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**H-1B AMENDMENT PASSES WITH ECONOMIC STIMULUS BILL;**

**President Obama Is Expected to Sign into Law on  
Tuesday, February 17, 2009**

On Friday, February 13, 2009, the U.S. Senate passed the American Recovery & Reinvestment Act of 2009 (“the Act”). An amendment introduced by Senators Bernie Sanders (I – VT) and Charles Grassley (R – Iowa) restricting use of the H-1B program by recipients of Troubled Asset Relief Program (TARP) funds was included in the final version of the bill that passed both the House and the Senate. President Obama is expected to sign the Act into law on Tuesday, February 17, 2009, during a signing ceremony in Denver, Colorado.

Under the Act, for a period of two years, recipients of TARP funding will not be permitted to file H-1B petitions unless they have undertaken additional recruitment steps and have submitted additional attestations of non-displacement of U.S. workers. The imposition of these requirements, normally applied to H-1B program violators and H-1B dependent employers, will increase the cost of hiring workers under the H-1B program for those institutions that have received TARP funding.

Although the Sanders-Grassley H-1B amendment was included in the final version of the Act, an amendment that would have further expanded the Federal Government’s E-Verify program for the electronic verification of employment eligibility was omitted.

As always, Foster Quan, LLP will monitor legislative developments impacting an employer’s H-1B obligations. Additional information will be made available via future Immigration Update<sup>©</sup> email bulletins, and via our firm’s website at [www.fosterquan.com](http://www.fosterquan.com).