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HEADLINE: The Hidden Immigration Bill

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Brian Wingfield, 05.29.07, 12:00 PM ET

WASHINGTON, D.C. -

The new immigration bill, now being fiercely debated in the Senate, would nearly double the amount of highly skilled immigrants who can work in the U.S.—specialists ranging from software engineers and scientists to translators.

So why are the tech industry and other concerned groups so hopping mad about the proposed legislation?

A key reason: Many people believe the bill under consideration still doesn't provide enough H–1B visas, which allow highly skilled foreigners to work in the U.S. for up to six years, during which time they can apply for a permanent residency permit, or green card.

"H–1B professionals fill key niches in the U.S. labor market and enhance the ability of U.S. companies to compete globally for talent and markets," reports the *National Foundation for American Policy* (*NFAP*), a think tank here that specializes in immigration, economic and *education* issues.

The group says that Congress for years has lagged in authorizing enough H–1B visas, "causing companies to go without needed skilled professionals or being forced to hire individuals outside the U.S. or risk losing them to foreign competitors. Without sufficient H–1B visas, outstanding international students and researchers and engineers from abroad cannot work in the U.S.," the report concludes.

The problem, however, is that no one seems to be able to say with much precision just how many such visas are needed.

"Its almost impossible to pick a number, says Stuart Anderson, *NFAP*'s executive director, adding that the demand for H–1B visas is market driven. "You're better off picking a higher number and having a good exemption for people with advanced degrees."

Certainly, the 65,000 visas currently granted each fiscal year are not enough. Earlier this year, for the first time ever, the supply of H–1Bs for fiscal year 2008 ran out the very first day, when the government received nearly 120,000 applications. The bill under consideration would raise this number to 115,000, with a provision to extend it gradually to 180,000 if necessary.

But this figure also might not be enough. In 1999 and 2000, the number of H–1Bs granted was temporarily raised to 115,000 and all of the visas were snapped up. Yet from 2001 to 2003, the cap on the visas for highly skilled workers was lifted to 195,000, but more than half went unused, prompting lawmakers in 2004 to cut it back to 65,000.

The tech lobby believes that unless an exemption is put in place to allow all foreign-born workers with advanced degrees from U.S. colleges and universities to obtain an H-1B visa, the proposed figure is still insufficient.

"This is a group of people that will continue to grow," says Robert Hoffman, vice president of government affairs at Oracle and co-chairman of Compete America, a coalition of high-tech and other companies, including Google, Motorola and Coca-Cola.

The tech community also disapproves of provisions in the bill that affect the number of green cards issued (not enough, opponents say) and how they are doled out. The current system allows companies to recruit specific applicants directly. However, the immigration package being considered now would grant permanent residency permits on a merit–based system that takes various factors into consideration, including age, profession, experience, English proficiency and an applicant's family ties in the U.S.

"It's not looking at the specific needs of the companies," says Jeff Lande, a senior vice president of the Information Technology Association of America, whose members include Verizon, AT&T and IBM, among others.

While much of the debate surrounding the immigration bill involves treatment of low-skilled workers, the discussion over the H–1B visas essentially addresses the flip side of the immigration coin—essentially, how does the U.S. attract more workers when there aren't enough Americans to fill certain highly skilled jobs?

In March, Microsoft Chairman Bill Gates warned a Senate committee that the U.S. is quickly falling behind the rest of the world in producing graduates in science and technology. "The economys need for workers trained in these fields is massive and growing," he said.

But at least two key senators, Charles Grassley, R-Iowa, and Richard Durbin, D-Ill., are concerned that the H-1B visa program is already being abused by foreign companies who are outsourcing their cheap labor at the expense of American workers. Earlier this month, they sent a letter to the top nine foreign firms that use H-1B visas, including Infosys, Wipro and Tata Consultancy Services, wanting to know details of the companies H-1B practices.

The immigration package now being considered includes measures Grassley and Durbin introduced earlier this month that would crack the whip on foreign companies that use the H–1B program improperly.

"If were going to give priority to qualified American workers, these measures are a no-brainer," says Grassley.

NFAP's study says that H–1B visa holders are not jeopardizing U.S. jobs through outsourcing. The group points out that these workers represented less than 1% of the U.S. labor force in 2006 and that more than half of all H–1B holders have a master's degree or Ph.D.

If the immigration package passes the Senate—a scenario that is highly questionable—the tech industry and groups that advocate for more foreign workers will be challenged with convincing House members that more of these visas are needed.

But unless they can prove that they system is not currently being abused, and unless they can come up with specific figures for the number of visas required, they will have a hard time persuading lawmakers that the cap needs to be raised beyond the current proposal of 115,000.

Highlights: National Foundation for American Policy, NFAP, education