

Associated Press

February 6, 2009

Senate approves restriction on foreign hires

By FRANK BASS and RITA BEAMISH – 1 hour ago

The Senate voted Friday to restrict the hiring of foreign workers by banks that are receiving government bailout funds while undergoing vast layoffs. The legislation by Sens. Bernie Sanders, a Vermont independent, and Charles Grassley, R-Iowa, would require the banks to seek American workers before turning to foreign nationals when they're hiring. It aims to prevent replacement of Americans by foreigners working under the H-1B visa program, which allows employers to bring in workers for high-skilled and advanced-degree jobs.

The measure has a two-year life and if signed into law would apply to the more than 300 banks that are receiving money from the taxpayer-funded Troubled Asset Relief Program. The Senate added the restriction as part of the massive economic stimulus package lawmakers are crafting as part of President Barack Obama's plan to reinvigorate the economy. If it becomes law, banks seeking visas to bring in foreign workers would be barred from displacing or replacing American employees for three months before and three months after petitioning the government for the visas.

To win votes, Sanders and Grassley softened what they had originally proposed, a flat-out one-year ban on hiring foreign-visa workers, but extended the measure to two years. They made the banks subject to restrictions that apply to employers whose work force is made up of more than 15 percent foreign visa workers, a category that normally would not include banks. Sanders said the measure effectively would "make sure that banks receiving a taxpayer bailout are not allowed to import cheaper labor from overseas while they are laying off American workers."

The American Immigration Lawyers Association blasted the Senate action, and derided "knee-jerk, fear-driven policies that will stymie growth."

If it becomes law, the group said in a news release, banks will be hard-pressed to hire foreign nationals or extend visas of current employees for two years, and thus will not have access to "top-flight global talent who can help create jobs for U.S. workers."

Stuart Anderson, director of the **National Foundation for American Policy**, an Arlington, Va.-based think tank, said: "It seems to be an unwise policy to deny companies access to talented people simply because those individuals weren't born in the United States."

Sanders and Grassley introduced the legislation after an Associated Press investigation found the dozen banks now receiving the lion's share of taxpayer bailout funds had sought a Department of Labor green light for 21,800 foreign worker visa slots over the past six years. The banks asked the government for permission to hire workers whose jobs ranged from senior vice presidents to junior investment bankers and human resources specialists, at an average salary of \$90,751. The banks, however, ended up hiring fewer employees.

Partial data from the U.S. Bureau of Citizenship and Immigration Services suggests that the banks ultimately got visas for only about one-quarter of the number of workers they initially sought permission to employ. For example, the banks and their subsidiaries filed more than 5,000 visa applications with Labor Department officials during the 2006 budget year. After that step, they ended up with about 1,200 new workers approved by the Citizenship and Immigration agency.