

LA Jury Awards \$4.5 Million to Filipino Teachers

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Los Angeles jury awards \$4.5 million to Filipino teachers recruited for jobs in United States

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A federal jury awarded \$4.5 million to Filipino teachers who paid large fees to obtain U.S. jobs through a placement agency.

Jurors on Monday found that Los Angeles-based Universal Placement International Inc. and its owner, Lourdes Navarro, failed to properly disclose the fees for the 350 teachers who were recruited for \$40,000-a-year jobs in Louisiana, mostly in East Baton Rouge Parish.

The teachers arrived in the U.S. between 2007 and 2009 under a federal program that grants worker permits to foreigners with special skills. Most went to the East Baton Rouge Parish, but others went to Caddo, Jefferson and other parishes and to state-run schools in New Orleans.

In 2010, the American Federation of Teachers, the law firm Covington and Burling LLC, and the Southern Poverty Law Center sued on behalf of some teachers who complained that before ever leaving the Philippines they had to borrow money to pay thousands of dollars charged by the company — as much as \$16,000 in some cases. That's five times the average annual household income in the country.

The class-action suit claimed that more unexpected fees and expensive legal entanglements followed once the teachers arrived in the United States. For example, contracts were required in which the teachers agreed to pay a percentage of their monthly income to Universal, along with fees for arranging housing.

Passports and visas were confiscated to ensure the fees would be paid, the lawsuit said.

The suit claimed the threat of huge debt and loss of their visas amounted to forced labor under a federal law against human trafficking passed by Congress in 2000.

After a two-week trial, jurors rejected the human trafficking arguments but found the recruiting agency had negligently misrepresented the fees and violated California laws governing employment agencies and unfair business acts, attorneys for both sides said.

"The jury sent a clear message that exploitative and abusive business practices involving federal guest workers will not be tolerated," Mary Bauer, legal director for the Southern Poverty Law Center, said in a statement.

Don A. Hernandez, a lawyer who represented the company, said there was no intentional wrongdoing by his client regarding disclosure of fees. He called the lawsuit a "witch hunt."

"These teachers voluntarily took on whatever debt they did to pay the fees to come to the United States. They were not forced, the jury found," he said.

Hernandez said he would seek to have the award figure reduced because the Louisiana Workforce Commission earlier awarded return of the same fees.

A judge earlier dismissed the East Baton Rouge Parish School Board as a defendant in the case.

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