Hello KC Tech Council Members;

Yesterday (6/21/20), President Trump signed an executive order temporarily banning the use of several work visas, including H1B visas for high-skilled workers. While the administration has claimed this will open jobs for Americans, there is ample research (listed below) indicating this policy will have a negative impact on our economy and the tech industry, which is a vital industry leading the economic recovery from the coronavirus pandemic.

For the last several years, the KC Tech Council and our federal advocacy partners at TECNA (Tech Councils of North America), CompTIA, and TechNet have been actively supporting the H1B visa program (including several reforms to improve the program).

On May 21st, the KC Tech Council joined 324 other trade organizations and companies from a variety of industries and <u>sent this letter</u> to President Trump, Sec. Pompeo, Sec. Scalia, and Sec. Wolf - emphasizing the importance of a college-educated STEM workforce, and the importance of avoiding unnecessary churn, including nonimmigrants. Below is an excerpt from this letter highlighting the importance of the H1B visa program:

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 <u>University of Chicago did a survey in February 2017</u> 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 <u>May 2017 economic study on firm dynamics and immigration</u> found that completely eliminating the H-1B category would ultimately result in a 3.7% decrease in GDP.
- An <u>August 2018 economic study</u> 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 entry of new products and exit of outdated products (product reallocation) concluded that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.

Though we are disappointed to see the administration move forward with an executive order to ban these programs, we are communicating with our elected officials, and **now they need to hear from you**. Below is a list of contact information for the four Senate offices representing our region. Please consider calling and letting them know your stance on this issue.

In closing, I want to thank the KC Tech Council Policy Chair, Josh Maxfield - Associate General Counsel for Garmin, who shared the following statement:

"Garmin searches for top talent everywhere and that includes foreign-born engineers. Restricting non-immigrant visas limits Garmin and America from recruiting the top talent we need to stay competitive."

Thank you,

Ryan Weber

President & CEO | KC Tech Council

Kansas Senate Offices:

- Senator Jerry Moran | 202-224-6521
- Senator Pat Roberts | 202-224-4774

Missouri Senate Offices:

- Senator Roy Blunt | 202-224-5721
- Senator Josh Hawley | 202-224-6154