

# CompeteAmerica

The Alliance for a Competitive Workforce

## L-1 Visa Facts at a Glance

**Created in 1970, the L-1 visa serves as an essential vehicle for worldwide companies to transfer managers, executives, and employees with specialized knowledge of the company and its operations for temporary assignments in the United States.**

- The L-1 visa provides essential flexibility in today's fast-paced, global economy by allowing companies to transfer key employees to the United States.
  - The visa facilitates the temporary transfer of international executives, managers and specialized knowledge professionals from their overseas parent companies, subsidiaries or affiliates to the U.S.
  - This flow of key personnel encourages international trade and foreign investment in the United States.
- L-1 professionals are assigned to the United States to work on special projects, to enhance the skills and knowledge of operations in the U.S., and to otherwise facilitate the global work of international companies.
- The L-1 visa provides companies with the flexibility to better utilize existing human resources in order to maintain a competitive advantage. *They are not used to fill open positions in the United States.*
- Foreign-based companies with operations in the United States also use the L-1 visa to bring their already-established employees to the U.S. in order to create and expand business operations in America—in many cases creating U.S. jobs.
- The L-1 visa is critical to maintaining strong foreign investment in the U.S., and a 2010 Business Roundtable and U.S. Council for International Business report found many high-paying U.S. jobs stem from global market involvement.
- Worldwide U.S.-based companies utilize similar visas to send Americans on assignment abroad. Without the ability to transfer employees with special knowledge to business operations around the world, international trade and investment for key global markets would be severely hampered.

**Qualifications: L-1 visa program are specific, limiting its use, and L-1 petitions fund fraud detection and prevention.**

- Executives, managers and key personnel with specialized knowledge of the company's products, services and procedures are the only employees who qualify for an L-1 visa.

- The L visa holders must have been employed in an executive, managerial or specialized knowledge capacity with a company in an overseas location for at least one continuous year out of the past three years. Most Ls return home when their assignment ends.
- The affiliation between the U.S. company requesting the L-1 visa and the entity from which the foreign national comes must meet specific legal tests, such as having the same ownership, having a parent/subsidiary relationship or being a joint venture.
- In 2004 Congress enacted a \$500 anti-fraud fee on L-1 petitions to fund the prevention and detection of L visa fraud.

**There are two types of L visas: the L-1A for *executives* and *managers* and the L-1B for those professionals with *specialized knowledge*.**

**L-1A**

- An international manager or executive may obtain an L-1A visa if he/she is coming to the United States to manage their organization or a major component or function of their organization.
- Such an employee must exercise discretionary decision-making powers with only general supervision and may have a supervisory function.
- L-1A visas are valid for a maximum of seven years.

**L-1B**

- A foreign national may obtain an L-1B visa for a maximum of five years if he/she has specialized knowledge of their company, its product or service(s) and their application in international markets, or if the employee has an advanced level of knowledge of their employer's processes and procedures.
- Often a foreign national is considered to be serving in a capacity involving specialized knowledge if they have a special or advanced knowledge that:
  - is valuable to the employer's competitiveness in the marketplace;
  - contributes to the employer's knowledge of foreign operating conditions and is not generally found in the industry;
  - is utilized abroad in a capacity involving significant assignments which have enhanced the employer's productivity, competitiveness, image or financial position;
  - can be gained only through prior experience with the employer;
  - is of a product or process, which cannot be easily transferred or taught to another individual without significant economic inconvenience to the U.S. or foreign firm; or,
  - is knowledge that contributes to the uninterrupted operation of the specific business for which the worker's services are sought.

**The “blanket” L visa is a valuable tool for worldwide companies operating in the fast-paced global economy and creates government and employer efficiencies.**

- The L-1 “blanket” petition enables pre-approved companies to transfer international employees in a streamlined process that reduces the paperwork burden on both employers and the government. The blanket program has been in existence for over 20 years.
- To register as an L blanket employer, the employer must apply with the U.S. Citizenship and Immigration Services (USCIS) and provide evidence that they have any of the following:
  - U.S. annual sales of at least \$25 million
  - 10 L visa approvals in the past year
  - U.S. workforce of at least 1,000 employees.
- Once registered, employers and the government enjoy the time-saving procedure of having one blanket petition that applies to multiple transferees.
- Employees may apply for visas directly at U.S. consulates rather than file individual petitions with USCIS.
- Security and enforcement are not sacrificed at the expense of paperwork reduction. Professionals coming to the United States on blanket L visas will undergo the same scrutiny of their qualifications and background as if their applications were adjudicated at USCIS.