

HIGH-TECH VICTORY ON VISAS CONGRESS APPROVES INCREASE IN SKILLED FOREIGN WORKERS

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Byline: JIM PUZZANGHERA, Mercury News Washington Bureau

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Body

Silicon Valley won its top legislative priority after **Congress** voted overwhelmingly Tuesday to nearly double the number of **visas** for highly **skilled foreign workers** in a surprising bipartisan show of support for the **high-tech** industry.

The Senate voted 96-1 Tuesday morning, and the momentum of that near-unanimous vote led the House of Representatives to quickly take up the bill and pass it on an unusual voice vote Tuesday night. President Clinton is expected to sign the bill.

"It's done," rejoiced Rep. Zoe Lofgren, D-San Jose, one of the major backers of the **visa increase**. "It addresses the needs of the **high-tech** economy, and . . . there are important reforms."

The legislation had been stalled for months in a partisan fight over immigration policy. But Tuesday's vote shows both Republicans and Democrats are anxious to deliver for the **high-tech** industry before **Congress** adjourns this month.

"We have strong bipartisan agreement on it, and this is a very, very important **skilled** workforce bill that we'll be able to provide to the president for his signature," said Rep. David Dreier, R-Covina. Republican leaders in the House moved quickly to bring up the measure Tuesday night after they suspended their usual procedure.

The issue, once on a fast track to passage earlier this year, had become bogged down in election-year politics. With the **high-tech** industry having unprecedented difficulties filling jobs, the delays in passing the **visa** legislation have caused consternation in Silicon Valley and touched off a flurry of lobbying in recent weeks.

Increasing the number of H-1B **visas** has ranked with approval of a new trade deal with China as the top Washington priorities of Silicon Valley this year. With the Senate following the House in **approving** the China trade deal two weeks ago, the **high-tech** industry has been able to focus all its fire on the **visa** issue.

"We could not have asked for a stronger vote," said Jenifer Verdery, Intel's manager of education and workforce policy.

Seeking temporary **increase**

Faced with what **high-tech** executives said is a widespread shortage of qualified computer programmers and engineers, Silicon Valley has pressed hard to again temporarily **increase** the number of three-year H-1B **visas** in order to bring in those **workers** from countries such as India.

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"It's very important, because at the end of the day it's people who are driving the Internet economy, not machines," said Laura Ipsen, director of government affairs for Cisco. "We need more and more highly skilled engineers in the company. We can't fill all the positions."

The legislation boosts the allotment from 115,000 this year to 195,000 in each of the next three years.

Labor unions and the nation's largest organization for engineers charged that the high-tech industry prefers foreign workers, who are beholden to the companies who obtained their visas, over retraining American engineers from other fields. The H-1B visa program also has been criticized for being rife with fraud.

"This whole thing is just the wrong way to go," said Paul Donnelly of the Immigration Reform Coalition, which includes the Institute of Electrical and Electronics Engineers-USA. The coalition favors green cards to bring foreign workers into the country permanently, arguing the temporary H-1B visas keep salaries low because the workers aren't free to easily move to other companies.

H-1B visas allow foreigners with special skills to work temporarily in the United States. The visa, which is applied for by the company seeking to employ the person, is good for three years and can be renewed for an additional three years.

Congress and the White House in 1998 agreed to a temporary expansion of the program, more than doubling the annual allotment of visas to about 115,000. But with the "New Economy" continuing to boom, those visas have proven insufficient to meet the demand. All of this year's visas were allocated by the end of March -- six months before the end of the fiscal year.

With the annual allotment set to start decreasing next year, the high-tech industry has desperately pleaded with Congress and the White House to temporarily boost the number again. Senators said Tuesday that they heeded the call.

"This bill represents our commitment to keep America on top in the high-tech industry," said Sen. Phil Gramm, R-Texas, one of the key backers of the legislation.

In addition to boosting the annual allotment of visas, the legislation will funnel more of the annual \$500 visa fee to education and training for Americans in science and technology fields under changes in the bill proposed by Sen. Dianne Feinstein, D-Calif.

"I support lifting the H-1B visa cap, but clearly it is only a short-term solution to a long-term problem," said Feinstein, who is recovering in California from surgery on her broken leg and was among three senators who did not vote on the bill. The amendments, along with others, would funnel about \$450 million into education and retraining initiatives.

Another Feinstein provision would try to reduce the processing backlog at the Immigration and Naturalization Service. The agency would devote more resources to processing applications and would be required to process H-1B visas within 30 days, and process permanent employment visas and other visa applications within six months.

No increase in fees

Different versions of the visa bill offered in the House of Representatives would have doubled the fee companies pay for each visa, to \$1,000, to provide even more money for training and education. Although many in the Senate favor increasing the fees, the Constitution prevented the Senate from initiating an increase in taxes or fees.

But the easiest way for Congress to get an H-1B visa bill to the president this year was for the House to simply vote on the Senate bill. Dreier is co-sponsoring a separate bill to increase the fees that he is optimistic will pass Congress in the coming days as well.

Several key Republicans and Democrats on Tuesday called for an end to the partisanship that has stalled the visa increase -- though each side blamed the other for the delays.

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While there is strong support in both parties for increasing the number of visas, the issue became bogged down in the spring when the White House and congressional Democrats pushed to also include some provisions for Latinos.

Amnesty issues

One would extend a current immigration amnesty provision for Nicaraguans and Cubans to others in Latin America. Another, known as late amnesty, would allow illegal immigrants who entered the United States before 1986 to apply to become U.S. citizens. A similar amnesty was passed in the 1980s for people who had entered the country before 1972.

Those were volatile issues in an election year when both parties are appealing to the growing Latino electorate, and the visa bills were shelved.

But the high-tech industry continued to press the need for an increase, and last week Senate Republicans used their majority muscle to prevent Democrats from adding the Latino provisions as amendments.

Congressional Democrats then largely removed the Latino issues from the debate by shifting their strategy, vowing to try to attach them to one of the budget bills Congress must pass before it adjourns. Clinton has promised to veto the budget bill if they're not included.

With the Latino issues out of the way in the Senate, all but Sen. Ernest "Fritz" Hollings, D-S.C., an ardent opponent of H-1B visas, voted for the bill.

"I think what you've seen in the last couple of weeks is a perhaps a realization that all the political gamesmanship wasn't gaining either party any extra points," said Jeff Modisett, co-CEO of TechNet, the Silicon Valley-based high-tech lobbying group. "Many CEOs made calls, and the message was the same: 'We don't care about the partisanship, and we don't care about who gets to claim credit. We just care that it gets done.' "

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CONGRESS RAISES CAP ON H-1B VISAS

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Person: BILL CLINTON (72%); ZOE LOFGREN (58%); DAVID DREIER (58%)

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