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Visas for high-skilled workers could double under bipartisan Senate plan

By Peter Wallsten, Published: March 20

A Senate immigration plan would dramatically increase the number of high-skilled foreign workers allowed into the country and give permanent legal status to an unlimited number of students who earn graduate degrees from U.S. universities in science, technology, engineering or math, according to people familiar with the negotiations.

The agreement would be a major victory for the tech industry, which has backed an intense lobbying campaign on Capitol Hill in recent months arguing that Google, Facebook, Microsoft and other companies are having trouble finding qualified workers because of visa limits.

The expansion of the visas, known as H1Bs, is one element of talks among <u>a bipartisan group of eight senators</u>, whose legislation is expected to serve as the basis for a deal between Congress and the White House to retool the immigration system. The number of visas available would approximately double from the current limit of 65,000 per year.

The H1B program was created in 1990 to attract high-skilled workers from around the world, but it has become a way for outsourcing firms to bring lower-paid employees to the United States.

Most of the top 10 employers of H1B visa holders, for instance, are India-based technology consultancies with large U.S. operations. Those firms often train workers in the United States before sending them back home to do the same jobs for considerably less money, say critics of the program on the Hill and in the labor movement.

Sen. Richard J. Durbin (D-Ill.), a member of the bipartisan immigration working group, has been trying to persuade the negotiators to accept two key restrictions on the visas, according to people familiar with the talks. One would prevent certain firms that rely heavily on H1B visas from hiring more workers under the program, and the other would require companies to make a "good faith" effort, subject to federal oversight, to recruit American workers.

But instead, the group has tentatively agreed to impose stiff fees on some outsourcing companies that hire H1B workers and to require modest measures to encourage the hiring of Americans, such as advertising the jobs, but with limited federal oversight. And while Durbin has pushed to increase the lowest wage levels permitted by the visa program, it's likely that only certain firms would be required to pay more.

Durbin, who has been a lone voice in the room on the issue, is likely to back down, according to people familiar with the talks, because he has gotten his way on other points, such as a path to

citizenship for the estimated 11 million illegal immigrants living in this country. A Durbin spokesman declined to comment, stressing that negotiations were continuing into the night Wednesday and that nothing was final.

Andrea Zuniga DiBitetto, a lobbyist for the AFL-CIO, said in an interview that the plan could be a "reckless" change that may keep Americans from getting good jobs.

But advocates for tech companies welcomed the developments, describing the still-evolving immigration plan as a potential watershed moment.

"We're encouraged," said Scott Corley, executive director of Compete America, a coalition of companies that includes Intel, Google, IBM and other tech giants. Explaining why the industry has sought such a big increase in high-skilled visas and other means to attract workers, Corley said: "On an issue where the politics are so hard, you can't overbuild when you know you might not get another shot at it for 25 years."

People familiar with the Senate negotiations said the likely outcome reflects the growing clout of tech companies with both parties. The computer and Internet industries gave \$62 million to Democratic and Republican federal candidates and political committees during the 2012 election cycle, according to the Center for Responsive Politics. A review by the center found that the top 10 H1B employers gave \$8.2 million.

Last year, tech companies spent a record \$132.5 million on lobbying in Washington, according to the center, placing them among the top lobbying sectors in the Capitol. Over the past decade, the industry has spent well over \$1 billion on lobbying, making it the fourth-highest industry spender, according to the center.

The measure that would grant permanent legal status to many master's or PhD graduates of U.S. universities is another achievement for the industry, which has been trying to increase the number of green cards for high-skilled workers and their families.

The policy would probably add tens of thousands of new green-card holders each year. The numbers could rise if universities see the program as an enticement to help lure more graduate students from overseas.

The foreign-worker piece of the immigration debate has been one of the thorniest for the eight senators, who are trying to reach a full agreement among themselves by Friday. Staffers will then take the next two weeks to draft a bill.

People familiar with the talks said the group has agreed to a citizenship plan that would immediately legalize millions of undocumented immigrants but would require certain expenditures on border security and internal enforcement before allowing people to gain a path to citizenship.

The Washington Post <u>reported last week</u> that the senators are planning to eliminate some categories of family visas to help clear a backlog of 4.3 million applications and to make it easier

for some foreign workers to enter the country. Family members could still apply for visas but would need other qualifications, such as work skills and English proficiency, to increase their chances. Senate aides said no decisions have been finalized.

Democratic Sens. Mazie Hirono (Hawaii) and Elizabeth Warren (Mass.) cautioned <u>in a letter Wednesday</u> that the senators should maintain visas reserved for foreign brothers, sisters and married children of U.S. citizens.

"This is very troubling," they wrote. "Different types of family members can play an important role in each other's lives, and for some Americans a brother or sister is the only family they have."

The expansion of the H1B program would follow years of criticism and allegations of abuse. Though it was long viewed as a model program intended to help bring much-needed and highly trained engineers and other professionals to fill gaps in the U.S. workforce, critics have begun to refer to it as the "outsourcing visa."

These critics say companies commonly use the visa to bring employees from India to work in the United States for up to three years, train them and then return them to India to do the same work, often for a U.S. firm buying the services from a contractor.

A 2011 Government Accountability Office report cited numerous concerns about the H1B program, including the prominent role of outsourcing firms and their potential to crowd out U.S. jobs in software engineering and other professions. It found that 54 percent of H1B workers were hired at the lowest of four wage levels.

Sen. Charles E. Grassley (R-Iowa), a longtime critic of the H1B program, this week reintroduced legislation he and Durbin have sponsored that seeks to overhaul the program and impose some of the restrictions that Durbin has sought in the negotiating room. The move, coming as word began to spread of the tech industry's successful lobbying efforts around the immigration talks, suggests that some lawmakers will seek to influence the foreign-worker measures when the bill begins to move through Congress this spring. Such disputes over future immigration flows helped doom past efforts at bipartisan legislation.

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