

May 21, 2020

The Honorable Donald J. Trump  
President of the United States of America  
The White House  
Washington, DC 20500

The Honorable Secretary Michael Pompeo  
Department of State  
2201 C Street, NW  
Washington, DC 20520

The Honorable Secretary Eugene Scalia  
Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

The Honorable Acting Secretary Chad Wolf  
Department of Homeland Security  
Washington, DC 20528

Dear Mr. President and Honorable Secretaries,

The undersigned organizations, speaking for a variety of sectors and geographies across the American economy, and small, medium, and large employers, are writing about the importance of the high-skilled workforce to America's economic recovery. In particular, the undersigned represent employers that rely on a highly skilled, college-educated, science and engineering workforce, including nonimmigrant professionals, to innovate, produce, research, develop, and lead. At this critical juncture in our nation's history, the ability to continue to do so is in the national interest.

We urge you to avoid outcomes, even for temporary periods, that restrict employment-authorization terms, conditions, or processing of L-1, H-1B, F-1, or H-4 nonimmigrants. Constraints on our human capital are likely to result in unintended consequences and may cause substantial economic uncertainty if we have to recalibrate our personnel based on country of birth.

We join you in your continued commitment to protect the health and economic well-being of Americans, and hope our attached Appendix is helpful as you consider weighty judgments on how to navigate this important moment.

Respectfully submitted,

324 employers and trade, industry, and higher education associations and groups across the American economy focused on the high-skilled workforce (signatory list follows Appendix)

## APPENDIX

### Importance to the nation of the STEM workforce and avoiding artificial constraints to this workforce

#### IMPORTANCE OF THE COLLEGE-EDUCATED STEM WORKFORCE, INCLUDING NONIMMIGRANTS

**STEM Jobs.** It has been well-understood in the post-World War II era that the STEM workforce is of particular interest to all developed economies because of its central role in fostering innovation, economic competitiveness, and national security. The centrality of the STEM workforce across the American economy is evidenced by the fact that in the 21<sup>st</sup> century Americans with university STEM degrees are called upon to use their quantitative skills in finance, public administration, professional services, manufacturing, information, education, health care, transportation, and retail, in addition to high-tech, as the [Census Bureau has explained](#). However, over the years, computer-related professional job openings have outstripped the availability of qualified Americans to fill those positions. For this reason, the [Department of Homeland Security reports that 66% of all H-1B approvals are in computer-related occupations](#) and, correspondingly, the [Department of Labor reports that 60% of Permanent Labor Certifications approved to sponsor new green card holders are in the computer and mathematical occupations](#), with most such labor certifications filed on behalf of H-1B visa holders. Importantly, when Department of Labor wage data on H-1B workers is compiled, as the [Cato Institute did for a May 2020 article](#), “the unequivocal takeaway from the data is that H-1B employers are, on average, paying a premium for many of their foreign workers.” Today, the unemployment rate in computer occupations remains low, at about 2.8% through April 2020, [according to a May 2020 analysis of government occupational level data](#).

**Innovation.** Foreign-born STEM professionals have had a positive impact on the American economy. As described in a [July 2019 economic study on the impact of highly-skilled STEM immigration on the U.S. economy](#), the foreign-born share of STEM professionals in the United States increased from about 16% to 24% over the period 2000 to 2015 creating an estimated benefit of \$103 billion for American workers almost all “attributed to the generation of ideas associated with high-skilled STEM immigration which promotes the development of new technologies that increase the productivity and wages of U.S.-born workers.” An [economic report on global talent and U.S. immigration policy published in April 2020](#) highlights that when looking at the net global migration of inventors from 2000 to 2010 China and the United States are at opposite ends of the spectrum, where China receives virtually no immigrant inventors and instead possesses the largest number of natives moving to other countries to become inventors elsewhere. The United States dwarfs all other 26 advanced economies in the world in welcoming new inventors, with about ten times that of Germany, the next highest country. Indeed, economists from [George Borjas in June 1986](#) (National Bureau of Economic Research) to [those at the Census Bureau and George Mason University in February 2019](#) (IZA - Institute for Labor Economics) to [William Kerr in April 2020](#) (Harvard Business School) have consistently found that for immigrants coming to America their propensity toward innovation, as well as entrepreneurship, is higher than for U.S.-born workers. We want to continue to harness that innovation and entrepreneurship for America and Americans, and we’re sure the administration wants the same.

**Nonimmigrants.** Among the nonimmigrant classifications that play a role in providing access to this STEM workforce for American employers, three classifications have been most critical and have been tools in our toolbox for **decades**: the L-1, H-1B and F-1 nonimmigrant classifications.

- Created by Congress in 1970, over the last **50** years the L-1 visa category has been available to facilitate international transfers of existing employees to the United States within related firms. A cornerstone of business operations for those that do business both in the United States and abroad has been the ability to transfer current staff that are managers, executives, and specialized knowledge personnel across national boundaries in order to harmonize operations, expand markets, service clients, and share knowledge.

- Established in the 1952 rewrite of the nation’s immigration laws, for over **65** years the H-1 visa classification has existed to allow U.S. employers to hire professionals born outside our country. Since 1990, this category has been subject to numerical limits and a labor condition application, and the category has been designated as the H-1B visa.
- In [August 1947 the Department of Justice promulgated a regulation permitting "employment for practical training"](#) for international students, after completion of the student’s regular course of study. For over **70** years, a program allowing such post-completion employment authorization for international students has continued, now through Department of Homeland Security regulations governing F-1 nonimmigrants.

The stability of America’s workforce – including L-1, H-1B, and F-1 nonimmigrants – cannot be more important than at this very moment when the Trump administration and the entire nation look to our companies to reinforce the backbone of the national economy.

## **IMPORTANCE OF AVOIDING UNNECESSARY CHURN IN THE COLLEGE-EDUCATED STEM WORKFORCE, INCLUDING NONIMMIGRANTS**

**Churn.** Economists define “churn” as hiring for replacement, which means that a prior worker, being replaced, left voluntarily or was terminated. Turnover may come about because employers grow and shrink, but more frequently because of churn. Separations in the employment relationship that occur based solely on changed agency policy choices governing nonimmigrant employment authorization create additional churn and result in inefficiency. Thus, at this critical juncture in our nation’s economic life, creating government-mandated churn in our human capital creates significant risks because the ramifications of those decisions will quickly reach into our capacity and productivity.

**L-1.** Narrowing access to L-1 intracompany transfers is a significant concern as we respond to Covid-19 challenges, because appropriate use of the L-1 classification by employers plays a direct role in supporting job creation and job retention in the United States, as well as expanding U.S. advanced manufacturing, continuing U.S.-centered research and development, increasing exports from the U.S., and encouraging foreign direct investment into the U.S. Multinational companies, of the type that might qualify to use the L-1 category, employ about one-quarter of all U.S. private sector employees. The impact of business disruption to a group of firms that play such an outsized role in the economy is significant.

With regard to U.S.-based R&D, an economist at the Wharton School of the University of Pennsylvania assessed Department of Commerce data [in a February 2020 study and found restrictive high-skilled immigration policies encouraged multinational companies to off-shore R&D efforts](#). As the Wharton economist explains, “From a nationalistic perspective, this is problematic; if skilled foreign-born workers are at a U.S. firm’s foreign affiliate instead of in the U.S., the innovative spillovers that they generate will go to another country instead.” The [National Science Foundation's 2020 reports](#) show that the U.S. performs one-quarter of global STEM R&D, the largest percentage for any single nation; that STEM R&D performed in the U.S. increased sharply in 2017, up 10% when compared to 2015 and 34% higher than 2010; that 73% of all development research in the U.S. is performed by private sector businesses; and that U.S. multinational firms are responsible for 80% of such private R&D in the U.S. Changing long-standing immigration policies risks many unintended consequences, including disruption of these positive trends.

**H-1B.** Temporarily or indefinitely eliminating or reducing the H-1B program or discouraging its use would not create or leave more jobs for U.S. natives *and* would risk reducing growth and productivity. The [University of Chicago did a survey in February 2017 through its Initiative on Global Markets](#) (IGM Forum), asking its panel of economists from Yale, MIT, Princeton, Berkeley, Harvard, and Stanford about the following premise: “If the U.S. significantly lowers the number of H-1B visas now, employment for American workers will rise materially over the next four years.” None (0) of the economists agreed with the premise, 81% disagreed, 19% were

uncertain. A [May 2017 economic study on firm dynamics and immigration](#) found that completely eliminating the H-1B category would ultimately result in a 3.7% decrease in GDP. An [August 2018 economic study on the relationship between H-1B visa petitions and the entry of new products and exit of outdated products](#) (product reallocation) concluded that firm-level analysis shows H-1B visa petitions are associated with higher rates of product reallocation. Generating product reallocation is one measure to identify where smaller, incremental innovations are occurring. In a seminal economic evaluation of H-1B visas and productivity in 219 American cities, [published in the Journal of Labor Economics in July 2015](#), economists concluded that their simulations showed an increase of H-1B visa holders in a city explained increased productivity. Specifically, the economists found that “foreign STEM growth explained between one-third and one-half of the average Total Factor Productivity growth during the period” 1990 to 2010. It seems the Trump administration should not initiate a realignment of the H-1B category to respond to a downturn in the economy, especially because history shows us that H-1B demand from employers is tightly connected to market forces.<sup>1</sup>

**OPT.** As the number of U.S. postsecondary STEM degrees attained by F-1 nonimmigrants has steadily grown, the Optional Practical Training (OPT) program, to include the STEM OPT extension, has correspondingly become a significant pipeline for the U.S. STEM workforce. [As explained by CRS in November 2019](#), from school year 88-89 (the earliest year for which annual data are available) to school year 16-17 (the most recent year for which data are available) there has been a 315% increase in STEM degrees awarded in the U.S. to foreign students, most of which is at the graduate level. When the Business Roundtable of American CEOs (BRT) partnered with the Interindustry Forecasting Project of the University of Maryland (Inforum) to assess the OPT program the [resulting December 2018 report showed a negative impact to the U.S. economy should OPT participation be reduced](#). The BRT-Inforum modeling showed, among other things, a loss of 443,000 jobs over a decade, including 225,000 jobs held by native-born workers. Relatedly, [an economist's study in March 2019](#), analyzing unemployment among STEM workers in 102 metro areas, concluded that unemployment rates are lower in areas with larger numbers of F-1 nonimmigrants doing OPT as a share of workers in STEM occupations. When [the Niskanen Center reported on its OPT research in March 2019](#) its data suggest that 10 additional OPT participants working in a core-based statistical area (CBSAs are aggregated metropolitan areas) leads to 5 additional patents originating in that CBSA. The economic risk of taking steps that might dilute the utility of OPT as a pipeline is further highlighted by a [policy brief from October 2018](#) that illustrated that 22% of America’s billion-dollar start-ups had at least one immigrant founder that first came to the U.S. as an international student.

**H-4.** Lastly, we draw attention to H-4 dependent spouses of the H-1B professionals we are sponsoring for green card status. These H-4 visa holders are permitted to work when they are waiting in long immigrant visa backlogs after the sponsoring employers have completed all legal hurdles to classify the H-1B professional as an immigrant. [Economists conducted a cost-benefit analysis in April 2019 on whether H-4 spousal work authorization rules should be rescinded](#), and found that rescinding the H-4 employment authorization regulation would cost the U.S. economy some \$7.5 billion including loss of employment for American workers employed by the 2% of H-4 workers that have started their own businesses and employ 5 workers on average. The same economists found that 66% of employed H-4 visa holders held a job in a core STEM field, another 16% in business, finance, or management, and another 8% were health care professionals or health care support workers.

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<sup>1</sup> The *only* three fiscal years *since FY1997* where cap-subject H-1B petitions did not exceed the numerical limit at some time prior to the end of the fiscal year were FY2000, 2001 and 2002, years for which Congress had temporarily increased the H-1B cap to 195,000 in response to the dotcom explosion. Because the new numbers became available only as the dotcom bubble burst, cap-subject H-1B filings in those three fiscal years were 163,600, 79,100, and 78,000 respectively – with decreasing numbers, well under the cap in each successive year. Similarly, following the 2008 great recession, H-1B filings were significantly down such that the numerical limits were *not* met in April (H-1B cap-subject filings are made in April for the government’s fiscal year beginning October 1 of that calendar year). The so-called “regular cap” of 65,000 H-1B petitions was met in December 2009, January 2011, November 2011, and June 2012 for, respectively, FY2010, 2011, 2012, and 2013. When the economy is stronger, numerical H-1B limits are met in April, as in calendar years 2008 and 2009 (for FY2009 and 2010) and calendar years 2014 to the present (for FY2015 to 2021).

## SIGNATORIES

1871 – Chicago’s Technology & Entrepreneurship Center  
ACE Physical Therapy and Sports Medicine Institute, Inc.  
Adex Medical Staffing, LLC  
Adobe  
Advanced Polymer Coatings  
airCFO  
Akamai Technologies  
Altair Global  
Amazon.com  
American First Finance Inc.  
American Immigration Lawyers Association  
Applied Value LLC  
APPS Solutions inc  
Arch Group LLC  
Argo AI, LLC  
Ariston Tek Inc  
Arizona Technology Council (AZTC)  
Asana  
Aspen Technology, Inc.  
Association of American Universities  
Association of Public and Land-Grant Universities  
Attentive  
Aulder Capital  
Aurora  
Avicenna Medical Systems, Inc.  
Avventis Tech Inc  
Axess North America  
Baslee Engineering Solutions (BES), Inc  
Bates White  
BBVA Digital Bank - San Francisco Rep Office  
Belcher Pharmaceuticals, LLC  
Benefit Resource, Inc.  
BIO-key International, Inc.  
BioBridge Global  
Biogen  
Biologique Recherche USA  
Bloom Energy  
Bloomberg  
Bluestone Lane  
Box, Inc.  
Brandinc US, Inc  
Briteskies, LLC  
BSA | The Software Alliance  
Business Roundtable  
Cadence Design Systems, Inc.  
California Technology Council (CTC)  
Carbon Health Technologies, Inc.  
Cardone Industries Inc  
censhare US Inc.  
Ceva Logistics  
Chatanooga Technology Council  
Chr. Hansen, Inc.  
Cisco Systems Inc.  
Citadel Drilling  
CivilTech Engineering, Inc.  
Clockwise Inc  
Colorado Technology Association (CTA)  
Complete Genomics  
Computer Measurement Group (CMG)  
Computing Technology Industry Association  
Connecticut Technology Council (CTC)  
Consonus Health  
Consumer Technology Association  
Contentsquare  
Credit Karma, Inc.  
CrowdSmart  
Cyclomedia Technology Inc.  
Dashlane  
Dedrone  
Deem, Inc.  
Dell Technologies  
Dematic  
Demon Oilfield Services Corp.  
Derakhshan Consulting LLC  
DMG MORI USA, Inc.  
DoorDash  
DotHouse Health  
Dr. Schar USA  
Dropbox  
DRS Engineering Inc.  
DTC Global Services LLC  
E.W. Howell Co., LLC  
E&M Electric and Machinery, Inc.  
Enanta Pharmaceuticals Inc  
Essence Corp  
ETS  
Facebook  
Far East Metals, Inc.  
Fast  
FEAM Maintenance/Engineering  
Finsight Group Inc  
FirstPass Global, Inc  
Fitesa Simponville Inc  
FlagshipKansas.Tech  
Forensic Fluids Laboratories  
ForgeRock, Inc.  
Fortress Engineering Ltd.  
Furniture Design Studios, Inc

Fusion Technologies Inc	KabanaSoft LLC
FWD.us	KC Tech Council
g2o, LLC	Khan Academy
Game Prophecies, Inc.	Kleiner Perkins
Garmin International, Inc.	Knoxville Technology Council
GCP Tech	Kolla Soft Inc
Genius Minds LLC	Kong Dragon Capital Investment
Getaround	Kongsberg Digital
GitHub	L'Oreal Travel Retail Americas, Inc.
Glamsquad	Laguro, Inc.
Global Business Alliance	LANXESS Corporation
Global Engine Maintenance LLC	Lilu, Inc.
GN Hearing Care	LinkedIn
Golden Technology, Inc	Louis Dreyfus Company LLC
Google, Inc.	LUCITO
Grandison Management	Lyft
Great Point Partners	Lynk Inc.
Greater Memphis IT Council	MachiningCloud Inc
Greater Nashville Technology Council	Madrona Venture Group
Green Village Concrete INC	MANN+HUMMEL Purolator Filters LLC
GreenShape LLC	Maryland Tech Council (MTC)
greight freight llc	Masimo Corporation
Harco Manufacturing Group, LLC.	Massachusetts Technology Leadership Council (MasTLC)
HBPO North America, Inc.	Matician Inc
Hennepin Healthcare System, Inc.	MBLM
Hewlett Packard Enterprise	McMillen Jacobs Associates
Himax Imaging	Medialocate, Inc
Hired	Medium
Hirsch Bedner Associates	Microbiologics
Horizon Hydraulics	Micron Technology, Inc.
HP Inc.	Microsoft Corporation
HUMAC INC.	Mid-America Technology Alliance
I&L Investments and Management, Inc.	Millbrook Revolutionary Engineering Inc
Idaho Tech Council (ITC)	Minnesota High Tech Association (MHTA)
Illinois Technology Association (ITA)	Mokuni LLC
iLogic inc	Montana High-Tech Business Alliance
Information Technology Industry Council	Monzlapur New York
InfoTech Resources	MUEngineers, Inc.
Insight Venture Management LLC	NAFSA: Association of International Educators
Instacart	NAM Info Inc
Institute of International Bankers	Nasdaq
Integrated Automation Systems, LLC	NationsBenefits LLC
Intel Corporation	NAVAC Inc.
Intuit	Netgear, Inc.
IPEX Global Inc	Nevada Technology Association
Isthmus Engineering, Inc	New American Economy
Jantzen Brands Corporation	New Jersey Tech Council (NJTC)
Juniper Networks	New Mexico Technology Council (NMTC)
Jyve Corporation	New York Tech Alliance

NH Tech Alliance  
 North Carolina Technology Association (NC TECH)  
 Northern Virginia Technology Council  
 Nova Credit Inc.  
 Novita Communications  
 Nuvia, Inc  
 NXP Semiconductors  
 Ohio IT Association  
 Okta  
 ON Semiconductor  
 OnSiteIQ Inc  
 Palm Beach Tech Association  
 PayPal  
 PEGRight  
 Philadelphia Alliance for Capital and Technologies (PACT)  
 Pirelli Tire LLC  
 Pittsburgh Technology Council  
 Postmates  
 PreciseLED.INC  
 Pronix  
 Propeller Health  
 PVH Corp (Phillips-Van Heusen Corporation)  
 Qnergy, Inc.  
 quadric.io Inc  
 Qualcomm, Inc.  
 R.H. Chen Engineering  
 Region Technologies Inc  
 Remedy Analytics, Inc.  
 Remitly  
 Ricoh Printing Systems America, Inc.  
 Roanoke-Blacksburg Technology Council  
 Roblox Corporation  
 Rollbar, Inc.  
 Salesforce  
 SAMSON Controls, Inc.  
 SAP  
 SEBA International LLC  
 SEDA Environmental  
 Segment.io, Inc.  
 Selldorf Architects  
 Selux Diagnostics  
 Semex USA, Inc.  
 Semiconductor Industry Association  
 Shielding Integrity Services Inc.  
 Sigma Software LLC  
 Silicon Valley Bank  
 Silicon Valley Leadership Group  
 Simulations Plus, Inc.  
 SK hynix memory solutions America  
 Slack Technologies  
 SLK America, Inc.  
 Society for Human Resource Management  
 SolarEdge Technologies  
 Solution BI US Corp.  
 Sony Corporation of America  
 SPACO-Inc  
 Spectrum Health System  
 Square  
 Starburst Accelerator LLC  
 Sterling Software, Inc.  
 Stoll America Knitting Machinery, Inc.  
 Sunsong North America, Inc.  
 TAG  
 Tamp Bay Tech  
 Taro Engineering LLC  
 TaskRabbit  
 TEAM Industries Inc.  
 Tech Association of South Carolina  
 Tech Birmingham  
 Tech Collective  
 Tech Council of Central Pennsylvania  
 Tech Rochester  
 Tech San Diego  
 Tech Titans  
 Tech:NYC  
 TechLauderdale  
 TechNet  
 TechNexus Venture Collaborative  
 Technology Association of Georgia (TAG)  
 Technology Association of Iowa (TAI)  
 Technology Association of Louisville Kentucky (TALK)  
 Technology Association of Oregon (TAO)  
 Technology Council of North Dakota  
 Technology Councils of America (TECNA)  
 TechPoint  
 Tekion  
 Texas BioMedical Research Institute  
 Texas Instruments  
 The Marskell Group, LLC  
 The Yes Platform, Inc.  
 TheraCare of New York Inc.  
 Thumbtack  
 Tillster, Inc.  
 Titan Data Group Inc.  
 Tomorrow Water  
 Top Notch Logworks Inc.  
 Tracker Corp  
 Tri Marine Fish Company, LLC  
 Trinity Health  
 Turbo Air, Inc.  
 Turo  
 Twitter

U.S. Chamber of Commerce  
Utah Technology Council  
V Plus O Communications  
VEB Solutions, Inc.  
Venture Home Solar LLC  
VigiLanz Corporation  
VMWare  
Voss USA Inc.  
Waymo  
Webber, LLC (a Ferroviaal company)  
West Coast Consulting  
Wi-Tronix, LLC  
Wisconsin Technology Council (WTC)  
Woodbridge Group  
Workday, Inc.  
World Fresh Produce Inc.  
Worldwide ERC  
WorldWide HealthStaff Solutions Ltd.  
Xero  
YOOBIC Inc.  
Zillow  
ZOLLER Inc  
Zoom Video Communications, Inc.  
Zymergen, Inc.