

CompeteAmerica

S. 2344, “The Immigration Innovation Act” or “I-Squared”

EXPLANATION AND SUMMARY

The Case for Keeping Innovation and Jobs in America

“I-Squared” creates a highly skilled immigration system that not only adds billions of dollars to U.S. workforce STEM education and training; “I-Squared” will also drive innovation and job growth in America.

The “I-Squared Act” recognizes a simple truth: to create opportunities, jobs, and prosperity in America, we must protect and grow our U.S. workforce while also supporting and promoting our nation’s job creators. Every year, nearly 30,000 American STEM employers—mostly small and medium sized businesses in need of a single worker—face a difficult choice:

- 1) Hire talented, foreign professionals in the United States—largely U.S.-educated—to work with talented U.S. workers, together innovating and **creating prosperity and jobs here in America**;
- or-
- 2) Lose the same foreign professionals to a foreign country to **create foreign prosperity and foreign jobs** that often compete against the U.S. economy and the American workforce.

The right choice for America is clear: the continuing success of U.S. employers and the American-employed STEM workers who drive our nation’s innovation economy depends deeply on a combination of qualified U.S. and foreign-born professionals. Looking beyond today, the future success of American-born STEM workers also depends on maintaining qualified skills relevant to tomorrow’s innovative job opportunities.

Americans deserve a smart, balanced approach to highly skilled immigration that protects and cultivates our existing U.S. workforce while keeping American STEM industries the strongest in the world. We should be doing all we can to fully realize the extraordinary economic benefits brought by foreign STEM professionals, many of whom are fostered in our own university systems, and our nation’s STEM workforce deserves the best access to education and training we have to offer—paid for by U.S. employers. “I-Squared” will deliver for both the American workforce and American employers in the following ways:

- ❖ **STEM TRAINING FUND:** Provides roughly \$1 billion annually for training and retraining existing U.S. STEM workers as well as educating future U.S. STEM workers in K through 12.
- ❖ **MARKET-BASED H-1B CAP:** Increases AND decreases the H-1B cap based upon indicators driven by economic data rather than setting H-1B caps based on politics.
- ❖ **INCREASED H-1B WAGE REQUIREMENTS:** Requires all employers to pay higher wages, especially for entry-level foreign professionals in the H-1B system, pegged to actual economic data.
- ❖ **RESTRICTS H-1B DEPENDENT EMPLOYERS:** Strengthens wage requirements and protections against the displacement of American workers by those employing more than 15% H-1Bs.
- ❖ **CONDITIONAL GREEN CARDS:** Breaks the H-1B-employer tether by providing conditional green cards instead of H-1Bs for permanent hires on “day 1”, increasing worker mobility.
- ❖ **SMARTER EB GREEN CARD SYSTEM:** Eliminates discriminatory per country limits and exempts U.S. STEM Masters & PhDs, as well as spouses and children, to help alleviate green card backlogs.
- ❖ **INFORMATION SHARING AMONG H-1B ENFORCERS:** Allows for the free flow of information regarding enforcement and reporting of misuse and suspicious H-1B employer behavior.

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S. 2344, the “Immigration Innovation Act”: Balanced Reform for ALL Americans

HIGHLIGHTS OF KEY PROVISIONS

PROVISION	U.S. WORKER BENEFIT	U.S. EMPLOYER BENEFIT
<p>STEM TRAINING AND EDUCATION FUND: “I-Squared” creates the largest U.S. workforce education and training fund in our nation’s history, providing nearly \$1 billion in direct funding and scholarships and 100% paid for by employers who hire H-1Bs.</p>	<p>INCREASED OPPORTUNITIES & COMPETITIVENESS: The “I-Squared” STEM fund will ensure existing and future generations of American STEM workers are ready and qualified to take full advantage of our fastest growing export industry.</p>	<p>MORE FULLY QUALIFIED DOMESTIC WORKERS: “I-Squared” will increase the qualifications and competitiveness of U.S. workers, giving employers a greatly expanded pool of qualified American applicants for U.S.-based jobs.</p>
<p>CONDITIONAL GREEN CARDS: “I-Squared” rationalizes America’s highly skilled immigration system by moving foreign professionals hired for permanent positions directly onto permanent visas, helping raise wages while also increasing H-1B enforcement effectiveness.</p>	<p>BETTER WAGES/ENFORCEMENT: “I-Squared” makes sure permanent workers are not treated like temporary workers, helping increase wages for all STEM professionals. By separating temporary and permanent, “I-Squared” also helps improve H-1B enforcement efforts.</p>	<p>ACCESS TO MORE DOMESTIC WORKERS: “I-Squared” increases competition for the best workers in America, allowing higher wage offers to dictate worker mobility, not the U.S. immigration system. Increased costs in hiring are offset by more efficient distribution.</p>
<p>INCREASED H-1B WAGES FOR ALL EMPLOYERS: “I-Squared” requires employers to pay higher wages that are better aligned to the natural wages Americans of different education and experience levels earn in each “Metropolitan Statistical Area” or MSA.</p>	<p>RAISES THE WAGE FLOOR: “I-Squared” ensures wages are higher for all entry level H-1B workers in all MSAs, addressing a key issue in high STEM density locations, without overpricing lower STEM density MSAs, facilitating STEM job growth everywhere.</p>	<p>REWARDS U.S. EMPLOYERS PAYING COMPETITIVE WAGES: “I-Squared” ensures that the vast majority of H-1B employers already paying competitive wages are not undercut by lower paying wage employers due to outdated prevailing wage calculations and data.</p>
<p>RESTRICTS H-1B DEPENDENT & SUPER DEPENDENT EMPLOYERS: “I-Squared” requires U.S. employers with high percentages of H-1Bs to pay much higher salaries, proactively recruit Americans, and practice non-displacement or face direct government oversight and disbarment from future H-1B use.</p>	<p>PROTECTS AGAINST KNOWLEDGE TRANSFER CONSULTING MODELS: “I-Squared” protects U.S. workers by undermining the pure “H-1B knowledge transfer” model. Employers with little or no interest in hiring Americans should not get the most benefits from the U.S. immigration system.</p>	<p>BETTER ACCESS FOR AMERICAN BUSINESSES TO H-1Bs: “I-Squared” greatly improves access to H-1B visas for 30,000 small, medium, and large U.S. employers. H-1B Dependent employers, who hire high percentages of H-1Bs, account for less than 1% of employers YET take 40% of all H-1B visas.</p>
<p>INCREASED GREEN CARD AVAILABILITY: “I-Squared” recognizes the need for a smarter green card system. Moving away from excess, long-term reliance on temporary visas will help increase wages for all workers and better focus enforcement efforts.</p>	<p>BETTER WAGES/ENFORCEMENT: “I-Squared” helps to clear backlogged highly skilled professionals, freeing them from their employers and increasing wage competition for their services. Smaller backlogs free enforcement personnel to focus limited resources on real issues.</p>	<p>QUALITY OF LIFE FOR EMPLOYEES; INCREASED ACCESS TO TALENT: “I-Squared” allows permanent members of the U.S. workforce to live as free Americans sooner, providing worker mobility and a more robust market for talented U.S. STEM pros based in America.</p>