



Highlights of [GAO-03-883](#), a report to the Ranking Minority Member, Subcommittee on Environment, Technology, and Standards, Committee on Science, House of Representatives

# H-1B FOREIGN WORKERS

## Better Tracking Needed to Help Determine H-1B Program's Effects on U.S. Workforce

### Why GAO Did This Study

The continuing use of H-1B visas, which allow employers to fill specialty occupations with highly skilled foreign workers, has been a contentious issue between U.S. workers and employers during the recent economic downturn. The H-1B program is of particular concern to these groups because employment has substantially decreased within information technology occupations, for which employers often requested H-1B workers. In light of these concerns, GAO sought to determine (1) what major occupational categories H-1B beneficiaries were approved to fill and what is known about H-1B petition approvals and U.S. citizen employment from 2000-2002; (2) what factors affect employers' decisions about the employment of H-1B workers and U.S. workers; and (3) what is known about H-1B workers' entries, departures, and changes in visa status.

### What GAO Recommends

GAO recommends that the Secretary of Homeland Security (1) take actions to ensure that change of visa status data are entered into DHS's computer system and are integrated with entry and departure data and (2) issue regulations that address the extent to which unemployed H-1B workers are allowed to remain in the United States. DHS agreed with GAO's recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-03-883](http://www.gao.gov/cgi-bin/getrpt?GAO-03-883).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Sigurd Nilsen at (202) 512-7215 or [nilsens@gao.gov](mailto:nilsens@gao.gov).

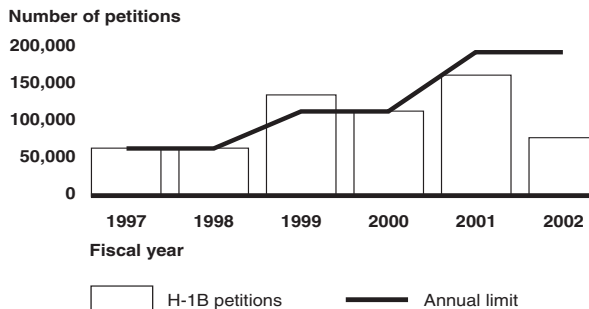
### What GAO Found

H-1B beneficiaries were approved to fill a variety of positions in 2002, and the number of approved petitions (i.e., employer requests to hire H-1B beneficiaries) in certain occupations has generally declined along with the economic downturn, as have U.S. citizen employment levels in these occupations. In contrast with 2000, most H-1B beneficiaries in 2002 were approved to fill positions in fields not directly related to information technology, such as economics, accounting, and biology. Both the number of H-1B petition approvals and U.S. citizens employed in certain occupations, such as systems analysts and electrical engineers, decreased from 2001 to 2002.

GAO contacted 145 H-1B employers, and the majority of the 36 employers that agreed to speak with GAO said that they recruited, hired, and retained workers based on the skills needed, rather than the applicant's citizenship or visa status. Despite increases in unemployment, most employers said that finding workers with the skills needed in certain science-related occupations remains difficult. Although some employers acknowledged that H-1B workers might work for lower wages than their U.S. counterparts, the extent to which wage is a factor in employment decisions is unknown.

The Department of Homeland Security (DHS) has incomplete information on H-1B worker entries, departures, and changes in visa status. As a result, DHS is not able to provide key information needed to oversee the H-1B program and its effects on the U.S. workforce, including data on the number of H-1B workers in the United States at any time. GAO also found that DHS's ability to provide information on H-1B workers is limited because it has not issued consistent guidance or any regulations on the legal status of unemployed H-1B workers seeking new jobs. Allowing unemployed H-1B workers to remain in the United States may have implications for the labor force competition faced by U.S. workers. While DHS has long-term plans for providing better information on H-1B workers, policymakers in the interim need data to inform discussions on program changes.

H-1B Petitions Approved and Counted Toward the Annual Limit, Fiscal Years 1997-2002



Source: Bureau of Citizenship and Immigration Services.