

Raising H-1B cap: It's a split House in US

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NEW DELHI: Even though the Senate has approved the Deficit Reduction Omnibus Bill Reconciliation Act of '05 in a 52-47 vote, it is still too early to celebrate an increase in the number of H-1B visas and green cards on offer. The US House of Representatives will now have to pass their version of the budget reconciliation bill — Deficit Reduction Act of '05, which is different in its proposals from the one approved by the Senate.

After this, both the Senate and the House of Representatives' version of the bill will have to be reconciled, which means that one common bill will have to be prepared before it can be sent to the US President for sanction. Negotiations in arriving at this common bill may affect some of the immigration-related provisions. The reconciliation process will provide, both pro-immigration and anti-immigration groups to lobby with lawmakers.

Last week on Thursday, the House of Representatives budget committee passed the Deficit Reduction Act of '05 by a vote of 21 to 17. The House of Representatives version of the Act has not recommended any increase in H-1B visas or green cards. It has instead proposed that the fee for the L-1 visa be increased to \$1500. The Act will be taken up for vote by a full house this week.

After the House of Representatives approves its deficit reduction bill, work will begin on reconciling the two versions. Experts say that the divergence in the two reconciliation bills is bound to make the task of arriving at a single bill to send to the President a contentious one.

As far as the immigration related changes are concerned, it must be remembered that the primary purpose of the current legislative exercise is to reduce deficit. The US Congress had mandated a \$300m five-year saving target ('06-10) as part of the fiscal '06 budget resolution. The judiciary committees of both the Senate and House of Representatives were charged with submitting recommendations that would help meet this target.

The US Senate's proposal included an increase in the annual cap of skilled worker non-immigrant (H-1B) visas from 65,000 to 90,000, re-issue of unused employment based immigration visas, exemption of dependants of applicants for the employment-based visa from the annual numbers, as well as increase in visa application fee. An additional levy of \$500 for certain employment-based immigration visas, \$500 increase in the H-1B visa fee, \$750 for intra-company or L-1 visa. These measures are expected to bring in \$113m in '06, and \$565m in the five-year period, thereby far exceeding the Congress mandated savings.

The US House of Representatives on the other hand, have not increased the number of visas on offer to bring in additional revenues.

Instead what will be put to vote is an increase in L-1 visa fee to \$1500. This measure would bring in \$80m in '06, and result in a \$500m in the five-year period between '06 and '10. However, the House judiciary committee has also authorised several new judgeships. As a result, the savings in '06 would be \$76m and between '06-10 it would be \$428m.

The other consideration will be the fact that many lawmakers, despite having pro-immigration voting records, have objected to the manner in which the Senate judiciary committee introduced what will be tantamount to major immigration policy changes.

