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The Competitive Edge

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Every day, Americans work hard to build businesses and create jobs that compete effectively in – and take advantage of - the global marketplace. These Americans have one question for the federal government: Are you here to help us or hurt us?

Each week *The Competitive Edge* will highlight one government policy or practice that makes it harder for American innovators to succeed in business. This week's topic is reforming and improving the **H-1B visa program** to attract and maintain the technical talent needed to maintain the nation's innovative edge.

The Problem:

America's universities educate and train the best engineers, researchers and scientists in the world. As a result, the best students in the world seek to study here and many seek to stay after finishing their studies. These potential American workers could meet a serious need developing in the American workforce. In a number of key technical fields, such as science, technology, engineering and mathematics (STEM), the total number of graduates with advanced degrees has not kept pace with the demands of America's business community. According to the Department of Labor, this demand is projected to increase in coming years.

The government created a visa program for professionals in specialty occupations in 1952 to provide American employers with access to highly educated foreign professionals who have unique knowledge in specialized areas. This program, now known as the H-1B visa, allows 65,000 visas each year. In FY 2007, the cap was exhausted on May 26, 2006. This means that no new H-1B workers can be hired until Oct. 1, 2007.

In February of this year, Bill Gates stated, "During the past 30 years, U.S. innovation has been the catalyst for the digital information revolution. If the United States is to remain a global economic leader, we must foster an environment that enables a new generation to dream up innovations, regardless of where they were born."

But instead of moving to increase this cap and keep these American-trained experts working for American companies the Senate is considering legislation to increase burdens on those who hire experts with H-1B visas. This legislation also would remove exemptions from the caps for foreign professionals who received advanced degrees in STEM sectors from U.S. universities.

The Solution:

As Congress considers comprehensive immigration reform, it needs to help American businesses take advantage of the education we offer to students around the world. Congress should increase the cap to a level consonant with the need of American businesses. Congress should create exemptions for those who work in critical areas that may create new sectors of American innovation.

Congress should scrap the requirement that visa applicants prove they do not intend to stay in the United States and work to create an enforcement system that doesn't overly burden employers.

Why It Matters:

As Craig Barrett stated last January in BusinessWeek magazine, "The U.S. needs to decide to compete. Right now we are riding on past investments and not investing for the future. We have to decide that investing in innovation is key to our future and then do the following to achieve competitiveness . . . Ultimately, we need the best education system in the world, the best basic R&D machine in the world and then sensible government policies to let smart people with smart ideas get together."

As Tom Davis, R-Va., points out, "These are easy decisions. America trains the best in the world. Why would we ship them off to other countries to innovate for their economies? Until we make it easy for the world's most valuable employees to stay and work in the United States, we can't claim to be serious about competing in the global marketplace."

It's time for the Federal Government to work FOR American workers – not against them. Americans who care about national competitiveness need to make Congress aware that a functioning H-1B visa program isn't a just an immigration issue – ultimately it's a job issue. For more information, please visit: <http://www.competeamerica.org/index.html>.

About the Competitive Edge: The Competitive Edge is a weekly bulletin produced by the Republican Staff of the House Committee on Oversight and Government Reform. If this bulletin was forwarded to you, you may sign up to receive it each week by emailing your request to Reform@mail.house.gov.