

How immigration reform is shaping up to affect entrepreneurs, business owners

By [J.D. Harrison](#), Published: February 2 | Updated: Monday, February 3, 7:00 AM

Republicans and Democrats in Congress remain worlds apart on most of the items on the president's agenda this year — but when it comes to overhauling the nation's immigration rules, they seem to have found some common ground this past week.

And if the talks become bills and those bills become law, based on the areas in which the two sides currently agree, business owners could be in store for significant changes to the way they can recruit and hire new workers.

In their [newly released outline](#) of principles for immigration reform, for example, House Republicans called for legislation that improves the country's immigration system by allocating work visas based on demand from employers, rather than a random lottery system or applicants' family ties in the United States.

“Every year thousands of foreign nationals pursue degrees at America's colleges and universities, particularly in high skilled fields,” Republicans wrote in the document released late last week, noting that many of those graduates would prefer to stay and work or create new companies here.

“When visas aren't available, we end up exporting this labor and ingenuity to other countries,” they added, pointing to a trend that has been called “the brain drain.” Instead, they said, “visa and green card allocations need to reflect the needs of employers and the desire for these exceptional individuals to help to grow our economy.”

It's an issue that [hits close to home](#) for many entrepreneurs, particularly those in the technology space. Many have bemoaned that they cannot secure visas for talented workers they find overseas, arguing that the United States is not churning out enough skilled workers in fields like science, math and engineering to meet rising demand from the country's expanding technology sector.

“With the release of these principles, House Republicans have shown us that real progress is in the cards for immigration reform this year,” Mike Hettinger, senior vice president at TechAmerica, a trade association, said in a statement following the document's release, later applauding lawmakers for “their commitment to enabling the world's best and brightest to come to this country to innovate.”

It's also an issue on which the nation's two largest political parties seem to have struck an accord. During immigration reform talks last year in the Senate, some Democrats pushed to

increase the cap on visas for high-skill workers from the current 65,000 per year to as high as 300,000.

While the number in the [final bill](#) didn't go quite that high, senators settled on doubling the annual limit to 110,000, with room to expand to as many as 180,000 high-skill visas, known as H-1Bs, in the years ahead — evidence that both sides believe employers need more access to the world's best and brightest.

Not surprisingly, labor groups have been one of the most vocal critics of proposals to up the number of employment-based visas, warning that it will take jobs away from Americans. In addition, some have argued that bringing in more foreign workers will bring down wages.

In an effort to quell those concerns, the Senate included provisions in its proposal that would limit the number of foreign workers each firm could hire, require those applying for high-skill visas to first post their job openings online in the U.S., and force employers to pay higher wages to [H-1B workers](#).

Though House Republicans were mum on specifics, it seems they plan to include similar safeguards, writing that while it is “imperative that these temporary workers are able to meet the economic needs of the country,” they should “not displace or disadvantage American workers.”

While both sides agree employers should have greater access to [foreign workers](#), they also think employers should go to greater lengths to ensure job applicants are eligible for employment.

Ever since immigration reform started gaining momentum last spring, House Republicans [have urged](#) their colleagues to require employers to use the federal government's E-Verify program, an online tool run by the federal government that sifts through individuals' worker-eligibility documents. They emphasized that point again in their new outline of principles.

“It is unacceptable that the majority of employees have their work eligibility verified through a paper-based system wrought with fraud,” House Republicans wrote in their outline. “It is past time for this country to fully implement a workable electronic employment verification system.”

Despite [some pushback](#) from small-business groups last year, who warn that the verification rules could place an unruly new regulatory burden on small firms looking to hire, the Senate included mandatory E-Verify use in the bill it approved in June. In order to give small firms more time to adjust, though, the mandate would set in later for firms with fewer than 500 employees than in would for larger companies.

That leaves the Democrat-led Senate and Republican-led House divided on what many see as a management number of differences — namely, whether to offer a special pathway to citizenship for those currently in the country illegally. And even if Republicans aren't willing to come that far, President Obama says he may be [willing to make concessions](#) in that area.

“If the speaker proposes something that says, right away, folks aren't being deported, families aren't being separated, we're able to attract top young students to provide the skills or start

businesses here and then there's a regular process of citizenship, I'm not sure how wide the divide ends up being," Obama said in an interview with CNN on Friday.

That slimming divide has given business leaders and immigration reform proponents a renewed sense of optimism.

Michael R. Bloomberg, one of the chairs of the Partnership for a New American Economy, a lobbying group, and former mayor of New York City, said last week, "we are now in a position for the first time in a generation to reach true immigration reform that will help the economy grow and create jobs."

http://www.washingtonpost.com/business/on-small-business/how-immigration-reform-is-shaping-up-to-affect-entrepreneurs-business-owners/2014/02/02/a4527f1e-8ab5-11e3-916e-e01534b1e132_story.html