existed in name only. By recruiting professional nursing instructors to work at a higher education institute, the two men could recruit nurses under H-1B “specialty occupations” visas, permitting them to avoid the long wait times for employment-based immigration visas. Visas granted to institutes of higher education are also not subject to a visa cap.

Mr. Kalu promised salaries of \$68,000 to \$72,000 to the nurses.³ Upon arrival to the U.S., the nurses were told that instructor and supervisor positions at Adam University were unavailable and were coerced to work in long-term care facilities that were clients of FHPG. Long-term care facilities then paid FHPG for the work of these nurses, of which only 65 percent was paid to the nurses by Mr. Kalu. As a result, the nurses received less than 50 percent of what they had originally been promised.

¹ U.S. Immigration and Customs Enforcement. (2013). *Denver-area man found guilty of human trafficking and other offenses*. Retrieved July 20, 2013, from <http://www.ice.gov/news/releases/1307/130701denver.htm>.

² The United States District Court for the District of Colorado. *United States of America v. Kizzy Kalu and Philip Langerman*. Retrieved July 15, 2013 from [http://op.bna.com/dlrcases.nsf/id/lfrs-8sfhd8/\\$File/Kalu%20Indictment.pdf](http://op.bna.com/dlrcases.nsf/id/lfrs-8sfhd8/$File/Kalu%20Indictment.pdf)

³ *Ibid.*

When the scheme attracted government attention, Mr. Kalu changed the payment system, such that nurses were paid directly by their employers. If the contracts between nurses and the long-term care facilities were terminated, Mr. Kalu instructed the nurses to seek employment elsewhere and to pay FHPG a \$1,200 monthly fee. Mr. Kalu threatened to have nurses' visas withdrawn if they did not pay him or follow his directions. Nurses were also prohibited from traveling and reported feeling tied to Mr. Kalu, both because they had incurred debts in order to pay him for his assistance with obtaining their visas and because they were unable to pay the \$25,000 (breach fee) they would owe Mr. Kalu if they broke their employment contracts.⁴

The U.S. State Department, Immigration and Customs Enforcement (ICE), and the Department of Labor investigated this case, and on March 1, 2012, a Denver federal grand jury indicted Mr. Kalu. Mr. Langerman has pled guilty for his role in the scheme and has not yet received a sentencing date. Mr. Kalu is scheduled to be sentenced on September 23, 2013.⁵

⁴ The United States Attorney's Office District of Colorado. (2013). *Highlands ranch man found guilty of human trafficking and other offenses*. Retrieved July 15, 2013, from <http://www.justice.gov/usao/co/news/2013/july/7-1b-13.html>.

⁵ U.S. Immigration and Customs Enforcement. (2013). *Denver-area man found guilty of human trafficking and other offenses*. Retrieved July 20, 2013, from <http://www.ice.gov/news/releases/1307/130701denver.htm>.