

UNITED STATES DEPARTMENT OF JUSTICE
 EXECUTIVE OFFICE FOR IMMIGRATION REVIEW
 OFFICE OF THE CHIEF ADMINISTRATIVE HEARING OFFICER

UNITED STATES OF AMERICA,)	
)	
Complainant,)	
)	8 U.S.C. § 1324a Proceeding
v.)	
)	OCAHO Case No. 2023A00058
PJ'S OF TEXAS, INC.,)	
)	
Respondent.)	
)	

Appearances: Oscar J. Montemayor, Esq., for Complainant
 Kevin R. Lashus, Esq., for Respondent

ORDER GRANTING THE PARTIES' JOINT MOTION TO STAY PROCEEDINGS
 PENDING FINAL SETTLEMENT EXECUTION

I. PROCEDURAL HISTORY

On May 9, 2023, Complainant, the United States Department of Homeland Security (DHS), Immigration and Customs Enforcement, filed a complaint with the Office of the Chief Administrative Hearing Officer (OCAHO) against Respondent, PJ's of Texas, Inc. The complaint alleges that Respondent violated the employer sanctions provisions of the Immigration and Nationality Act, as amended by the Immigration Reform and Control Act of 1986, 8 U.S.C. § 1324a. On June 21, 2023, Respondent filed a Special Appearance, Special Exceptions, and Answer.

On January 31, 2024, the Court issued an Order on Service, Complainant's Notice of Appearance and Motion for Substitution, Electronic Filing, Prehearing Statements, and Scheduling Initial Prehearing Conference. *See United States v. PJ's of Tex., Inc.*, 18 OCAHO no. 1524 (2024).¹ Through that Order, the Court authorized

¹ Citations to OCAHO precedents reprinted in bound Volumes 1 through 8 reflect the volume number and the case number of the particular decision, followed by the specific page in that volume where the decision begins; the pinpoint citations which follow are thus to the pages, *seriatim*, of the specific entire volume. Pinpoint citations to OCAHO precedents after Volume 8, where the decision has not yet been reprinted

the parties to begin their discovery at any time and advised them that, “Any motion to extend discovery must demonstrate good cause for the extension, state the other party’s position on the motion and be filed with the Court before the discovery closing date.” *Id.* at 8–9.

On February 28, 2024, the Court held an initial prehearing conference with the parties, and, on March 25, 2024, the Court issued an Order Memorializing Initial Prehearing Conference.

On April 23, 2024, the Court issued an Order Granting Joint Motion for and Consent to Referral to the Settlement Officer Program, Referring Case to the OCAHO Settlement Officer Program, and Designating Settlement Officer. *See United States v. PJ’s of Tex., Inc.*, 18 OCAHO no. 1524a (2024). On June 20, 2024, the Court issued an Order Extending Referral to the OCAHO Settlement Officer Program. *See United States v. PJ’s of Tex., Inc.*, 18 OCAHO no. 1524b (2024).

The parties participated in the OCAHO Settlement Officer Program but were unable to reach a settlement agreement. As a result, the Court scheduled a prehearing conference with the parties to discuss their anticipated discovery needs and to “develop a case schedule, including dates for the completion of discovery, the filing of motions, and a hearing in this matter.” May 2, 2025 Order for Preh’g Statements and Scheduling Preh’g Conf. 5–6. In preparation for the conference, the Court ordered the parties to supplement their initial disclosures and file prehearing statements by May 27, 2025. *Id.* at 5.

On May 23, 2025, DHS Deputy Chief Counsel Oscar J. Montemayor filed a Notice of Appearance and Motion for Substitution, along with a completed and signed Attorney and Registration Form and Certification for OCAHO’s Electronic Filing Pilot Program. Notice Appearance & Mot. Substitution Ex. A. That same day, DHS filed Complainant’s Supplemental Initial Disclosures and Prehearing Statement. On May 27, 2025, Respondent filed Respondent’s Updated Prehearing Statement and Initial Disclosures. On June 2, 2025, the Court issued an Order on Complainant’s Notice of Appearance, Motion for Substitution, and Electronic Filing. *See United States v. PJ’s of Tex., Inc.*, 18 OCAHO no. 1524c (2024).

On June 3, 2025, the Court held a prehearing conference with the parties. On June 10, 2025, the Court issued an Order Memorializing Second Prehearing

in a bound volume, are to pages within the original issuances; the beginning page number of an unbound case will always be 1 and is accordingly omitted from the citation. Published decisions may be accessed in the Westlaw database “FIM–OCAHO,” the LexisNexis database “OCAHO,” or on the United States Department of Justice’s website at <https://www.justice.gov/eoir/office-of-the-chief-administrative-hearing-officer-decisions>.

Conference and Setting Case Schedule. The Court ordered the parties to complete fact discovery by September 2, 2025. June 10, 2025 Order Mem. Second Prehr'g Conf. 2. The Court further ordered the parties to file any dispositive motions by October 2, 2025, and to file any responses to dispositive motions by November 3, 2025, or no later than thirty days from the filing date of the opposing party's dispositive motion. *Id.* The Court then tentatively scheduled a hearing in this case for January 27, 2026, in San Antonio, Texas. *Id.*

On July 29, 2025, Respondent filed Respondent's Unopposed Motion to Extend the Interrogatory Response Deadline. Through its motion, Respondent represented that "Complainant served interrogatories on Respondent on June 30, 2025," and moved the Court to "grant it seven more days to respond, to August 7, 2025." Mot. Extend Interrog. Resp. Deadline 1.

On July 31, 2025, the Court granted Respondent's Unopposed Motion to Extend the Interrogatory Response Deadline and permitted Respondent through August 7, 2025, to respond to Complainant's interrogatories. On August 11, 2025, the Court issued an Order Memorializing the Grant of Respondent's Unopposed Motion to Extend the Interrogatory Response Deadline. *See United States v. PJ's of Tex., Inc.*, 18 OCAHO no. 1524d (2025).

On September 12, 2025, Complainant filed The United States Department of Homeland Security's Unopposed Motion to Extend Discovery and Dispositive Motion Deadlines. On November 13, 2025, Complainant filed The United States Department of Homeland Security's Second Unopposed Motion to Extend Discovery and Dispositive Motion Deadlines.

On November 20, 2025, the Court issued an Order Granting Complainant's Unopposed Motions to Extend and Setting Revised Case Schedule. *See United States v. PJ's of Tex., Inc.*, 18 OCAHO no. 1524e (2025). Through the Order, the Court gave the parties through December 10, 2025, to complete discovery. *Id.* at 5. The Court permitted the parties through January 26, 2026, to file any dispositive motions and ordered them to file any responses to dispositive motions by February 25, 2026, or no later than thirty days from the filing date of the opposing party's dispositive motion. *Id.* Lastly, the Court struck the January 27, 2026, hearing date in these proceedings. *Id.* at 6.

On December 4, 2025, the parties filed a Joint Motion to Stay Proceedings Pending Final Settlement Execution.

II. DISCUSSION AND ANALYSIS

Pending before the Court is the parties' Joint Motion to Stay Proceedings Pending Final Settlement Execution. In their motion, the parties represent that they "have settled the case and are awaiting the execution of the settlement agreement." Joint Mot. Stay 2. The parties stated that they anticipated that the settlement agreement would "be fully executed by all involved by . . . December 10, 2025." *Id.* They move the Court to stay these proceedings, including the deadlines for the completion of discovery and the filing of dispositive motions and responses. *Id.*

OCAHO's Rules of Practice and Procedure for Administrative Hearings, being the provisions contained in 28 C.F.R. part 68 (2025),² vest the Court with "all appropriate powers necessary to conduct fair and impartial hearings." 28 C.F.R. § 68.28. As the United States Supreme Court has explained, "the power to stay proceedings is incidental to the power inherent in every court to control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants." *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936). "How this can best be done calls for the exercise of judgment, which must weigh competing interests and maintain an even balance." *Id.* at 254–55. When deciding whether to grant a stay of proceedings, "courts consider the following factors: '(1) any hardship imposed on the moving party by proceeding with the action, (2) any prejudice to the non-moving party if the stay is granted, and (3) the interests of judicial economy.'" *Commodity Futures Trading Comm'n v. DePetrillo, et al.*, Civ. A. No. 24–2550, 2025 WL 751117, at *1 (E.D. La. Feb. 19, 2025) (quoting *Est. of Gardebled v. State Farm Fire & Cas. Co.*, Civ. A. No. 22–115, 2022 WL 2438625, at *3 (E.D. La. July 5, 2022)).³

Applying the relevant factors here, the Court finds that a discretionary stay is appropriate. Given the joint nature of the parties' Motion to Stay Proceedings Pending Final Settlement Execution, there is no hardship or prejudice to either party from a stay. Further, it is in the interests of judicial economy to grant a stay in view of the parties' representation that they have settled this case. *See* Joint Mot. Stay 2. As the Chief Administrative Hearing Officer has explained, there is a "longstanding federal court and OCAHO policy favoring settlement of civil cases over litigation." *United States v. Koy Chinese & Sushi Rest.*, 16 OCAHO no. 1416e, 9 (2023). Here, the parties indicated that they anticipated executing the settlement agreement in

² OCAHO's Rules of Practice and Procedure for Administrative Hearings generally govern these proceedings and are available on OCAHO's homepage on the United States Department of Justice's website. *See* <https://www.justice.gov/eoir/office-of-the-chief-administrative-hearing-officer-regulations>.

³ The Court consults case law from federal district courts under the appellate jurisdiction of the United States Court of Appeals for the Fifth Circuit as the Fifth Circuit is the "appropriate circuit for review" of a final order in this case. 28 C.F.R. § 68.56.

this matter on December 10, 2025. *See* Joint Mot. Stay 2. As such, the Court finds that it is appropriate to limit the stay to the time needed for the parties to conclude this case by proceeding in accordance with 28 C.F.R. § 68.14.⁴ The Court finds that a stay of limited duration, namely, two weeks, is sufficient for the parties to make the required filings. Accordingly, the Court now stays these proceedings, including the deadlines for the completion of discovery and the filing of dispositive motions and responses, through January 27, 2026. The parties may make any filings pursuant to 28 C.F.R. § 68.14 during the stay.

Should the parties not make the necessary filings to resolve this matter by January 27, 2026, they shall file a joint status report on January 28, 2026, addressing the status of settlement and any clear bars to moving forward with this case. Absent the Court's determination that additional time is warranted and issuance of an order to that effect, the following revised case schedule will go into effect upon the expiration of the stay:

1. The parties shall complete discovery by February 5, 2026;
2. The parties shall file any dispositive motions by February 25, 2026; and
3. The parties shall file any responses to dispositive motions by March 17, 2026, or no later than twenty days from the filing date of the opposing party's dispositive motion.

III. ORDERS

IT IS SO ORDERED that the Joint Motion to Stay Proceedings Pending Final Settlement Execution filed by Complainant, the United States Department of Homeland Security, and Respondent, PJ's of Texas, Inc., is GRANTED.

IT IS FURTHER ORDERED that this case is STAYED through January 27, 2026.

IT IS FURTHER ORDERED that, if this matter is not resolved during the stay of proceedings, the parties shall file a joint status report on January 28, 2026, addressing the status of settlement and any clear bars to moving forward with this case.

⁴ Specifically, the parties may file a notice of settlement and a joint motion to dismiss signed by counsel for both parties in accordance with 28 C.F.R. § 68.14(a). The Court reminds the parties that they should state in their joint motion whether they are seeking dismissal with or without prejudice. The Court may require the filing of the parties' settlement agreement. *See* 28 C.F.R. § 68.14(a)(2).

IT IS FURTHER ORDERED that the following schedule shall govern this case upon the expiration of the stay:

1. Complainant, the United States Department of Homeland Security, and Respondent, PJ's of Texas, Inc., shall complete discovery by February 5, 2026;
2. The parties shall file any dispositive motions by February 25, 2026; and
3. The parties shall file any responses to dispositive motions by March 17, 2026, or no later than twenty days from the filing date of the opposing party's dispositive motion.

SO ORDERED.

Dated January 13, 2026.

Honorable Carol A. Bell
Acting Chief Administrative Law Judge