dioxin—one of the most toxic chemicals known. PCBs accumulate in the environment and move toward the top of the food chain, contaminating fish, birds, and ultimately humans.

The language originally included in Section 321 of the Senate bill, S. 2060, would have nullified over twenty years of sound environmental law and jeopardized the health and safety of Americans by allowing the DoD to import foreign-produced PCBs into the United States. This proposed change was never reviewed by the Commerce Committee, which has jurisdiction over TSCA. It is also important to note that current law already provided an exemption that allows the DoD to return PCB waste to the United States if the PCBs were manufactured in the United States, shipped to a foreign military base, have been continuously under U.S. control, and now need to be returned for disposal. This exemption ensures that any PCBs exported from the United States to one of our foreign military installations can be returned.

Mr. Speaker, I applaud the Chairman and Ranking Member for striking the Senate language and instead directing the DoD to submit a detailed report to Congress on the true size and scope of the PCB problem at our overseas military bases. I look forward to working with the National Security, Commerce, and Transportation & Infrastructure Committees to address this problem and I urge my colleagues to support the legislation.

Mr. SPENCE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SPENCE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 373, nays 50, not voting 11, as follows:

[Roll No. 458]

YEAS—373

Abercrombie	Berry	Burr
Ackerman	Bilbray	Buyer
Allen	Bilirakis	Callahan
Andrews	Bishop	Calvert
Archer	Blagojevich	Camp
Armey	Bliley	Canady
Bachus	Blunt	Cannon
Baesler	Boehlert	Capps
Baker	Boehner	Cardin
Baldacci	Bonilla	Carson
Ballenger	Bono	Castle
Barcia	Borski	Chabot
Barr	Boswell	Chambliss
Barrett (NE)	Boucher	Chenoweth
Barton	Boyd	Christensen
Bass	Brady (PA)	Clay
Bateman	Brown (CA)	Clayton
Becerra	Brown (FL)	Clement
Bentsen	Brown (OH)	Clyburn
Bereuter	Bryant	Coble
Berman	Bunning	Coburn
Collins	Hulshof	Pastor
Combest	Hunter	Paxon
Condit	Hutchinson	Pease
Cook	Hyde	Peterson (MN)
Cooksey	Inglis	Peterson (PA)
Costello	Istook	Pickering
Cox	Jackson-Lee (TX)	Pickett
Coyne	Jefferson	Pitts
Cramer	Jenkins	Pombo
Crane	John	Pomeroy
Crapo	Johnson (CT)	Porter
Cubin	Johnson (WI)	Portman
Cummings	Johnson, E.B.	Price (NC)
Cunningham	Jones	Quinn
Danner	Kanjorski	Radanovich
Davis (FL)	Kaptur	Rahall
Davis (VA)	Kasich	Ramstad
Deal	Kelly	Redmond
DeGette	Kennedy (MA)	Regula
DeLauro	Kennedy (RI)	Reyes
DeLay	Kildee	Riggs
Deutsch	Kilpatrick	Rodriguez
Diaz-Balart	Kim	Roemer
Dickey	King (NY)	Rogan
Dicks	Kingston	Rogers
Dingell	Kleczka	Ros-Lehtinen
Dixon	Klink	Rothman
Doggett	Knollenberg	Roukema
Dooley	Kolbe	Roybal-Allard
Doolittle	LaFalce	Royce
Doyle	LaHood	Ryun
Dreier	Lampson	Sabo
Duncan	Lantos	Salmon
Dunn	Largent	Sanchez
Edwards	Latham	Sandlin
Ehlers	LaTourette	Sanford
Emerson	Lazio	Sawyer
Engel	Leach	Saxton
English	Levin	Scarborough
Ensign	Lewis (CA)	Schaefer, Dan
Eshoo	Lewis (GA)	Schaffer, Bob
Etheridge	Lewis (KY)	Schumer
Evans	Linder	Scott
Everett	Lipinski	Serrano
Ewing	Livingston	Sessions
Farr	LoBiondo	Shadegg
Fattah	Lucas	Sherman
Fawell	Maloney (CT)	Shimkus
Fazio	Maloney (NY)	Shuster
Foley	Manton	Sisisky
Forbes	Manzullo	Skaggs
Ford	Markey	Skeen
Fossella	Martinez	Skelton
Fowler	Mascara	Slaughter
Fox	Matsui	Smith (MI)
Frank (MA)	McCarthy (MO)	Smith (NJ)
Frelinghuysen	McCarthy (NY)	Smith (OR)
Frost	McCollum	Smith (TX)
Gallegly	McCrery	Smith, Adam
Ganske	McDade	Smith, Linda
Gejdenson	McGovern	Snowbarger
Gekas	McHale	Snyder
Gephardt	McHugh	Solomon
Gibbons	McInnis	Souder
Gilchrest	McIntosh	Spence
Gillmor	McIntyre	Spratt
Gilman	McKeon	Stabenow
Gonzalez	McNulty	Stearns
Goodlatte	Meehan	Stenholm
Goodling	Meek (FL)	Stokes
Gordon	Menendez	Strickland
Graham	Metcalf	Stump
Granger	Mica	Stupak
Green	Millender-McDonald	Sununu
Greenwood	Miller (FL)	Talent
Gutknecht	Mink	Tanner
Hall (OH)	Moakley	Tauscher
Hall (TX)	Mollohan	Tauzin
Hamilton	Moran (KS)	Taylor (MS)
Hansen	Moran (VA)	Taylor (NC)
Harman	Murtha	Thomas
Hastert	Myrick	Thompson
Hastings (FL)	Neal	Thornberry
Hastings (WA)	Nethercutt	Thune
Hayworth	Neumann	Thurman
Hefley	Ney	Tiahrt
Hefner	Northup	Tierney
Herger	Norwood	Torres
Hill	Nussle	Towns
Hilleary	Olver	Traficant
Hilliard	Ortiz	Turner
Hinchey	Oxley	Upton
Hinojosa	Packard	Visclosky
Hobson	Pallone	Walsh
Holden	Pappas	Wamp
Horn	Parker	Waters
Hostettler	Pascrell	Watkins
Houghton	Pastor	Watt (NC)
Hoyer	Paxon	Watts (OK)
	Pease	Waxman
	Peterson (MN)	Weldon (FL)
	Peterson (PA)	Weldon (PA)
	Pickering	Weller
	Pickett	Wexler
	Pitts	Weygand
	Pombo	White
	Pomeroy	Whitfield
	Porter	Wicker
	Portman	Wilson
	Price (NC)	Wise
	Quinn	Wolf
	Radanovich	Wynn
	Rahall	Young (AK)
	Ramstad	Young (FL)
	Redmond	
	Regula	
	Reyes	
	Riggs	
	Rodriguez	
	Roemer	
	Rogan	
	Rogers	
	Ros-Lehtinen	
	Rothman	
	Roukema	
	Roybal-Allard	
	Royce	
	Ryun	
	Sabo	
	Salmon	
	Sanchez	
	Sandlin	
	Sanford	
	Sawyer	
	Saxton	
	Scarborough	
	Schaefer, Dan	
	Schaffer, Bob	
	Schumer	
	Scott	
	Serrano	
	Sessions	
	Shadegg	
	Sherman	
	Shimkus	
	Shuster	
	Sisisky	
	Skaggs	
	Skeen	
	Skelton	
	Slaughter	
	Smith (MI)	
	Smith (NJ)	
	Smith (OR)	
	Smith (TX)	
	Smith, Adam	
	Smith, Linda	
	Snowbarger	
	Snyder	
	Solomon	
	Souder	
	Spence	
	Spratt	
	Stabenow	
	Stearns	
	Stenholm	
	Stokes	
	Strickland	
	Stump	
	Stupak	
	Sununu	
	Talent	
	Tanner	
	Tauscher	
	Tauzin	
	Taylor (MS)	
	Taylor (NC)	
	Thomas	
	Thompson	
	Thornberry	
	Thune	
	Thurman	
	Tiahrt	
	Tierney	
	Torres	
	Towns	
	Traficant	
	Turner	
	Upton	
	Visclosky	
	Walsh	
	Wamp	
	Waters	
	Watkins	
	Watt (NC)	
	Watts (OK)	

NAYS—50

Barrett (WI)	Kind (WI)	Paul
Bartlett	Klug	Payne
Blumenauer	Kucinich	Pelosi
Bonior	Lee	Petri
Campbell	Lofgren	Rangel
Conyers	Lowey	Rivers
Davis (IL)	Luther	Rohrabacher
DeFazio	McDermott	Rush
Delahunt	McKinney	Sanders
Filner	Meeks (NY)	Sensenbrenner
Franks (NJ)	Miller (CA)	Shays
Furse	Minge	Stark
Goode	Morella	Velazquez
Gutierrez	Nadler	Vento
Hoekstra	Oberstar	Woolsey
Hooley	Obey	Yates
Jackson (IL)	Owens	

NOT VOTING—11

Aderholt	Goss	Pryce (OH)
Brady (TX)	Johnson, Sam	Riley
Burton	Kennelly	Shaw
Ehrlich	Poshard	

□ 1438

Mrs. LOWEY and Mr. JACKSON of Illinois changed their vote from ''yea'' to ''nay.''

Mr. FRANK of Massachusetts changed his vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RILEY. Mr. Speaker, I was unavoidably detained and was not present for rollcall No. 458. Had I been present, I would have voted ''yea.''

PERSONAL EXPLANATION

Mr. ADERHOLT. Mr. Speaker, on rollcall No. 458, I was unavoidably detained. Had I been present, I would have voted ''yea.''

PERSONAL EXPLANATION

Mr. SAM JOHNSON of Texas. Mr. Speaker, I was unavoidably detained on rollcall No. 458. I ask that the RECORD reflect, that had I been present, I would have voted ''yea.''

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WORKFORCE IMPROVEMENT AND PROTECTION ACT OF 1998

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 513 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 513

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3736) to amend the Immigration and Nationality Act to make changes relating to H–1B nonimmigrants. The bill shall be considered as read for amendment. In lieu of the amendment recommended by the Committee on the Judiciary now printed in the bill, the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 pursuant to clause 6 of rule XXIII shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary; (2) the further amendment printed in the Congressional Record and numbered 2 pursuant to clause 6 of rule XXIII, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from California (Mr. DREIER) is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my very dear friend, the gentelwoman from Fairport, NY, star of MS-NBC (Ms. SLAUGHTER) pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. DREIER asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. DREIER. Mr. Speaker, this rule makes in order H.R. 3736, the Workforce Improvement and Protection Act under a modified closed rule providing one hour of general debate divided equally between the chairman and ranking minority member of the Committee on the Judiciary. The rule waives all points of order against consideration in the House.

At the close of the debate on the rule, I will be offering an amendment to the rule to consider as adopted in lieu of the amendment recommended by the Committee on the Judiciary printed in the bill the amendment printed in the CONGRESSIONAL RECORD that is numbered 3. This amendment consists of the text of the compromise agreed to last night by the Senator from Michigan (Mr. ABRAHAM) who has worked tirelessly on this issue, the Clinton administration, and the gentleman from Texas (Mr. SMITH) chairman of the Subcommittee on Immigration who has been a great friend and a very sincere champion of immigration reform.

Additionally, Mr. Speaker, the rule makes in order the amendment printed in the CONGRESSIONAL RECORD numbered 2 to be offered by the gentleman from North Carolina (Mr. WATT) which will be in order without the intervention of any point of order and will be debatable for one hour equally divided and controlled by the proponent and an opponent.

□ 1445

Mr. Speaker, America's high tech explosion has been one of the truly inspiring stories of the last 2 decades. Brand names that were barely heard of 2 decades ago are now recognized not only here in the United States but all around the globe. Whole new private sector industries have expanded to the point where millions of American families enjoy their standard of living because of the jobs that they create.

In my State of California, Mr. Speaker, cutting edge industries that develop technology and sell it in every major world market have transformed a depressed, defense-based economy to a vibrant technology- and export-based economy.

The driving force behind these cutting edge industries and job-creating technologies is simple. It is the energy, brain power and perseverance of skilled people. Mr. Speaker, the fundamental concept behind this bill is that skilled people create jobs, they do not take up jobs.

California wins when talented, energetic people come to the State to build companies and create jobs. It does not matter whether those skilled people come from New York, Missouri or Montreal; California wins. This bill will help create more jobs in California and the rest of the country by insuring that more skilled workers can come here to help strong private sector businesses prosper.

Mr. Speaker, the companies that take advantage of skilled workers that temporarily enter the country from abroad do more than just create more good jobs here. The technological advances that they pioneer are felt throughout the country as better and less expensive consumer products, reduced production costs, increased efficiency, better wages and a higher standard of living for all Americans. Everyone loses when the private sector is denied access to skilled people.

Mr. Speaker, the compromise crafted through intense bipartisan negotiations over the past 2 weeks addresses the very legitimate concerns raised about the actions of a tiny minority of companies that abuse the H1B program, using it in a way that was never intended by the proponents of this valuable program. In addition to the current requirement that H1B workers be paid the same as American employees in similar positions, and I underscore that once again, Mr. Speaker, the requirement that H1B workers be paid the same as American employees in similar positions and previously agreed-to changes that would allow the Department of Labor to audit many companies which use H1B workers to ensure that they are recruiting American workers and not replacing them with foreign workers, today's compromise inserts additional requirements as well.

Companies that hire a significant number of H1B workers will be subjected to unprecedented scrutiny by the Department of Labor to ensure that they are making efforts to recruit American workers and that H1Bs are not taking jobs from Americans. Mr. Speaker, a fee of $500 per application will also be charged companies that seek to use H1B workers, with the revenues being used to fund math and science scholarships, to retrain displaced workers and to permit the Department of Labor to police the program.

Now it is an unfortunate reality, Mr. Speaker, but a reality all the same, that our education system is not producing enough skilled workers to meet the needs of many industries. Half of the students graduating from American universities with doctorates in science, math and computer programming are foreign-born students. It is a sad fact that 70 percent of American high tech companies claim a shortage of skilled workers as the leading barrier to their growth. This is a long-term national problem, and nothing we do here reduces the importance of dramatically improving education and training. We have much work to do on that account.

Mr. Speaker, it is always a pleasure to be able to present the House an opportunity to enact bipartisan legislation that will benefit our economy and create jobs. The Workforce Improvement and Protection Act highlights the very best of the role immigration plays in our national economy, injecting the vibrancy of skilled and energetic people. Not only do the vast majority of immigrants work hard, support their families and pay taxes, but some turn out to be like one named Andy Grove. He came to this country and, using his brain and his heart, made the Intel Corporation what it is today, a world leader in technology that has created thousands of jobs for Americans and thousands of products for American families.

Mr. Speaker, this is a very, very good compromise worked out among all the parties, including both the Senate, the House and the administration.

I urge adoption of both the rule and the bill.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from California for yielding me the customary 30 minutes.

Mr. Speaker, I will not actively oppose this rule. The agreement that has

been crafted with the administration addresses some of the concerns my colleagues and I have with the underlying bill, but I do have concerns about how we arrived at this rule.

The process we adopted seems to abolish as irrelevant the committee process in the House of Representatives. This rule throws out the crafted consensus bill reported by the Committee on the Judiciary by a 23 to 4 vote; that is right, a 23 to 4 vote. The Committee on the Judiciary Subcommittee on Immigration and Claims heard from a variety of witnesses at its April hearing, including representatives from affected businesses, academia, labor unions and the Labor Department. At its markup, the subcommittee reported the bill by voice vote.

The full Committee on the Judiciary, working in bipartisan cooperation, fully considered the bill, adopting 11 amendments by voice vote. The committee report included a letter from the White House commending the committee-reported bill as a good basis for fine tuning final legislation that the administration could support. One might have thought that the legislative process had worked, producing a bill that addresses a problem and it could be enacted into law.

But last July, when the Committee on Rules first considered this rule, the Committee on Rules majority decided that the work of the Committee on the Judiciary, reported by a 23 to 4 margin, could be discarded at its whim. The Committee on Rules majority appropriated to itself the right to substitute a wholly different bill, drafted in secret, without the benefit of hearings or the expertise of the authorizing committee.

Unfortunately, this circumvention of the committee process is becoming a bad habit. Last month, we voted on a health care bill which no committee considered, and it had no chance of being enacted into law. Last week, we considered important bills to fight drug use that no committee had considered, marked up or reported.

And why should the American public care? Is this just inside baseball, irrelevant to the final legislative product? No. Far too often, the Congress has hastily passed ill-considered legislation that had many unforeseen consequences.

As I noted, the majority in the Committee on the Judiciary have reached an agreement with the White House that will allow this bill to be signed into law. The agreement was reached last night, although few of us and almost probably none of us have any idea what it is, and none of us have had the opportunity to examine it.

The Committee on the Judiciary-reported bill should have been brought to the House floor in regular order under an open rule. Unfortunately, that is not the circumstances in which we find ourselves. I register my objection.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield 2½ minutes to the gentleman from Morris, Illinois (Mr. WELLER), a valued member of the Committee on Ways and Means.

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, I rise in support of this rule, and I rise in support of this compromise.

Mr. Speaker, one thing that I am very proud of, of course, I represent the South Side of Chicago and the south suburbs, and that is the Chicago region ranks fourth today in high tech. We often think of Silicon Valley and the Boston corridor and Seattle, but the Chicago region is home to over 3,000 information and high tech corporations that are growing and, of course, creating new jobs in the Chicago region.

One lesson that we have all learned, though, as high tech jobs grow, as this new industry of the 21st century grows, that we have also learned that there is a shortage of skilled workers who have the computer skills to fill the jobs that are now made available. In fact, there are 340,000 jobs, it is estimated, that went unfilled this past year because of lack of computer skills in the workforce, and that is an issue that we have got to address long term as we work to give computer and Internet access to our schools throughout this Nation. But, short term, we need to solve this problem; and this compromise worked out between the administration and this House of Representatives and the Senate solves the problem; and that is why I stand in support of it.

Think about it. Information technology is our future. It is estimated there is 130,000 information technology jobs created in the past year. Over the next 10 years, we expect to create 1.3 million new jobs, and it is important to my home State of Illinois.

In 1995, information technology created 189,000 jobs for the people of Illinois, generating $8.5 billion in annual wages. The average industry wage is $45,000. The average private sector wage is only $30,000. These are good-paying jobs, and it is a great opportunity for young people to know that there is a future in high technology.

We need to win this fight. If we do not find a way to fill these jobs, we are going to lose out. If we want to compete globally, we have to fill these jobs with qualified workers. This legislation, which provides H–1B visas, raises the caps, will help us fill those positions as we work to prepare more Americans to fill these jobs in the future.

I am also proud this compromise between the White House and this Congress also increases protection for American workers. It is a good compromise. It is common sense. That is how this process should work. We protect workers giving the opportunity for our industry to grow and create new jobs, and I am proud that Chicago and the Chicago region, which ranks fourth in high technology, will be the winner when this legislation passes.

Again, I ask for bipartisan support.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. KLINK).

Mr. KLINK. Mr. Speaker, I thank the gentlewoman for yielding this time to me.

I always find it very interesting, the names of the bills that come before us during this Congress. I would venture, if we did not have the kind of protections we have in speech on the floor of the House, that we would be able to sue our colleagues on the other side of the aisle for false advertising.

Workforce Improvement and Protection Act, a bill that allows some of the best jobs in the high tech industry to go to foreign workers who we bring into this country under a special H–1B provision, while those very same companies have spent the last year laying off hundreds of thousands of American workers. And I hope that when we get into the general debate I will have the opportunity to cite specific companies and the number of thousands of American workers in the high tech field that they have been laying off.

Mr. Speaker, this is not about a lack of workers. It is about a lack of workers that are the cheapest to be found. It is about a lack of indentured servants that we can bring in from other nations who cannot complain because there is virtually no enforcement by the Department of Labor.

Now I understand under the bill that we are to take up today that we have increased some of the oversight by the Department of Labor, but the fact of the matter is that only the smallest percentage of companies using H–1B visas will be able to be scrutinized. Those will be the companies that are called H–1B dependents.

When I first began to talk about the problem with H–1Bs and this visa, a lot of people across America were calling my office, Mr. Speaker, and indeed some Members thought H–1B was some experimental aircraft. The fact of the matter is that this was a program that was developed back in 1990. The colleges and the universities and the high tech industries were coming to Congress saying, we are not educating enough people with PhDs and the kind of degrees to take these high tech jobs.

My question still is, if we are not educating them, those same educational institutions, those colleges and universities that are complaining to us, are at fault. They are the schools that are accepting the tuition money that is being earned and paid out by the hard-working people of this country, and then they are not educating those students to take the jobs of tomorrow.

And to my friends on the minority side I will say at the same time that they are attempting to eliminate the Department of Education, eliminate the Department of Commerce, eliminate the Department of Labor who could monitor the needs of the work force and could help us train the workers for those skilled needs. Instead,

they are saying, let us raise the number up, let us raise the number of foreign workers that we are bringing in by 142,500, and that is what this rule does. That is what this bill does.

□ 1500

It says to the hard-working taxpayers across this country, ''Your kids are too stupid, your schools are too bad, and we are not going to do anything about it, except we are going to bring foreign workers in to take those good paying jobs. If you don't like it, we in Congress don't care.''

Because you bring this bill up today, no one has read it, no one knows what the provisions of this bill are. The White House worked this out. They did not talk to those of us in the House, except to advise us what the deal was that they had made. No one consulted us, no one asked us what we thought, what we needed. We were not a part of putting this legislation together.

I would say that the gentlewoman from the Committee on Rules, the gentlewoman from New York (Ms. SLAUGHTER), who yielded time to me, is absolutely right. We come here today blindly, not knowing what it is we are voting for. What are the specific protections in there? I defy one Member on either side to tell us exactly what that language is, because we have not had a chance to scrutinize it.

That is not the way the House of Representatives should work. Over 80 percent of the people in a Harris poll across this country, when asked if they favored the program, when the H–1B program was explained to them, over four out of five workers across this country, voters across this country, said they do not want to see an increase in this program.

We are defying that. We are flying in their face. This is not about building up a high-tech industry. This is about catering to high-tech industries, and a very formidable political voice, right before we have an election. If it is bipartisan, then both parties are guilty of doing it.

This is about giving away American jobs over the next three years. 147,500 additional foreign jobs are being given away. You can take my words and remember them, because two or three years from now, for those of you who vote for this rule, for those of you who vote for this bill, when your constituents by the tens of thousands tell you that they have been denied labor because the companies were waiting for H–1Bs, that their children have been denied, with those giant student loans, the ability to apply for those jobs because the companies want H–1Bs, go back and remember what it is we did today, and remember my words.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to respond to my very good friend from Pennsylvania.

Mr. Speaker, I would like to outline the details of the changes that have been made and say, first of all, in the area of education, 10,000 scholarships are going to be provided under this plan. There were very minor changes made in the compromise bill itself. Let me just go through those, if I may.

First of all, the amendment I am going to be offering, which is the compromise, extends the H–1B program three years, not four years. Companies will pay a $500 fee, as I said in my opening statement, to fund education, training and oversight. The fee had been half that in the original measure. Violators of H–1B rules will be banned for three years from the program, anyone who is violating it.

The compromise tightens up the small business exemption that is in the bill. The Department of Labor is authorized to do spot checks on companies which face any credible charges that have been leveled, and, along with the equivalent pay, which I mentioned again in my opening remarks, H–1B workers must get equivalent benefits.

So those are the changes made in the compromise.

Mr. KLINK. Mr. Speaker, will the gentleman yield?

Mr. DREIER. I yield to the gentleman from Pennsylvania.

Mr. KLINK. Mr. Speaker, we have not seen the specific language. That is my problem. I understand those things are in there. We have not had a chance to debate them.

Mr. DREIER. Mr. Speaker, reclaiming my time, it is in the CONGRESSIONAL RECORD. I have a copy of it right here. I am more than happy to provide it to my friend.

Mr. Speaker, I yield 3½ minutes to my friend, the gentleman from Huntington Beach, California (Mr. ROHRABACHER), who is very well guided in his strong support of the rule, but slightly misguided in his opposition to the compromise.

Mr. ROHRABACHER. Mr. Speaker, I rise today in support of the rule, but in strong opposition to H.R. 3736, a bill which would raise the annual number of high-tech jobs given to foreign workers.

Currently the INS issues 65,000 H–1B visas per year to highly skilled noncitizen technical workers. H.R. 3736, in response to high-tech industry's claim that there is a crisis in the shortage of trained American workers, would increase the H–1B cap to 115,000 jobs in 1999 and 2000, and 107,000 jobs the following year. That is over 200,000 jobs going to foreign workers.

Big business' claim that there is a worker shortage curiously comes at a time when our Nation's high-tech companies have laid off over 200,000 American employees, this year. The question is whether those Americans think there is a worker shortage crisis. And that does not even include, I might add, the tens of thousands of aerospace workers who have been laid off and are in need of training before they can get a job in these high-tech companies.

Mr. Speaker, let us be honest about H–1B and this issue. This is not about a shortage of qualified American workers; it is about pacifying a powerful big business interest who is trying to secure cheap foreign labor.

Mr. Speaker, whom do we represent? Working people who get laid off after having given their service to their industry and to their country are the people we should be most concerned about.

Instead of letting the market forces work and seeing the wages rise and the amount of money put into job training increase because there is a supply and demand issue here, instead of letting that market force work to the benefit of our own people, we are being asked to interfere with this market process so we can flood the market with people from overseas who are willing to work for less money. Whom do we care about? Whom do we represent if we are going to do this?

There are hundreds of thousands of workers from developing countries, indeed, that are willing to work for less. But the fact that they are importing them will take pressure off people to train our own people or to increase the wages of our people so those people will get their own training. The effect of this bill is to bring down the market wage for our high-tech workers.

It is called supply and demand. That is what we believe in. We Republicans especially are supposed to believe in that. It is not just supposed to work for the benefit of big companies; it is supposed to work for the benefit of all of our people. It will also reduce the incentives for companies to reeducate and retrain employees or unemployed Americans. It will provide an incentive for companies to lay off senior employees before they qualify for retirement or if they need health benefits, which people who get older need. Instead, it will bring on people who are from developing countries who are willing to work for a lot less and are a lot younger, and thus will not use the health care or the retirement benefits.

To whom are we loyal? Whom do we care about? We are supposed to care about the American people. American business, if they expect loyalty from their employees, have got to be loyal to their employees.

Mr. Speaker, I oppose H.R. 3736, while supporting the rule, because H–1B was a rotten idea to begin with, and it is a rotten compromise.

Ms. SLAUGHTER. Mr. Speaker, I yield 6½ minutes to the gentleman from New York (Mr. OWENS).

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, I would very much like to associate myself with the remarks of the previous speaker. This is a very important piece of legislation here, and one of the problems with the rule is that it cuts off debate and limits amendments that can be made on a very important job policy bill.

This is all about jobs. To the American people, I say wake up. These are

the jobs of right now and the jobs of the future. This is a problem of growth and prosperity, and we welcome it. We are discussing the jobs of today and the jobs that will be mushrooming in numbers in the future. Lots and lots of them will be created. Information technology workers; they are the workers of the future.

This is the wrong solution to the problem of shortages though. There are shortages. They are very real. But this solution sets the wrong precedent. If we go this way, we are going to find ourselves repeatedly increasing the quota and repeatedly raising the number of foreign workers who can come in from the outside and take jobs that should be here for American workers.

This bill is a negative job bill for American workers. Right now there are 65,000 foreign workers who fill up these kinds of jobs, who are in the country right now. What this bill proposes to do is this year increase it by 25,000 or 30,000 so we could have 90,000 this year. Then it is going to keep increasing, and by the year 2001 you will have 107,000 if they follow the formula that they have here.

But the likelihood is that if you set the precedent, if you start now, they are not going to follow this formula. You are going to have an amendment to increase it more next year, and still another amendment. Instead of doing what has to be done to guarantee that our own workers are trained properly and educated properly, that our own education policies are changed, so that our schools will begin to generate large numbers of people who can become information technology workers we will continue to raise the foreign worker quota.

65,000 now, then 90,000, then 107,000, that is only a small part of the problem. There are going to be many, many more jobs than that.

These numbers tell only a small part of the story. The Information Technology Association has done a survey that shows that right now there are about 300,000 vacancies, 300,000 right now, in information technology workers. The Department of Labor estimates that in five years we will have 1.5 million vacancies. These are vacancies that they compute after they take into consideration the number of youngsters who are in college majoring in computer science, math and other kinds of programs that will allow them to fill up the jobs. Even after you get all of the graduates out of the schools and they take these jobs, you are still going to have at least 1.5 million vacancies in five years, if you do not do anything about it.

What can we do about it? We must find ways to fill these jobs which are more substantial than what we are doing here. What we are doing here is opening the spigot so that massive numbers of foreign workers will keep coming in.

By the way, they pay foreign workers less, so this is highly desirable for industry. The pattern is they generally pay them less.

We need a program and set of policies that train American workers, starting with technology in our own schools. We need a pool, a supply of people to draw from, people who come through the schools and have been exposed to enough computer training to want to go on to junior college.

By the way, you can get some jobs after you come out of high school. You can get an A–1 certification for Microsoft just with a high school diploma and you can go out and earn $35,000 to $40,000 a year just coming out of high school. That is the kind of jobs we are talking about. But those who go on to junior college will get higher paying jobs, those who go to college and get computer programming degrees will get even more, can get $100,000 after they have been working for three or four years.

We are talking about a lucrative field that is likely to keep growing, so we want to have in our schools technology, as the President called for. We want to support the E-rate. There is a direct relationship between the people who are opposing the E-rate right now. E-rate, by the way, guarantees schools will be able to have telecommunications services at a discount. It allows some schools that could not afford to link their computers up with the Internet and have those services, to have them by giving as much as a 90 percent discount to the poorest schools.

The E-rate is being opposed now by some of these same companies. Many of the same companies that are bringing in the foreign workers are opposing the E-rate, which would allow us to have our schools prepared to educate a larger body of people who can take these jobs as American citizens. So we need to support the E-rate. We need to deal with the problem of school construction funding, which does not allow certain schools to be wired because they are too old and you need to renovate them or build new schools.

We need store front computer training centers, not only to allow youngsters from poor neighborhoods to be able to go in at night when the schools are closed down and get some practice, but also all these workers that are being laid off.

I want to say we have proposed, I proposed in the higher education legislation, an amendment which would allow colleges to combine with communities and set up store front training centers which will begin to deal with this problem. We need many innovative approaches.

Why is Bangalore, India, considered the computer programming capital of the world? Why are most of the workers who will be brought in under this program coming from India? Because India decided a long time ago, they had the vision and wisdom, to have first rate computer training programs in their schools. Bangalore in particular, developed first rate computer training programs. So they have large pools of people who are feeding the computer systems of all of the English speaking world. They speak English, so that is another advantage.

So we need policies that revamp our education system in order to produce the workers who can take these jobs. We do not need any more patchwork, easy answers for the big industries. They get lower paid workers and they get an unlimited flood of them without having to contribute to the effort here in America to educate our own citizens.

These are the jobs of the future. Wake up. These are the jobs of the future. If we give them away now, we will never be able to get them back.

☐ 1515

Mr. DREIER. Mr. Speaker, I am very pleased to yield 3 minutes to my good friend, the gentleman from Del Mar, California (Mr. CUNNINGHAM), who has a great understanding and grasp of this issue. We are all very, very happy to see him back, healthy and raring to go.

Mr. CUNNINGHAM. Mr. Speaker, I thank the gentleman from California for yielding time to me.

Mr. Speaker, the United States of America is the envy, I think, of the whole world on our high-tech accomplishments and our industries. Take a look at our biotech industry. Look at QualComm all over the world. Look at our health care. Look at our universities in health care. Look at the supercomputers that San Diego and other schools have. We need to keep that going.

My nephew had a full scholarship to MIT. His fiance is finishing up her Ph.D. in biotech at the age of 27. Their future is set because of the shortages that we have in the technology field.

In San Diego we have a program that takes displaced aerospace workers and trains them in these high-tech fields. However, I would like to tell the Members that workers at a beginning entry level do not have the same productivity as someone that has a Ph.D. and experience in the field that could produce the jobs, the biotech, the health care remedies and those kinds of things that we need.

If we look at the aerospace industry, we are in a sine wave with jobs. At times there are high peaks, and right now we happen to be in low peak, and we need people to replace them. What this bill does is takes that valley and levels it off, and at the end of that valley we allow for the American worker to have priority over a foreign worker, and they are out. That is all we are trying to do.

Here is the challenge. Remember Jaime Escalante? He said, just because a child is a minority she is not any ledss capable than other children. I can teach that child math. The community thought he was nuts. The teachers thought he was nuts. The children thought he was crazy. Yet, he taught those kids math. Then the community rallied behind him.

That is what we need to do with the American education system. We need to invest in the public education system, through private and local initiatives. But at the same time, we cannot continue to only get about 50 cents on the dollar out of our Federal programs. That is why our Dollars to the Classrooms Act, getting 90 cents out of the dollar for classrooms, is very, very important. We need to invest in those kinds of things.

This bill is a balance for American workers and American jobs. When we take a look, we, the United States of America, are 15th of the industrialized nations in math and science. That is a crime in itself. Look at the D.C. schools. Children are graduating, and over 60 percent are functionally illiterate.

If we want a long-term solution, it is—and I agree with my friend, the gentleman from New York—it is education, and making sure that we have those effective kinds of programs. We do not do that in this country, to a large degree. Overall, we have a shortage in the field that we need to fill. This bill allows us to do that.

Are there problems with it? Yes. But I think it is a bipartisan agreement in most areas, and I support the rule and the bill.

Mr. Speaker, America's high-tech industry is the envy of the world. It powers our strong economy. And it is making our lives better.

Advanced technology requires people with advanced skills to keep these innovations coming. Our high-tech industry spends far more per worker on training and education than other industries do.

But the Commerce Department, the American Electronics Association, my local San Diego Chamber of Commerce, and many of the employers in my district—like Hewlett-Packard, Qualcomm, UCSD and others—all agree that there are not enough of these high-skill workers to go around.

Moreover, our colleagues and universities are not producing enough science and engineering graduates to meet demand. And of those graduates, a large percentage are non-U.S. nationals.

So what can we do?

First, America's schools must do better than last place among industrialized countries in math and science. Our ''Dollars to the Classrooms Act'' and other local initiatives will help meet that challenge. But it will take time.

Second, we should encourage more young people to pursue the high-tech field. Again, this will take a long time to bear fruit. But we can do it.

Third, we should adopt this legislation, H.R. 3736, the Workforce Improvement Act.

The Workforce Improvement Act temporarily increases the number of high-skill worker visas. It will help American employers address the current high-tech worker shortage, so they can strengthen America's economy, help create American jobs in America, and maintain our global leadership in technology and innovation.

The bill contains a reasonable balance of checks and balances—helping to keep the H-one-B visa program from being abused, while resisting the temptation to have the U.S. Department of Labor involved in every private hiring decision.

And the fees from this program will help pay for advanced American worker training and education.

This bill is not perfect. I would have preferred that the increase in H-one-B high skill worker visas was offset with a reduction in other visa categories. But the measure is a product of compromise. And on balance, it is in the national interest.

For American workers, American jobs, and a strong American future * * * support this important legislation, and oppose the Watt substitute and the motion to recommit.

Ms. SLAUGHTER. Mr. Speaker, I yield 4½ minutes to the gentleman from California (Mr. BROWN).

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I take some pleasure in the fact that I seem to share the same views as my distinguished colleague, the gentleman from California (Mr. ROHRABACHER) on this issue. I want to explain some of the reasons for that.

I want to address the primary argument put forth by supporters of this bill that a shortage exists of the workers needed to maintain American leadership in the information technology industries. As usual, anecdotes far outweigh hard evidence in the debate. I thought it might be useful to examine more closely the data that is available.

Determining a labor shortage is a fiendishly difficult exercise, even for labor economists. Defining the types of workers involved, where they get their education, the tasks employers want them to do, and the overall economic climate are just some of the items that go into the analysis. None of these factors remain static, and it is difficult to track them on a real-time basis. It is no wonder that John Bishop, the Chair of the Department of Human Resource Studies at Cornell, has warned us to be careful in adopting policies to address perceived shortages. This is not a policy that can be easily reversed.

We on the Committee on Science have specific experience about the damage we can do manipulating the labor market. At the beginning of this decade we were concerned about a shortfall of scientists and engineers. We gave new money to the National Science Foundation to get more people into the pipeline. By the time they finished their education and went out to the job market, there were not any jobs for them.

Those of us who have been here for a while may recall the billboard that read, and I quote, ''Will the last person leaving Seattle please turn out the lights,'' during the aerospace slump of the seventies. This is typical in the aerospace industry. Now the National Research Council is recommending that we sharply limit new entrants into the life sciences training programs, because there are so few places for graduates to go.

It has become almost sacred writ that there are 346,000 vacancies for information technology workers. I believe that we should treat this assertion with great skepticism. This number was derived from telephone surveys of companies in the field, but the response rate was just 36 percent of those chosen for sampling.

The gentleman from Michigan (Mr. DINGELL) and I asked the General Accounting Office for their views on the methodology that led to this result. GAO reported to us that they considered the response level too low to permit the results to reflect conditions across the country. GAO further noted that there was not enough information about the vacancies discussed in the study to answer some very important questions: How many of these vacancies are caused by normal turnover, and how long does it take a company to fill a job slot when it becomes empty?

IBM once looked at this particular issue a few years ago and discovered that at any one time it was normal to have some 5 percent of their jobs vacant. The surveys gave us no information on the salary levels of the vacancies, so we cannot know if the companies were offering competitive salaries or merely wishful thinking. The study itself warned that no one should infer that 346,000 jobs would be immediately ready to absorb 346,000 qualified candidates.

At this point, I would like to raise the supply side of the equation, because it is not getting much consideration in the debate. The Computing Research Association tells us that enrollments in computer sciences have grown 40 percent in each of the last 2 years. The Statistical Factbook for the University of California at San Bernadino in my district shows that declared majors in the Information and Decision Management Department have jumped from 22 in 1992 to 219 in 1997. Enrollment leaped from 28 to 143 just between 1993 and 1994. Dr. Walt Stewart, the department chair, told my staff that these numbers are low because they do not capture the students from other departments.

The American Association of Community Colleges reports strong increases in enrollments in programs for computer technology, software, and computer-assisted design. Our children are getting the message that there is an opportunity here. For us to make policy about demand while ignoring supply is guaranteed to get us into trouble.

My last point involves the current economic situation. Reports in the latest issues of The Economist and Business Week indicate that the high-tech sector is feeling strong pressure from the breakdown of Asian economies. There is severe overcapacity in the semiconductor business; Motorola has just decided to postpone building its new chip manufacturing plant in Virginia. Falling prices for PCs, while a boon for consumers, limit the profits their makers can earn. TIME reported this

week that China is contemplating a 30-percent devaluation of its currency early next year, a severe blow to recovery efforts in Japan, Korea, Indonesia, and Malaysia. Prosperity may be just around the corner. Prudence recommends that we do no harm in this volatile situation.

I intend to vote for the Watt-Berman-Klink substitute. I do so because it increases visa limits only through fiscal year 2000, thereby reducing the outyear effects on the labor market. I also believe that all companies who benefit from this public policy should be required to demonstrate that their resort to H–1Bs is driven by genuine need and not convenience. The substitute derives directly from Chairman LAMAR SMITH's bill that earned a bipartisan majority from the members of the Judiciary Committee. Support Watt-Berman-Klink.

Mr. DREIER. Mr. Speaker, I am happy to yield 3 minutes to my friend, the gentleman from Roanoke, Virginia (Mr. GOODLATTE), who is strongly supportive of the bipartisan compromise that has been worked out by the House, the Senate, and the administration.

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding time to me, and he is quite right.

Mr. Speaker, I rise in support of this rule and the compromise legislation offered by my good friend, the gentleman from Texas (Mr. SMITH), chairman of the Subcommittee on Immigration and Claims. This legislation is the product of extensive work and deliberation between the Committee on the Judiciary, the gentleman from Texas (Chairman SMITH), and the high-tech industry. I believe it represents an effective compromise that addresses the needs of the high-tech industry and also provides important and necessary protections for American workers.

Mr. Speaker, this country has a vested interest in ensuring that our policies encourage the continued growth of the booming high technology industry. The high-tech industry has contributed over 3 million jobs to the United States economy over the last 3 years. It has also accounted for over 27 percent of the growth in the gross national product.

The industry's ability to hire the best and brightest is essential if we are to remain the global leader in this emerging field. Unfortunately, there is currently an insufficient number of American workers available to fill many high technology positions. According to some reports, as many as 300,000 high technology jobs are unfilled due to a lack of qualified American workers in a tight labor market.

The current quota of 65,000 H–1B visas was reached months ago, leaving many companies without the resources they need to effectively operate and expand. If we do not responsively address this problem, we risk placing a strain on the expansion of the industry that could end up costing the American people countless jobs.

I have consistently worked to ensure our immigration policy is firm, fair, and effective. Immigration laws should not be used as a tool to provide sources of cheap labor, nor should they be used to deprive qualified American workers the opportunity to succeed in the marketplace. However, we are currently confronted with a skilled labor shortage.

Our response to this shortage should be targeted yet effective. We should not alter our fundamental commitment to maintain responsible and productive levels of immigration, but we should be willing to permit the necessary number of workers to enter temporarily to respond to the lack of qualified workers.

Mr. Speaker, every effort should be made to ensure that qualified American workers are not being laid off or passed over to hire foreign workers. This bill provides necessary protection for American workers. It also takes important steps to support the training of American workers, so we will remain effective and competitive in the future.

Furthermore, this is only a temporary measure. It will only increase the numbers until 2002, at which point the numbers will return to current levels. This is a temporary fix to address a problem that needs immediate attention.

Mr. Speaker, this is a responsible, reasonable, and necessary piece of legislation that is essential to the continued success of our booming high-tech industry and the millions of American jobs that it creates. I urge my colleagues to support this compromise and oppose the substitute offered by the gentleman from North Carolina.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentlewoman from New York for yielding time to me.

Mr. Speaker, what I would like to focus on is the unparalleled economic growth that we are currently experiencing and why. The principal reason we are doing as well as we are economically is attributable to the high technology sector. U.S. firms dominate the world market in both high-tech products and high-tech services. Over 3.3 million Americans are directly employed in high technology jobs.

But the work force shortage faced by the technology sector threatens our world dominance in the technology sector and our continued economic prosperity. Over the next 10 years the global economy is projected to grow at three times the rate of the U.S. economy. Basic high technology infrastructure needs in just 8 of the fastest growing countries are going to reach $1.6 trillion.

If the U.S. does not seize the opportunity to supply goods and services to these emerging markets, other countries will. But U.S. firms simply cannot compete if they do not have access to a highly-trained work force. There is no doubt that the quantity and even the quality of our current work force is failing to keep pace with the needs of the technology industry.

Some 10 percent of high technology jobs are now vacant. This is nearly 200,000 vacant jobs across the country. U.S. firms who cannot find enough domestic workers are sending more and more contracts overseas. In Northern Virginia, we have a vacancy rate of 19,000. Just pick up the Washington Post any Sunday and Members will see where those vacancies are.

We are in desperate need of more workers, and as a result, because we do not have the workers, we are sending jobs overseas, even to fulfill government contracts. We are going over to India, Ireland, and any number of other countries that are willing to meet our needs.

But does it not make more sense to pay an American worker here $60,000 a year than to send a job overseas, pay them maybe $16,000, but that money is spent in their economy? We are so much better off if these jobs and these salaries are spent in our U.S. economy. That is what we are trying to achieve.

Mr. Speaker, this bill is a substantial improvement. It increases the cap. It is going to enable us to better meet the needs, but it is not adequate. We still need to do more work.

☐ 1530

I must say, in terms of the training provision, that we cannot continue job training programs in the way that we have done them in the past. They need to be much more tied to industry. They need, in fact, to be industry driven.

Let the companies in the technology sector, particularly, get together, cooperate, contribute maybe a third of the money. Let the Federal Government contribute a third of the money. Let universities contribute. And with that consortia, let us make sure that the training that we do is going to be immediately met by job placement. We cannot afford to train just for the sake of training. We need to be putting people in the jobs that are available today.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentleman from Glendale, California (Mr. ROGAN), my very good friend who is a hard-working member of both the Committee on Commerce and the Committee on the Judiciary.

Mr. ROGAN. Mr. Speaker, I thank the gentleman from California (Mr. DREIER), my friend and neighbor, for yielding me this time.

Mr. Speaker, first, I want to commend the gentleman from Texas (Mr. SMITH) for his leadership on this issue. Over the past several months, he worked to achieve a compromise measure that will help both American businesses, universities and our workforce.

I also want to recognize the distinguished Senator from Michigan, Mr. ABRAHAM, for leading the negotiations with the administration on behalf of the Senate and the House leadership.

H–1B visas have played a crucial role in America's vibrant economy. During the past 3 years, the high-tech industry has contributed over 3.5 million jobs to the U.S. economy and has accounted for a 27 percent increase in our gross national product.

Human and intellectual capital fuel this industry, and a small but critical element of the high-tech workforce consists of foreign-born workers holding H–1B visas. H.R. 3736 will temporarily raise the annual cap on H–1B visas in order to lessen the shortage of high-tech workers.

As cochairman of the Speaker's High Technology Working Group, I recognize America's strong interest in ensuring that our policies encourage the continued growth of technology while promoting the strength of the national economy as a whole.

This is an issue of international competitiveness. Our ability to hire the best and the brightest is essential if America is to remain the global leader in technology. This compromise strikes an important balance between addressing the workforce needs of this industry and protecting the security of American workers.

This legislation creates a workable system where employers can temporarily obtain immigrant workers to fill high-tech jobs when there is a lack of qualified domestic workers. Further, this protects American workers from abuses such as being laid off or being replaced by a foreign worker, and it achieves this without creating a huge enforcement bureaucracy at the Department of Labor. This legislation also recognizes this as a short-term solution to the high technology worker shortage. The increased number of H–1B visas will sunset in 2002.

This bill provides further protections for American workers by targeting employers who are more likely to abuse the program. Additionally, this legislation supports long-term solutions to worker shortages by providing more job training programs and college scholarships for Americans in areas such as math, engineering and computer science.

Mr. Speaker, I urge my colleagues to support the rule that will bring forth legislation to support America's high-tech industry while securing and offering better jobs for Americans.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time. May I ask if my colleague has further requests?

Mr. DREIER. Mr. Speaker, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I would like to congratulate the gentlewoman and say that we have just completed with our last speaker, just as she has. So, obviously, this could not have been planned any better than it has.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would close by simply saying that I believe that this is an extraordinarily good compromise for a very, very important issue to address a telling need to ensure that we do not see companies that have been thriving forced to leave the United States of America for their survival, so that we can remain on the competitive edge. I urge support of it.

AMENDMENT OFFERED BY MR. DREIER

Mr. DREIER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DREIER:

At the end of the resolution add the following new section:

''SEC. 2. Notwithstanding any other provision of this resolution, the amendment in the nature of a substitute printed in the Congressional Record and numbered 3 pursuant to clause 6 of rule XXIII shall be considered as adopted in lieu of the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1.''

Mr. DREIER. Mr. Speaker, I will briefly take a moment to explain this amendment.

Mr. Speaker, this amendment simply provides that, upon the adoption of the resolution, the text of the administration-endorsed compromise that we have come to with the House and the Senate and the administration shall be considered as adopted.

I urge support of the resolution as well as the amendment.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the amendment offered by the gentleman from California (Mr. DREIER).

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

Mr. SMITH of Texas. Mr. Speaker, pursuant to House Resolution 513, I call up the bill (H.R. 3736) to amend the Immigration and Nationality Act to make changes relating to H–1B nonimmigrants, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 513, the bill is considered as having been read for amendment.

The text of H.R. 3736 is as follows:

H.R. 3736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Workforce Improvement and Protection Act of 1998''.

SEC. 2. TEMPORARY INCREASE IN SKILLED FOREIGN WORKERS.

Section 214(g) of the Immigration and Nationality Act (8 U.S.C. 1184(g)) is amended—

(1) by amending paragraph (1)(A) to read as follows:

'(A) under section 101(a)(15)(H)(i)(b), subject to paragraph (5), may not exceed—

'(i) 95,000 in fiscal year 1998;

'(ii) 105,000 in fiscal year 1999; and

'(iii) 115,000 in fiscal year 2000; or'; and

(2) by adding at the end the following:

'(5) In each of fiscal years 1999 and 2000, the total number of aliens described in section 212(a)(5)(C) who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) may not exceed 7,500.'.

SEC. 3. PROTECTION AGAINST DISPLACEMENT OF UNITED STATES WORKERS.

(a) IN GENERAL.—Section 212(n)(1) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)) is amended by inserting after subparagraph (D) the following:

'(E)(i) The employer has not laid off or otherwise displaced and will not lay off or otherwise displace, within the period beginning 6 months before and ending 90 days following the date of filing of the application or during the 90 days immediately preceding and following the date of filing of any visa petition supported by the application, any United States worker (as defined in paragraph (3)) (including a worker whose services are obtained by contract, employee leasing, temporary help agreement, or other similar means) who has substantially equivalent qualifications and experience in the specialty occupation, and in the area of employment, for which H–1B nonimmigrants are sought or in which they are employed.

'(ii) Except as provided in clause (iii), in the case of an employer that employs an H–1B nonimmigrant, the employer shall not place the nonimmigrant with another employer where—

'(i) the nonimmigrant performs his or her duties in whole or in part at one or more worksites owned, operated, or controlled by such other employer; and

'(II) there are indicia of an employment relationship between the nonimmigrant and such other employer.

'(iii) Clause (ii) shall not apply to an employer's placement of an H–1B nonimmigrant with another employer if the other employer has executed an attestation that it satisfies and will satisfy the conditions described in clause (i) during the period described in such clause.'.

(b) DEFINITIONS.—

(1) IN GENERAL.—Section 212(n) of the Immigration and Nationality Act (8 U.S.C. 1182(n)) is amended by adding at the end the following:

'(3) For purposes of this subsection:

'(A) The Term 'H–1B nonimmigrant' means an alien admitted or provided status as a nonimmigrant described in section 101(a)(15)(H)(i)(b).

'(B) The term 'lay off or otherwise displace', with respect to an employee—

'(i) means to cause the employee's loss of employment, other than through a discharge for cause, a voluntary departure, or a voluntary retirement; and

'(ii) does not include any situation in which employment is relocated to a different geographic area and the employee is offered a chance to move to the new location, with wages and benefits that are not less than those at the old location, but elects not to move to the new location.

'(C) The term 'United States worker' means—

'(i) a citizen or national of the United States;

'(ii) an alien lawfully admitted for permanent residence; or

'(iii) an alien authorized to be employed by this Act or by the Attorney General.'.

(2) CONFORMING AMENDMENTS.—Section 212(n)(1) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)) is amended by striking 'a nonimmigrant described in section 101(a)(15)(H)(i)(b)' each place such term appears and inserting 'an H–1B nonimmigrant'.

SEC. 4. RECRUITMENT OF UNITED STATES WORKERS PRIOR TO SEEKING NONIMMIGRANT WORKERS.

Section 212(n)(1) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)), as

amended by section 3, is further amended by inserting after subparagraph (E) the following:

'(F)(i) The employer, prior to filing the application, has taken, in good faith, timely and significant steps to recruit and retain sufficient United States workers in the specialty occupation for which H–1B nonimmigrants are sought. Such steps shall have included recruitment in the United States, using procedures that meet industry-wide standards and offering compensation that is at least as great as that required to be offered to H–1B nonimmigrants under subparagraph (A), and offering employment to any qualified United States worker who applies.

'(ii) The conditions described in clause (i) shall not apply to an employer with respect to the employment of an H–1B nonimmigrant who is described in subparagraph (A), (B), or (C) of section 203(b)(1).'.

SEC. 5. LIMITATION ON AUTHORITY TO INITIATE COMPLAINTS AND CONDUCT INVESTIGATIONS FOR NON-H–1B-DEPENDENT EMPLOYERS.

(a) IN GENERAL.—Section 212(n)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)(A)) is amended—

(1) in the second sentence, by striking the period at the end and inserting the following: ', except that the Secretary may only file such a complaint respecting an H–1B-dependent employer (as defined in paragraph (3)), and only if there appears to be a violation of an attestation or a misrepresentation of a material fact in an application.'; and

(2) by inserting after the second sentence the following: 'Except as provided in subparagraph (F) (relating to spot investigations during probationary period), no investigation or hearing shall be conducted with respect to an employer except in response to a complaint filed under the previous sentence.'.

(b) DEFINITIONS.—Section 212(n)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)), as added by section 3, is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (E), respectively;

(2) by inserting after 'purposes of this subsection:' the following:

'(A) The term 'H–1B-dependent employer' means an employer that—

'(i)(I) has fewer than 21 full-time equivalent employees who are employed in the United States, and (II) employs 4 or more H–1B nonimmigrants; or

'(ii)(I) has at least 21 but not more than 150 full-time equivalent employees who are employed in the United States; and (II) employs H–1B nonimmigrants in a number that is equal to at least 20 percent of the number of such full-time equivalent employees; or

'(iii)(I) has at least 151 full-time equivalent employees who are employed in the United States; and (II) employs H–1B nonimmigrants in a number that is equal to at least 15 percent of the number of such full-time equivalent employees.

In applying this subparagraph, any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as a single employer. Aliens employed under a petition for H–1B nonimmigrants shall be treated as employees, and counted as nonimmigrants under section 101(a)(15)(H)(i)(b) under this subparagraph.'; and

(3) by inserting after subparagraph (C) (as so redesignated) the following:

SEC. 6. INCREASED ENFORCEMENT AND PENALTIES.

(a) IN GENERAL.—Section 212(n)(2)(C) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)(C)) is amended to read as follows:

'(C)(i) If the Secretary finds, after notice and opportunity for a hearing, a failure to meet a condition of paragraph (1)(B) or (1)(E), a substantial failure to meet a condition of paragraph (1)(C), (1)(D), or (1)(F), or a misrepresentation of material fact in an application—

'(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed ($1,000 per violation) as the Secretary determines to be appropriate; and

'(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 1 year for aliens to be employed by the employer.

'(ii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1) or a willful misrepresentation of material fact in an application—

'(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $5,000 per violation) as the Secretary determines to be appropriate; and

'(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 1 year for aliens to be employed by the employer.

'(iii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1) or a willful misrepresentation of material fact in an application, in the course of which failure or misrepresentation the employer also has failed to meet a condition of paragraph (1)(E)—

'(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $25,000 per violation) as the Secretary determines to be appropriate; and

'(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 2 years for aliens to be employed by the employer.

(b) PLACEMENT OF H–1B NONIMMIGRANT WITH OTHER EMPLOYER.—Section 212(n)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)) is amended by adding at the end the following:

'(E) Under regulations of the Secretary, the previous provisions of this paragraph shall apply to a failure of an other employer to comply with an attestation described in paragraph (1)(E)(iii) in the same manner as they apply to a failure to comply with a condition described in paragraph (1)(E)(i).'.

(c) SPOT INVESTIGATIONS DURING PROBATIONARY PERIOD.—Section 212(n)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)), as amended by subsection (b), is further amended by adding at the end the following:

'(F) The Secretary may, on a case-by-case basis, subject an employer to random investigations for a period of up to 5 years, beginning on the date that the employer is found by the Secretary to have committed a willful failure to meet a condition of paragraph (1) or to have made a misrepresentation of material fact in an application. The preceding sentence shall apply to an employer regardless of whether the employer is an H–1B-dependent employer or a non-H–1B-dependent employer. The authority of the Secretary under this subparagraph shall not be construed to be subject to, or limited by, the requirements of subparagraph (A).'.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to applications filed with the Secretary of Labor on or after 30 days after the date of the enactment of this Act, except that the amendments made by section 2 shall apply to applications filed with such Secretary before, on, or after the date of the enactment of this Act.

The SPEAKER pro tempore. In lieu of the amendment printed in the bill, the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD numbered 3 is adopted.

The text of H.R. 3736, as amended by amendment No. 3 printed in the CONGRESSIONAL RECORD is as follows:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.

(a) SHORT TITLE.—This Act may be cited as the ''Temporary Access to Skilled Workers and H–1B Non-immigrant Program Improvement Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

(c) AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—Except as otherwise specifically provided in this Act, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to that section or other provision of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

TITLE I—PROVISIONS RELATING TO H–1B NONIMMIGRANTS

SEC. 101. TEMPORARY INCREASE IN ACCESS TO TEMPORARY SKILLED PERSONNEL UNDER H–1B PROGRAM.

(a) TEMPORARY INCREASE IN SKILLED NONIMMIGRANT WORKERS.—Paragraph (1)(A) of section 214(g) (8 U.S.C. 1184(g)) is amended to read as follows:

''(A) under section 101(a)(15)(H)(i)(b), may not exceed—

''(i) 65,000 in each fiscal year before fiscal year 1999;

''(ii) 115,000 in fiscal year 1999;

''(iii) 115,000 in fiscal year 2000;

''(iv) 107,500 in fiscal year 2001; and

''(v) 65,000 in each succeeding fiscal year; or''.

(b) EFFECTIVE DATES.—The amendment made by subsection (a) applies beginning with fiscal year 1998.

SEC. 102. PROTECTION AGAINST DISPLACEMENT OF UNITED STATES WORKERS IN CASE OF H–1B-DEPENDENT EMPLOYEES

(a) PROTECTION AGAINST LAYOFF AND REQUIREMENT FOR PRIOR RECRUITMENT OF UNITED STATES WORKERS.—

(1) ADDITIONAL STATEMENTS ON APPLICATION.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by inserting after subparagraph (D) the following:

''(E)(i) In the case of an application described in clause (ii), the employer did not displace and will not displace a United States worker (as defined in paragraph (4)) employed by the employer within the period beginning 90 days before and ending 90 days after the date of filing of any visa petition supported by the application.

''(ii) An application described in this clause is an application filed on or after the date final regulations are first promulgated to carry out this subparagraph, and before October 1, 2001, by an H–1B-dependent employer (as defined in paragraph (3)) or by an employer that has been found under paragraph (2)(C) or (5) to have committed a willful failure or misrepresentation on or after the date of the enactment of this subparagraph. An application is not described in this clause of the only H–1B non-immigrants sought in the application are exempt H–1B nonimmigrants.

''(F) In the case of an application described in subparagraph (E)(ii), the employer will not place the nonimmigrant with another employer (regardless of whether or not such other employer is an H–1B-dependent employer) where—

''(i) the nonimmigrant performs duties in whole or in part at one or more worksites owned, operated, or controlled by such other employer; and

''(ii) there are indicia of an employment relationship between the nonimmigrant and such other employer;

unless the employer has inquired of the other employer as to whether, and has no knowledge that, within the period beginning 90 days before and ending 90 days after the date of the placement of the nonimmigrant with the other employer, the other employer has displaced or intends to displace a United States worker employed by the other employer.

''(G)(i) In the case of an application described in subparagraph (E)(ii), subject to clause (ii), the employer, prior to filing the application—

''(I) has taken good faith steps to recruit, in the United States using procedures that meet industry-wide standards and offering compensation that is at least as great as that required to be offered to H–1B nonimmigrants under subparagraph (A), United States workers for the job for which the nonimmigrant or nonimmigrants is or are sought; and

''(II) has offered the job to any United States worker who applies and is equally or better qualified for the job for which the nonimmigrant or nonimmigrants is or are sought.

''(ii) The conditions described in clause (i) shall not apply to an application filed with respect to the employment of an H–1B nonimmigrant who is described in subparagraph (A), (B), or (C) of section 203(b)(1).''.

(2) NOTICE ON APPLICATION OF POTENTIAL LIABILITY OF PLACING EMPLOYERS.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by adding at the end the following: ''The application form shall include a clear statement explaining the liability under subparagraph (F) of a placing employer if the other employer described in such subparagraph displaces a United States worker as described in such subparagraph.''.

(3) CONSTRUCTION.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is further amended by adding at the end the following: ''Nothing in subparagraph (G) shall be construed to prohibit an employer from using legitimate selection criteria relevant to the job that are normal or customary to the type of job involved, so long as such criteria are not applied in a discriminatory manner.''.

(b) H–1B-DEPENDENT EMPLOYER AND OTHER DEFINITIONS.—

(1) IN GENERAL.—Section 212(n) (8 U.S.C. 1182(n)) is amended by adding at the end the following:

''(3)(A) For purposes of this subsection, the term 'H–1B-dependent employer' means an employer that—

''(i)(I) has 25 or fewer full-time equivalent employees who are employed in the United States; and (II) employs more than 7 H–1B nonimmigrants;

''(ii)(I) has at least 26 but not more than 50 full-time equivalent employees who are employed in the United States; and (II) employs more than 12 H–1B nonimmigrants; or

''(iii)(I) has at least 51 full-time equivalent employees who are employed in the United States; and (II) employs H–1B nonimmigrants in a number that is equal to at least 15 percent of the number of such full-time equivalent employees.

''(B) For purposes of this subsection—

''(i) the term 'exempt H–1B nonimmigrant' means an H–1B nonimmigrant who—

''(I) receives wages (including cash bonuses and similar compensation) at an annual rate equal to at least $60,000; or

''(II) has attained a master's or higher degree (or its equivalent) in a specialty related to the intended employment; and

''(ii) the term 'Nonexempt H–1B nonimmigrant' means an H–1B nonimmigrant who is not an exempt H–1B nonimmigrant.

''(C) For purposes of subparagraph (A)—

''(i) in computing the number of full-time equivalent employees and the number of H–1B nonimmigrants, exempt H–1B nonimmigrants shall not be taken into account during the longer of—

''(I) the 6–month period beginning on the date of the enactment of the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998; or

''(II) the period beginning on the date of the enactment of the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998 and ending on the date final regulations are issued to carry out this paragraph; and

''(ii) any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as a single employer.

''(4) For purposes of this subsection:

''(A) The term 'area of employment' means the area within normal commuting distance of the worksite or physical location where the work of the H–1B nonimmigrant is or will be performed. If such worksite or location is within a Metropolitan Statistical Area, any place within such area is deemed to be within the area of employment.

''(B) In the case of an application with respect to one or more H–1B nonimmigrants by an employer, the employer is considered to 'displace' a United States worker from a job if the employer lays off the worker from a job that is essentially the equivalent of the job for which the nonimmigrant or nonimmigrants is or are sought. A job shall not be considered to be essentially equivalent of another job unless it involves essentially the same responsibilities, was held by a United States worker with substantially equivalent qualifications and experience, and is located in the same area of employment as the other job.

''(C) The term 'H–1B nonimmigrant' means an alien admitted or provided status as a nonimmigrant described in section 101(a)(15)(H)(i)(b).

''(D) The term 'lays off', with respect to a worker—

''(i) means to cause the worker's loss of employment, other than through a discharge for inadequate performance, violation of workplace rules, cause, voluntary departure, voluntary retirement, or the expiration of a grant or contract (other than a temporary employment contract entered into in order to evade a condition described in subparagraph (E) or (F) of paragraph (1)); but

''(ii) does not include any situation in which the worker is offered, as an alternative to such loss of employment, a similar employment opportunity with the same employer (or, in the case of a placement of a worker with another employer under paragraph (1)(F), with either employer described in such paragraph) at equivalent or higher compensation and benefits than the position from which the employee was discharged, regardless of whether or not the employee accepts the offer.

''(E) The term 'United States worker' means an employee who—

''(i) is a citizen or national of the United States; or

''(ii) is an alien who is lawfully admitted for permanent residence, is admitted as a refugee under section 207, is granted asylum under section 208, or is an immigrant otherwise authorized, by this Act or by the Attorney General, to be employed.''.

''(2) CONFORMING AMENDMENTS.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by striking ''a nonimmigrant described in section 101(a)(15)(H)(i)(b)'' each place it appears and inserting ''an H–1B nonimmigrant''.

(c) IMPROVED POSTING OF NOTICE OF APPLICATION.—Section 212(n)(1)(C)(ii) (8 U.S.C. 1182(n)(1)(C)(ii)) is amended to read as follows:

''(ii) if there is no such bargaining representative, has provided notice of filing in the occupational classification through such methods as physical posting in conspicuous locations at the place of employment or electronic notification to employees in the occupational classification for which H–1B nonimmigrants are sought.''.

(d) REQUIREMENTS RELATING TO BENEFITS.—

(1) IN GENERAL.—Section 212(n)(1)(A) (8 U.S.C. 1182(n)(1)(A)) is amended—

(A) in clause (i), by striking ''and'' at the end;

(B) in clause (ii), by striking the period at the end and inserting '', and''; and

(C) by adding at the end the following:

''(iii) is offering and will offer to H–1B nonimmigrants, during the period of authorized employment, benefits and eligibility for benefits (including the opportunity to participate in health, life, disability, and other insurance plans; the opportunity to participate in retirement and savings plans; cash bonuses and noncash compensation, such as stock options (whether or not based on performance)) on the same basis, and in accordance with the same criteria, as the employer offers benefits and eligibility for benefits to United States workers.''.

(2) ORDERS TO PROVIDE BENEFITS.—Section 212(n)(2)(D) (8 U.S.C. 1182(n)(2)(D)) is amended—

(A) by inserting ''or has not provided benefits or eligibility for benefits as required under such paragraph,'' after ''required under paragraph (1),''; and

(B) by inserting ''or to provide such benefits or eligibility for benefits'' after ''amounts of back pay''.

(e) EFFECTIVE DATES.—The amendments made by subsections (a) and (c) apply to applications filed under section 212(n)(1) of the Immigration and Nationality Act on or after the date final regulations are issued to carry out such amendments, and the amendments made by subsection (b) take effect on the date of the enactment of this Act.

(f) REDUCTION OF PERIOD FOR PUBLIC COMMENT.—In first promulgating regulations to implement the amendments made by this section in a timely manner, the Secretary of Labor and the Attorney General may reduce to not less than 30 days the period of public comment on proposed regulations.

SEC. 103. CHANGES IN ENFORCEMENT AND PENALTIES.

(a) INCREASED ENFORCEMENT AND PENALTIES.—Section 212(n)(2)(C) (8 U.S.C. 1182(n)(20(C)) is amended to read as follows:

''(C)(i) If the Secretary finds, after notice and opportunity for a hearing, a failure to meet a condition of paragraph (1)(B), (1)(E), or (1)(F), a substantial failure to meet a condition of paragraph (1)(C), (1)(D), or (1)(G)(i)(I), or a misrepresentation of material fact in an application—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $1,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 of 214(c) during a period of at least 1 year for aliens to be employed by the employer.

''(ii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1), a willful misrepresentation of material fact in an application, or a violation of clause (iv)—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $5,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 2 years for aliens to be employed by the employer.

''(iii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1) or a willful misrepresentation of material fact in an application, in the course of which failure or misrepresentation the employer displaced a United States worker employed by the employer within the period beginning 90 days before and ending 90 days after the date of filing of any visa petition supported by the application—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $35,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 3 years for aliens to be employed by the employer.

''(iv) It is a violation of this clause for an employer who has filed an application under this subsection to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any other manner discriminate against an employee (which term, for purposes of this clause, includes a former employee and an applicant for employment) because the employee has disclosed information to the employer, or to any other persion, that the employee reasonably believes evidences a violation of this subsection, or any rule or regulation pertaining to this subsection, or because the employee cooperates or seeks to cooperate in an investigation or other proceeding concerning the employer's compliance with the requirements of this subsection or any rule or regulation pertaining to this subsection.

''(v) The Secretary of Labor and the Attorney General shall devise a process under which an H–1B nonimmigrant who files a complaint regarding a violation of clause (iv) and is otherwise eligible to remain and work in the United States may be allowed to seek other appropriate employment in the United States for a period (not to exceed the duration of the alien's authorized admission as such a nonimmigrant).

''(vi) It is a violation of this clause for an employer who has filed an application under this subsection to require an H–1B nonimmigrant to pay a penalty (as determined under State law) for ceasing employment with the employer prior to a date agreed to by the nonimmigrant and the employer. If the Secretary finds, after notice and opportunity for a hearing, that an employer has committed such a violation, the Secretary may impose a civil monetary penalty of $1,000 for each such violation and issue an administrative order requiring the return to the nonimmigrant of any amount required to be paid in violation of this clause, or, if the nonimmigrant cannot be located, requiring payment of any such amount to the general fund of the Treasury.''.

''(b) USE OF ARBITRATION PROCESS FOR DISPUTES INVOLVING QUALIFICATIONS OF UNITED STATES WORKERS NOT HIRED.—

(1) IN GENERAL.—Section 212(n) (8 U.S.C. 1182(n)), as amended by section 102(b), is further amended by adding at the end the following:

''(5)(A) This paragraph shall apply instead of subparagraphs (A) through (E) of paragraph (2) in the case of a violation described in subparagraph (B).

''(B) The Attorney General shall establish a process for the receipt, initial review, and disposition in accordance with this paragraph of complaints respecting an employer's failure to meet the condition of paragraph (1)(G)(i)(II) or a petitioner's misrepresentation of material facts with respect to such condition. Complaints may be filed by an aggrieved individual who has submitted a resume or otherwise applied in a reasonable manner for the job that is the subject of the condition. No proceeding shall be conducted under this paragraph on a complaint concerning such a failure or misrepresentation unless the Attorney General determines that the complaint was filed not later than 12 months after the date of the failure or misrepresentation, respectively.

''(C) If the Attorney General finds that a complaint has been filed in accordance with subparagraph (B) and there is reasonable cause to believe that such a failure or misrepresentation described in such complaint has occurred, the Attorney General shall initiate binding arbitration proceedings by requesting the Federal Mediation and Conciliation Service to appoint an arbitrator from the roster of arbitrators maintained by such Service. The procedure and rules of such Service shall be applicable to the selection of such arbitrator and to such arbitration proceedings. The Attorney General shall pay the fee and expenses of the arbitrator.

''(D)(i) The arbitrator shall make findings respecting whether a failure or misrepresentation described in subparagraph (B) occurred. If the arbitrator concludes that failure or misrepresentation was willful, the arbitrator shall make a finding to that effect. The arbitrator may not find such a failure or misrepresentation (or that such a failure or misrepresentation was willful) unless the complainant demonstrates such a failure or misrepresentation (or its willful character) by clear and convincing evidence. The arbitrator shall transmit the findings in the form of a written opinion to the parties to the arbitration and the Attorney General. Such findings shall be final and conclusive, and, except as provided in this subparagraph, no official or court of the United States shall have power or jurisdiction to review any such findings.

''(ii) The Attorney General may review and reverse or modify the findings of an arbitrator only on the same bases as an award of an arbitrator may be vacated or modified under section 10 or 11 of title 9, United States Code.

''(iii) With respect to the findings of an arbitrator, a court may review only the actions of the Attorney General under clause (ii) and may set aside such actions only on the grounds described in subparagraph (A), (B), or (C) of section 706(a)(2) of title 5, United States Code. Notwithstanding any other provision of law, such judicial review may only be brought in an appropriate United States court of appeals.

''(E) If the Attorney General receives a finding of an arbitrator under this paragraph that an employer has failed to meet the condition of paragraph (1)(G)(i)(II) or has misrepresented a material fact with respect to such condition, unless the Attorney General reverses or modifies the finding under subparagraph (D)(ii)—

''(i) the Attorney General may impose administrative remedies (including civil monetary penalties in an amount not to exceed $1,000 per violation or $5,000 per violation in the case of a willful failure or misrepresentation) as the Attorney General determines to be appropriate; and

''(ii) the Attorney General is authorized to not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of not more than 1 year for aliens to be employed by the employer.

''(F) The Attorney General shall not delegate, to any other employee or official of the Department of Justice, any function of the Attorney General under this paragraph, until 60 days after the Attorney General has submitted a plan for such delegation to the Committees on the Judiciary of the United States House of Representatives and the Senate with respect to such delegation.''.

(2) CONFORMING AMENDMENT.—The first sentence of section 212(n)(2)(A) (8 U.S.C. 1182(n)(2)(A)) is amended by striking ''The Secretary'' and inserting ''Subject to paragraph (5)(A), the Secretary''.

(c) LIABILITY OF PETITIONING EMPLOYER IN CASE OF PLACEMENT OF H–1B NONIMMIGRANT WITH ANOTHER EMPLOYER.—Section 212(n)(2) (8 U.S.C. 1182(n)(2)) is amended by adding at the end the following:

''(E) If an H–1B-dependent employer places a nonexempt H–1B nonimmigrant with another employer as provided under paragraph (1)(F) and the other employer has displaced or displaces a United States worker employed by such other employer during the period described in such paragraph, such displacement shall be considered for purposes of this paragraph a failure, by the placing employer, to meet a condition specified in an application submitted under paragraph (1); except that the Attorney General may impose a sanction described in subclause (II) of subparagraph (C)(i), (C)(ii), or (C)(iii) only if the Secretary of Labor found that such placing employer—

''(i) knew or had reason to know of such displacement at the time of the placement of

the nonimmigrant with the other employer; or

''(ii) has been subject to a sanction under this subparagraph based upon a previous placement of an H–1B nonimmigrant with the same other employer.''.

(d) SPOT INVESTIGATIONS DURING PROBATIONARY PERIOD.—Section 212(n)(2) (8 U.S.C. 1182(n)(2)), as amended by subsection (c), is further amended by adding at the end the following:

''(F) The Secretary may, on a case-by-case basis, subject an employer to random investigations for a period of up to 5 years, beginning on the date that the employer is found by the Secretary to have committed a willful failure to meet a condition of paragraph (1) (or has been found under paragraph (5) to have committed a willful failure to meet the condition of paragraph (1)(G)(i)(II)) or to have made a willful misrepresentation of material fact in an application. The preceding sentence shall apply to an employer regardless of whether or not the employer is an H–1B-dependent employer. The authority of the Secretary under this subparagraph shall not be construed to be subject to, or limited by, the requirements of subparagraph (A).''.

(e) INVESTIGATIVE AUTHORITY.—Section 212(n)(2) (8 U.S.C. §1182(n)(2) is further amended by adding at the end the following:

(G)(i) If the Secretary receives specific, credible information, from a source likely to have knowledge of an employer's practices, employment conditions or compliance with the employer's labor condition application whose identity is known to the Secretary, that provides reasonable cause to believe that an employer has committed a willful failure to meet a condition of paragraph (1)(A), (1)(B), (1)(E), (1)(F), or (1)(G)(i)(I), a pattern and practice of failures to meet the [aforementioned conditions], or a substantial failure to meet the [aforementioned conditions] that affects multiple employees, the Secretary may conduct a 30 day investigation of these allegations, provided that the Secretary personally (or the Acting Secretary in the case of the Secretary's absence or disability) certifies that the requirements for conducting such an investigation have been met and approves commencement of the investigation. At the request of the source, the Secretary may withhold the identity of the source from the employer, and the source's identity shall not be disclosable pursuant to a Freedom of Information Act request.

''(ii) The Secretary shall establish a procedure for any individual who provides the information to DOL that constitutes part of the basis for the commencement of an investigation on the basis described above to provide that information in writing on a form that the Department will provide to be completed by, or on behalf of, the individual.

''(iii) It shall be the policy of the Secretary to provide to the employer notice of the potential initiation of an investigation of an alleged violation under the authority granted in this [] with sufficient specificity to allow the employer to respond before the investigation is actually initiated unless in the Secretary's judgment such notice would interfere with efforts to secure compliance.

''(iv) Nothing in this section shall authorize the Secretary to initiate or approve the initiation of an investigation without the receipt of information from a person or persons not employed by the Department of Labor that provides the reasonable cause required by this section. The receipt of the l.c.a. and other materials the employer is required in order to obtain an H–1B visa shall not constitute ''receipt of information'' for purposes of satisfying this requirement.''.

SEC. 104. COLLECTION AND USE OF H–1B NONIMMIGRANT FEES FOR SCHOLARSHIPS FOR LOW-INCOME MATH, ENGINEERING, AND COMPUTER SCIENCE STUDENTS AND JOB TRAINING OF UNITED STATES WORKERS.

(a) IMPOSITION OF FEE.—Section 214(c) (8 U.S.C. 1184(c)) is amended by adding at the end the following:

''(9)(A) The Attorney General shall impose a fee on an employer (excluding an employer described in subparagraph (A) or (B) of section 212(p)(1) and an employer filing for new concurrent employment) as a condition for the approval of a petition filed on or after October 1, 1998, and before October 1, 2001, under paragraph (1)—

''(i) initially to grant an alien non-immigrant status described in section 101(a)(15)(H)(i)(b); or

''(ii) to extend for the first time the stay of an alien having such status.

''(B) The amount of the fee shall be $500 for each such non-immigrant.

''(C) Fees collected under this paragraph shall be deposited in the Treasury in accordance with section 286(s).

''(D)(i) An employer may not require an alien who is the subject of the petition for which a fee is imposed under this paragraph to reimburse, or otherwise compensate, the employer for part or all of the cost of such fee.

''(ii) Section 274A(g)(2) shall apply to a violation of clause (i) in the same manner as it applies to a violation of section 274A(g)(1).''.

(b) ESTABLISHMENT OF ACCOUNT; USE OF FEES.—Section 286 (8 U.S.C. 1356) is amended by adding at the end the following:

''(s) H–1B NONIMMIGRANT PETITIONER ACCOUNT.—

''(1) IN GENERAL.—There is established in the general fund of the Treasury a separate account, which shall be known as the 'H–1B Nonimmigrant Petitioner Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the account all fees collected under section 214(c)(9).

''(2) USE OF FEES FOR JOB TRAINING.—63 percent of amounts deposited into the H–1B nonimmigrant Petitioner Account shall remain available to the Secretary of Labor until expended for demonstration programs and projects described in section 104(c) of the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998.

''(3) USE OF FEES FOR LOW-INCOME SCHOLARSHIP PROGRAM.—32 percent of the amounts deposited into the H–1B nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended for scholarships described in section 104(d) of the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998 for low-income students enrolled in a program of study leading to a degree in mathematics, engineering, or computer science.

''(4) USE OF FEES FOR APPLICATION PROCESSING AND ENFORCEMENT.—2.5 percent of the amounts deposited into the H–1B non-immigrant Petitioner Account shall remain available to the Secretary of Labor until expended for decreasing the processing time for applications under section 212(n)(1), and 2.5 percent of such amounts shall remain available to such Secretary until expended for carrying out section 212(n)(2). Notwithstanding the preceding sentence, both of the amounts made available for any fiscal year pursuant to the preceding sentence shall be available to such Secretary, and shall remain available until expended, only for carrying out section 212(n)(2) until the Secretary submits to the Congress a report containing a certification that, during the most recently concluded calendar year, the Secretary substantially complied with the requirement in section 212(n)(1) relating to the provision of the certification described in section 101(a)(15)(H)(i)(b) within a 7–day period.''.

(c) DEMONSTRATION PROGRAMS AND PROJECTS TO PROVIDE TECHNICAL SKILLS TRAINING FOR WORKERS.—

(1) IN GENERAL.—Subject to paragraph (3), in establishing demonstration programs under section 452(c) of the Job Training Partnership Act (29 U.S.C. 1732(c)), as in effect on the date of the enactment of this Act, or demonstration programs or projects under section 171(b) of the Workforce Investment Act of 1998, the Secretary of Labor shall establish demonstration programs or projects to provide technical skills training for workers, including both employed and unemployed workers.

(2) GRANTS.—Subject to paragraph (3), the Secretary of Labor shall award grants to carry out the programs and projects described in paragraph (1) to—

(A)(i) private industry councils established under section 102 of the Job Training Partnership Act (29 U.S.C. 1512), as in effect on the date of the enactment of this Act; or

(ii) local boards that will carry out such programs or projects through one-stop delivery systems established under section 121 of the Workforce Investment Act of 1998; or

(B) regional consortia of councils or local boards described in subparagraph (A).

(3) LIMITATION.—The Secretary of Labor shall establish programs and projects under paragraph (1), including awarding grants to carry out such programs and projects under paragraph (2), only with funds made available under section 286(s)(2) of the Immigration and Nationality Act, and not with funds made available under the Job Training Partnership Act or the Workforce Investment Act of 1998.

(d) LOW-INCOME SCHOLARSHIP PROGRAM.—

(1) ESTABLISHMENT.—The Director of the National Science Foundation (referred to in this subsection as the ''Director'') shall award scholarships to low-income individuals to enable such individuals to pursue associate, undergraduate, or graduate level degrees in mathematics, engineering, or computer science.

(2) ELIGIBILITY.—

(A) IN GENERAL.—To be eligible to receive a scholarship under this subsection, an individual—

(i) must be a citizen or national of United States or an alien lawfully admitted to the United States for permanent residence;

(ii) shall prepare and submit to the Director an application at such time, in such manner, and containing such information as the Director may require; and

(iii) shall certify to the Director that the individual intends to use amounts received under the scholarship to enroll or continue enrollment at an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965) in order to pursue an associate, undergraduate, or graduate level degree in mathematics, engineering, or computer science.

(B) ABILITY.—Awards of scholarships under this subsection shall be made by the Director solely on the basis of the ability of the applicant, except that in any case in which 2 or more applicants for scholarships are deemed by the Director to be possessed of substantially equal ability, and there are not sufficient scholarships available to grant one to each of such applicants, the available scholarship or scholarships shall be awarded to the applicants in a manner that will tend to result in a geographically wide distribution throughout the United States of recipients' places of permanent residence.

(3) LIMITATION.—The amount of a scholarship awarded under this subsection shall be determined by the Director, except that the Director shall not award a scholarship in an amount exceeding $2,500 per year.

(4) FUNDING.—The Director shall carry out this subsection only with funds made available under section 286(s)(3) of the Immigration and Nationality Act.

SEC. 105. COMPUTATION OF PREVAILING WAGE LEVEL.

(a) IN GENERAL.—Section 212 (8 U.S.C. 1182) is amended by adding at the end the following:

''(p)(1) In computing the prevailing wage level for an occupational classification in an area of employment for purposes of subsections (n)(1)(A)(i)(II) and (a)(5)(A) in the case of an employee of—

''(A) an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965), or a related or affiliated nonprofit entity; or

''(B) a nonprofit research organization or a Governmental research organization;

the prevailing wage level shall only take into account employees at such institutions and organizations in the area of employment.

''(2) With respect to a professional athlete (as defined in subsection (a)(5)(A)(iii)(II)) when the job opportunity is covered by professional sports league rules or regulations, the wage set forth in those rules of regulations shall be considered as not adversely affecting the wages of United States workers similarly employed and be considered the prevailing wage.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) supplies to prevailing wage computations made for applications filed on or after the date of the enactment of this Act.

SEC. 106. IMPROVING COUNT OF H–1B AND H–2B NONIMMIGRANTS.

(a) ENSURING ACCURATE COUNT.—The Attorney General shall take such steps as are necessary to maintain an accurate count of the number of aliens subject to the numerical limitations of section 214(g)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)) who are issued visas or otherwise provided nonimmigrant status.

(b) REVISION OF PETITION FORMS.—The Attorney General shall take such steps are as necessary to revise the forms used for petitions for visas or nonimmigrant status under clause (i)(b) or (ii)(b) of section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) so as to ensure that the forms provide the Attorney General with sufficient information to permit the Attorney General accurately to count the number of aliens subject to the numerical limitations of section 214(g)(1) of such Act (8 U.S.C. 1184(g)(1)) who are issued visas or otherwise provided nonimmigrant status.

(c) REPORTS.—Beginning with fiscal year 1999, the Attorney General shall provide to the Congress—

(1) on a quarterly basis a report on the numbers of individuals who were issued visas or otherwise provided nonimmigrant status during the preceding 3–month period under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)); and

(2) on an annual basis a report on the countries of origin and occupations of, educational levels attained by, and compensation paid to, individuals issued visas or provided nonimmigrant status under such sections during such period.

Each report under paragraph (2) shall include the number of individuals described in paragraph (1) during the year who were issued visas pursuant to petitions filed by institutions or organizations described in section 212(p)(1) of such Act (as added by section 105 of this Act).

SEC. 107. REPORT ON OLDER WORKERS IN THE INFORMATION TECHNOLOGY FIELD.

(a) STUDY.—The Secretary of Commerce shall enter into a contract with the President of the National Academy of Sciences to conduct a study, using the best available data, assessing the status of older workers in the information technology field. The study shall consider the following:

(1) The existence and extent of age discrimination in the information technology workplace.

(2) The extent to which there is a difference, based on age, in—

(A) promotion and advancement;

(B) working hours;

(C) telecommuting;

(D) salary; and

(E) stock options, bonuses, and other benefits.

(3) The relationship between rates of advancement, promotion, and compensation to experience, skill level, education, and age.

(4) Differences in skill level on the basis of age.

(b) REPORT.—Not later than October 1, 2000, the Secretary of Commerce shall submit to the Committees on the Judiciary of the United States House of Representatives and the Senate a report containing the results of the study described in subsection (a).

SEC. 108. REPORT ON HIGH TECHNOLOGY LABOR MARKET NEEDS; REPORTS ON ECONOMIC IMPACT OF INCREASED IN H–1B NONIMMIGRANTS.

(a) NATIONAL SCIENCE FOUNDATION STUDY AND REPORT.—

(1) IN GENERAL.—The Director of the National Science Foundation shall conduct a study to assess labor market needs for workers with high technology skills during the next 10 years. The study shall investigate and analyze the following:

(A) Future training and education needs of companies in the high technology and information technology sectors and future training and education needs of United States students to ensure that students' skills at various levels are matched to the needs in such sectors.

(B) An analysis of progress made by educators, employers, and government entities to improve the teaching and educational level of American students in the fields of math, science, computer science, and engineering since 1998.

(C) An analysis of the number of United States workers currently or projected to work overseas in professional, technical, and management capacities.

(D) The relative achievement rates of United States and foreign students in secondary schools in a variety of subjects, including math, science, computer science, English, and history.

(E) The relative performance, by subject area, of United States and foreign students in postsecondary and graduate schools as compared to secondary schools.

(F) The needs of the high technology sector for foreign workers with specific skills and the potential benefits and costs to United States employers, workers, consumers, postsecondary educational institutions, and the United States economy, from the entry of skilled foreign professionals in the fields of science and engineering.

(G) The needs of the high technology sector to adapt products and services for export to particular local markets in foreign countries.

(H) An examination of the amount and trend of moving the production or performance of products and services now occurring in the United States abroad.

(2) REPORT.—Not later than October 1, 2000, the Director of the National Science Foundation shall submit to the Committees on the Judiciary of the United States House of Representatives and the Senate a report containing the results of the study described in paragraph (1).

(3) INVOLVEMENT.—The study under paragraph (1) shall be conducted in a manner that ensures the participation of individuals representing a variety of points of view.

(b) REPORTING ON STUDIES SHOWING ECONOMIC IMPACT OF H–1B NONIMMIGRANT INCREASE.—The Chairman of the Board of Governors of the Federal Reserve System, the Director of the Office of Management and Budget, the Chair of the Council of Economic Advisers, the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Labor, and any other member of the Cabinet, shall promptly report to the Congress the results of any reliable study that suggests, based on legitimate economic analysis, that the increase effected by section 101(a) of this Act in the number of aliens who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act has had an impact on any national economic indicator, such as the level of inflation or unemployment, that warrants action by the Congress.

TITLE II—SPECIAL IMMIGRANT STATUS FOR CERTAIN NATO CIVILIAN EMPLOYEES

SEC. 201. SPECIAL IMMIGRANT STATUS FOR CERTAIN NATO CIVILIAN EMPLOYEES.

(a) IN GENERAL.—Section 101(a)(27) (8 U.S.C. 1101(a)(27)) is amended)—

(1) by striking ''or'' at the end of subparagraph (J),

(2) by striking the period at the end of subparagraph (K) and inserting ''; or'', and

(3) by adding at the end the following new subparagraph:

''(L) an immigrant who would be described in clause (i), (ii), (iii), or (iv) of subparagraph (I) if any reference in such a clause—

''(i) to an international organization described in paragraph (15)(G)(i) were treated as a reference to the North Atlantic Treaty Organization (NATO);

''(ii) to a nonimmigrant under paragraph (15)(G)(iv) were treated as a reference to a nonimmigrant classifiable under NATO–6 (as a member of a civilian component accompanying a force entering in accordance with the provisions of the NATO Status-of-Forces Agreement, a member of a civilian component attached to or employed by an Allied Headquarters under the 'Protocol on the Status of International Military Headquarters' set up pursuant to the North Atlantic Treaty, or as a dependent); and

''(iii) to the Immigration Technical Corrections Act of 1988 or to the Immigration and Nationality Technical Corrections Act of 1994 were a reference to the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998.''.

(b) CONFORMING NONIMMIGRANT STATUS FOR CERTAIN PARENTS OF SPECIAL IMMIGRANT CHILDREN.—Section 101(a)(15)(N) (8 U.S.C. 1101(a)(15)(N)) is amended—

(1) by inserting ''(or under analogous authority under paragraph (27)(L))'' after ''(27)(I)(i)'', and

(2) by inserting ''(or under analogous authority under paragraph (27)(L))'' after ''(27)(I)''.

TITLE III—MISCELLANEOUS PROVISION

SEC. 301. ACADEMIC HONORARIA.

(a) IN GENERAL.—Section 212 (8 U.S.C. 1182), as amended by section 105, is further amended by adding at the end the following:

''(q) Any alien admitted under section 101(a)(15)(B) may accept an honorarium payment and associated incidental expenses for

a usual academic activity or activities (lasting not longer than 9 days at any single institution), as defined by the Attorney General in consultation with the Secretary of Education, if such payment is offered by an institution or organization described in subsection (p)(1) and is made for services conducted for the benefit of that institution or entity and if the alien has not accepted such payment or expenses from more than 5 institutions or organizations in the previous 6–month period.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to activities occurring on or after the date of the enactment of this Act.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in the CONGRESSIONAL RECORD numbered 2, which shall be considered read and debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Texas (Mr. SMITH) and the gentleman from North Carolina (Mr. WATT) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentleman from Texas (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3736.

First, some background: The H–1B bills passed by the Senate and by the House Committee on the Judiciary both propose to increase the quota of H–1B temporary visas for foreign professional workers. Both bills responded to the fact that the demand has exceeded the annual quota of 65,000 in each of the past 2 fiscal years.

The reason for this increased demand is thought to be a shortage in America's information technology workforce. While evidence for this shortage is inconclusive, I believe we should give the industry the benefit of the doubt and grant the additional visas.

The Senate and House Committee on the Judiciary bills had stark differences. The House Committee on the Judiciary bill required that employers comply with two new attestations when petitioning for H–1B workers. Employers would have had to promise not to lay off American workers and replace them with H–1Bs, and to recruit American workers before petitioning for foreign workers.

I felt that these protections for American workers were necessary because of the large number of documented abuses of the H–1B program, instances of companies actually laying off Americans to be replaced by H–1Bs and companies recruiting workers exclusively from overseas. The Senate bill contained no comparable protections.

With the assistance and support of the House leadership, we wrote a workable compromise. And, in negotiations concluded just yesterday, we made further changes that were supported by the administration.

The measure we are considering today embodies those compromises; and, of course, it is a negotiated agreement. That is the nature of any legislative process. What is important is that we have come up with a bill that both responds to the needs of the high-tech industry and adds protections for American workers.

The employers most prone to abusing the H–1B program are called job contractors or job shops. Often, much of their workforce is composed of foreign workers on H–1B visas. These companies make no pretense of looking for American workers. They are in business to contract their H–1Bs out to other companies. The companies to which the H–1Bs are contracted benefit by paying wages to the foreign workers often well below what comparable Americans would receive. Also, they do not have to shoulder the obligations of being the legally recognized employers; the job shops remain the official employers.

Under the compromise we are considering today, the no-layoff and recruitment attestations will apply to H–1B-dependent businesses in those instances where they petition for H–1Bs without masters degrees and where they plan to pay the H–1Bs less than $60,000 a year. The attestations are being targeted to hit the companies most likely to abuse the system. Other employers who use a relatively small number of H–1Bs will not be affected, unless they have been found to have willfully violated the rules of the H–1B program.

Specifically, the no-layoff attestation prohibits an employer from laying off an American worker from a job that is essentially the equivalent of a job for which an H–1B is sought during the period beginning 90 days before and ending 90 days after the date the employer files a visa petition for the foreign worker.

The recruitment attestation requires an employer to have taken good-faith steps to have recruited American workers for the job an H–1B alien will perform and offer the job to an American worker who applies and is equally or better qualified than the foreign worker.

Other features of the compromise are that the H–1B quota will be set at 115,000 in 1999 and 2000 and 107,500 in the year 2001. Then the quota will return to 65,000, at which time the attestations also will sunset.

The Labor Department will enforce all aspects of the program, except in those instances where an American worker claims that a job should have been offered to him or her instead of to a foreign worker. In such cases, an arbiter appointed by the Federal Mediation and Conciliation Service will decide the issue.

Under the compromise, a $500 fee per alien will be charged to all employers except universities and certain other institutions. The funds will go for scholarship assistance for students studying mathematics, computer science, or engineering, for Federal job training services, and for processing and enforcement expenses. The fee will sunset in the year 2001.

Under current law, the Labor Department can only investigate a user of the H–1B program if an aggrieved party files a complaint. The compromise will allow the Department to investigate a company in certain instances where it receives specific, credible information that provides it with reasonable cause to believe that the company has committed a willful violation to abide by the rules of the H–1B program, has shown a pattern or practice of failing to abide by the rules, or has substantially failed to meet the rules.

While current law requires an employer to pay an H–1B alien at least the prevailing wage for the occupation, the compromise will also require the employer to provide benefits equivalent to those given to American workers.

Mr. Speaker, let me conclude with one point of legislative history. The compromise eases requirements on companies when they are petitioning for workers who have advanced degrees. For example, companies who would otherwise have to comply with the two new attestations are relieved of this obligation.

The bill actually uses the phrase ''master's or higher degree (or its equivalent).'' The point I want to make is that the term ''or its equivalent'' refers only to an equivalent foreign degree. Any amount of on-the-job experience does not qualify as the equivalent of an advanced degree.

The bill is a workable compromise that deserves our support.

Mr. Speaker, I reserve the balance of my time.

Mr. WATT of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I find myself in a very interesting position today, one that in the 6 years that I have been in this House is unprecedented. Because I am here defending the work product of the committee of jurisdiction in this case.

On May 20, 1998, the full Committee on the Judiciary took a vote on a bill that I will be offering as a substitute to the bill that we are considering here on the floor, and we passed that bill out of the full Committee on the Judiciary by a vote of 23 to 4.

□ 1545

We got to that bill after going through the subcommittee that the gentleman from Texas (Mr. SMITH)

chairs and on which I am the ranking member, and working out some details in the subcommittee, and we continued to work out further details as we moved from the subcommittee to the full committee. And by the time we got to the full committee, the full Committee on the Judiciary, we had broad bipartisan support for a bill. And that is the bill that I am here offering as a substitute to what is being offered on the floor today.

So instead of me being the minority opposing what the majority of our committee did, I find myself in the very unique position of being on the floor of the House defending what the Committee on the Judiciary did by a 23 to 4 vote, bipartisan, with the chairman of the subcommittee having gone on and being told to support some other bill, which we will be voting on today unless my substitute passes.

Now, why did we get to the bill that I will be offering as a substitute? We got there because we finally concluded that H–1Bs are probably necessary at this point. We have an H–1B program that authorizes 65,000 foreign workers per year to come into our country and work subject to certain specialty provisions. The H–1B, let me make sure everybody understands, the H–1B visas are available for workers coming temporarily to the United States to perform services in specialty occupations.

A specialty occupation is one that requires a theoretical and practical application of a body of highly specialized knowledge and attainment of a bachelor's or higher degree in the specific specialty as a minimum for entry into the occupation in the United States.

Now, that is a fancy way of saying, you have to be in a pretty narrow area that is specialized in order to be eligible to come into the United States on an exceptional basis and take a job that, in effect, we are saying we just do not have the United States workers in our country capable of filling that job.

Now, this H–1B program has been around for a long time. We have 65,000 people a year that we allow to come in. They spend a total of 6 years each, 65 times 6 is almost 400,000 foreign workers that can be in the United States under the current H–1B program.

Now, how did we get here? High tech industries expanded their employment base and concluded that they needed more than the 65,000 a year allocation and, in fact, the Committee on the Judiciary agreed with them.

We will hear arguments all over the place, but the truth of the matter is that we finally concluded, well, we do not really know whether there is a shortage that requires an increase in H–1B slots or not, but we are prepared to give the benefit of the doubt and keep on moving. So let us do this and let us do it in a reasonable way that acknowledges that the high tech industry has a problem that they cannot get enough U.S. workers to fill these highly technical positions, but we did it against a backdrop where some people were really concerned.

In fact, I am going to be reading here a lot, interestingly enough, from the committee's report. This is the full Committee on the Judiciary report that I keep finding myself reading from, one that I would have hoped that my colleague would be reading from in defense of our bill, rather than me having to read from it to defend the bill that we passed.

Let me read what Secretary of Labor Robert Reich, the former Secretary of Labor said. He said, our experience with the practical operation of the H–1B program has raised serious concerns that what was conceived as a means to meet temporary business needs for unique, highly skilled professionals from abroad is, in fact, being used by some employers to bring in relatively large numbers of foreign workers who may well be displacing U.S. workers and eroding employers' commitment to the domestic work force.

So how did we decide to address this in the Committee on the Judiciary on a bipartisan basis? We said, we acknowledge that there is a shortage, but we also acknowledge on the other side that some people say this program is being abused and has been abused. So if we are going to expand the numbers of authorized people who can come in under this program, then we also ought to expand the protections for U.S. workers and the guarantees that employers have to provide that they are neither displacing a U.S. worker, laying off a U.S. worker or having not sought to obtain a U.S. worker. And we need to put in place a mechanism to provide training to U.S. citizens so that we do not make this a permanent H–1B expansion going forward.

And that is exactly what the Committee on the Judiciary set out to do, and it did it masterfully. With one exception, and that was the training component, which is also in my bill, in my substitute and in the committee, in the new bill that we are now considering on the floor.

So how did we do this? We said, you need the workers. You come in, you make an attestation that you have not fired or will not fire an employee or replace that fired employee by a foreign worker. I mean, that is fair enough. You make an attestation that you have sought to find a comparable worker in the United States. That is fair enough.

And yet now we have a bill in front of us that requires that attestation of only a very small group of employers. Here is the exception, so that everybody knows: Employers with fewer than 25 employees and more than 7 H–1B workers would have to make the certification. Employers with 26 to 49 employees and more than 12 H–1B workers would have to make the certification. Employers with more than 50 workers with at least 15 percent, 15 percent of their work force being H–1B employees would have to make the certification. But everybody else in the world can bring in their H–1B employees without making those certifications.

Now, the House is going to have a classic opportunity here today. We have got a bill that does what 23 members of the Committee on the Judiciary said is fair. That is the substitute that I will be offering, along with the gentleman from California (Mr. BERMAN) and the gentleman from Pennsylvania (Mr. KLINK). It is the committee's bill.

And we have got a bill that is the base bill that was written by the Senate, worked out in the back room, agreed on last night on the floor at 5 minutes to 4:00 in the afternoon the next day, without anybody even having seen what the language is, except they printed it in the CONGRESSIONAL RECORD in small print last night. Now they are saying we should accept what the Senators said over here, lock, stock and barrel, abandon the bipartisan agreement that the committee had and go forward with that.

Nobody thinks that is fair, and we have got a better bill, which addresses the issue and protects United States workers.

That is the choice that the House has in front of them today.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

I would just like to make the point, again, that this is a bill that is supported by both the Republican leadership and the administration. This is an unusual conjunction of sometimes opposing forces agreeing on a bill, and that is yet another reason why Members should support it.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the next chairman of the Committee on Rules.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I thank my friend, the distinguished chairman of the subcommittee, for yielding me this time.

Some might say that they had heard enough from me during the debate on the rule which I just managed, but I did feel compelled to state that I believe that the gentleman from Texas (Mr. SMITH) has been very courageous and hard working in pursuing this compromise.

My friend from North Carolina is correct that it is an unusual procedure, but guess what? This H–1B visa bill is not going to become public law until a majority of the House of Representatives casts its vote, until the United States Senate has its compromise, until it goes through the conference process and it gets to the desk of the President of the United States for signing. So guess what? A majority of the Members here will have to direct how this process is going to go ahead.

I happen to think that it is a very reasonable and positive compromise. It

is one which does address concerns that have been raised by virtually everyone on this. Some of my colleagues talk about the problem in the area of education, saying, we need to have a better educated citizenry so that they can, in fact, fulfill these jobs that are out there. I agree, and this bill addresses that, with 10,000 scholarships that go to those lower income individuals. It is done with a $500 fee that is going to be charged that should raise $75 million so that this can annually be funded to address those concerns.

It also tightens up the small business area, the exemption there. I remember having a discussion in the Republican conference with my friend, the gentleman from California (Mr. GALLEGLY) who was concerned, I think he offered an amendment in the committee which talked about shortening the time frame for the program itself.

Well, in fact, in the compromise, the time frame of the program has been reduced. It was going to be ultimately at first, I guess, 5 years, if we included this year, but we have gone so late now we are not doing that, so it has gone from 4 years down to a 3-year program. I hope that within that 3-year time frame we are able as a Nation to educate the best qualified people so that, as we create new technologies, we will have qualified individuals out there to address them.

It is going to be a 3-year program, not a 4- or a 5-year program. Then, obviously, we will have to look at it again.

□ 1600

Those who are violators of this program can be debarred for 3 years, and so there clearly is an incentive to comply with the strictures of the program itself. The Department of Labor is going to be able to participate in spot checks for those companies that have knowingly violated in the past. I think that is a decent provision that was put in there.

And we have had so many people who have stood up and said, oh, there is nothing that has been made available and no one has been able to see it. I am going through this explanation, and I think the modifications that are made are, frankly, quite, quite modest.

But one of the things that I think is important to note is that, while U.S. companies are required to pay the so-called prevailing wage, the same wage, they cannot all of a sudden say we are going to fire an American worker so that we can instead go and start hiring someone from another part of the world at a lower rate. We not only are requiring equivalent pay but equivalent benefits in this compromise.

So as I listen to the criticism that will be leveled by some on both sides of the aisle, it seems to me that it is a very, very balanced measure. It is worthy of our support. It is worthy of our support for a very, very important reason. While we address the concern of American workers, Mr. Speaker, we have to look at the ability of the industries of the United States of America to remain competitive.

Virtually everyone has acknowledged that we are, today, living with a global economic crisis. I have been in a number of meetings today in which I have heard things, in fact, that are very, very troubling about the potential future. Tomorrow, we will be voting on fast track negotiating authority. There is a debate raging on the replenishment of the International Monetary Fund. The question of interest rates, all of these economic questions are out there as far as the future of the global economy, and I believe we need to be very concerned about the U.S. economy, which, obviously, is the world's leader.

Mr. Speaker, if we turn down an attempt to increase the H–1B visas, guess what will happen? We have businesses that are being lured out of the United States by spots like Singapore and Ireland trying to create tax incentives and other incentives to draw our businesses out. Why? They will be able to have the best-qualified, skilled expertise there. Now, for every one of these H–1B visas that will come in creating jobs, there will be four U.S. jobs that are created as a by-product of that.

So this is a win-win. It will help keep U.S. businesses here in the U.S., ensuring that they have an incentive to stay here. And this is a compromise which is positive. It has been one that has, again, been worked out by the Clinton administration, Democrats and Republicans in the United States Congress, in both Houses, the House and the Senate, and it is one that I believe is worthy of bipartisan support here in the House of Representatives.

So, with that, I would again like to congratulate my friend from San Antonio, the very distinguished chairman of the subcommittee, for working long and hard on this. It was a pleasure to work with him on this issue, and we look forward to a spectacular victory in the not-too-distant future.

Mr. SMITH of Texas. Mr. Speaker, I thank my friend from California for his generous words about me and for his accurate words about the bill itself.

Mr. Speaker, I would like to inquire how much time remains for each side?

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from Texas (Mr. SMITH) has 17½ minutes remaining, and the gentleman from North Carolina (Mr. WATT) has 17 minutes remaining.

Mr. WATT of North Carolina. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I would like to enter into a colloquy with the distinguished chairman.

Mr. Speaker, the 1990 amendments to the Immigration and Nationality Act created two new Visa categories, O and P, which provide for the temporary entry of aliens who have extraordinary ability in the sciences, arts, education, business, or athletics, and for the temporary entry of athletes and entertainers with lesser abilities.

Clearly, Mr. Speaker, the O and P visa categories were created to ensure that entertainers, athletes and support personnel would no longer be admitted under the broad H–1 standard of omission but, instead, would come in under the O and P categories. It is my understanding, therefore, that this bill under consideration today does not pertain to the temporary admission of entertainers and their accompanying crews. Is that also the gentleman's understanding?

Mr. SMITH of Texas. Mr. Speaker, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Texas.

Mr. SMITH of Texas. Mr. Speaker, let me emphasize that that is my understanding, and I thank the gentleman for making that valid point.

Mr. NADLER. Mr. Speaker, I thank the gentleman.

Mr. SMITH of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. BALLENGER).

Mr. BALLENGER. Mr. Speaker, I urge my colleagues to support this H.R. 3736 so we can ensure a continued supply of highly skilled workers for American companies.

To those of us who are in business, particularly in manufacturing, some of the rhetoric we have heard in connection with this bill just does not make any sense. Whether we like it or not, we are in a world economy. Our competition is just as likely to come from Asia, Europe or Latin America as it is from the town next door. We can only compete if we constantly are adapting to new technologies and new demands, and to do that we have to find employees who have skills that we need. It is not a question of American versus foreign workers. It is a matter of keeping up and, hopefully, ahead of the constant competition. And if we fail at that, there will not be any jobs.

So the question is, in this world economy, how do we best promote the interest of our economy and the American workers? And it seems to me this bill is entirely consistent with doing what is best for our economy and our workers.

Some people argue this bill will hurt American workers. The principal protection for American workers that has been in H–1B programs before, and continues to be a part of the program under this bill, is that an H–1B worker must be paid at least as much as other employees with similar qualifications and experience.

There have been some abuses in the H–1B program, as there have been in many other government programs, and the problems have been particularly in the area of paying the required wage. This bill that we are considering today provides additional enforcement and includes tighter restrictions on H–1B dependent employers.

I would also note that H.R. 3736 has an important provision to generate additional funds for training and education of American workers in technology fields where there is such a demand for workers right now. Hopefully,

as some of the reforms of JTPA that we have recently passed go into effect, these funds will be used to improve retraining programs for Americans so that Americans can fill the technical jobs that are increasingly the jobs available in this economy.

Let me just say that we all have seen polls that have been sent around to our offices asking Americans whether they support allowing 190,000 additional foreign technical workers to come into the United States. To be more accurate, they should instead ask this question: ''Would you prefer these 190,000 technical jobs be filled in the United States or transferred to other countries?'' Then I think the answer would be much different. That is the challenge of the world economy in which we are operating. I think H.R. 3736 provides the right answer to that question.

And, again, I appreciate the work of the Members of the House and the Senate in agreeing on an agreement reached with the administration, and I urge my colleagues to support 3736.

Mr. WATT of North Carolina. Mr. Speaker, I yield myself 30 seconds, just to say to my good friend from North Carolina that this is not about whether we become a global economy. We have acknowledged that we are a global economy. We made findings in the bill that the Committee on the Judiciary passed 23 to 4 that acknowledged there was a need. So this is not about that.

Now, there are some people who believe we ought not be doing any of this, and I am going to yield to one of those people right now. The gentleman from California (Mr. ROHRABACHER), is a colleague of the gentleman from North Carolina (Mr. BALLENGER) on the Republican side, who thinks we should not be doing any of this.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, with all due respect to my good friend, the gentleman from North Carolina (Mr. CASS BALLENGER), this is about whether we have 200,000 jobs here for Americans or whether we will have 200,000 jobs given to foreigners who come here. And those jobs will be taken up, yes, but we are taking away, by this law, the incentive for people to retrain people who can fill these jobs if we pass this legislation. So I stand here today to oppose H.R. 3736.

This bill is contrary to the interests of hundreds of thousands of American workers, in fact, millions of American workers. It represents an attempt by high-tech corporations to hire cheaper foreign labor. And we cannot really blame them for that. That will add to their profit. That is who they represent, the interest of their stockholders. But we are not supposed to be representing the interest of their stockholders, we are supposed to be representing the interests of the American people and the United States. And rather than hire laid-off, high-tech employees or retrain other unemployed Americans, now these high-tech companies will just bring in cheaper foreign labor.

So why retrain people? Why hire older Americans, who might have to use health benefits or retirement benefits? Let us bring in these 25-year-old Indians or Pakistanis. This bill, in short, is a windfall to some companies that are making a profit off bringing in cheaper foreign labor, but it is a kick in the teeth to Americans, hard-working Americans, many of whom have been so loyal to their country and their employer but now are unemployed.

Now they need some retraining or they need a job, and Congress is being asked to change the rules so that we can have hundreds of thousands of foreigners to come in here and take those jobs. Because those foreigners will get less money.

Now, we can talk about, well, there is some things in the bill that protect that. In the end, we know that this will suppress any type of momentum in the economy to pay people more because there is, quote, a shortage. Thus, loyal Americans, people who have worked real hard for their employer or real hard for their country are going to be unemployed and untrained because those people that are going to be hired are going to be from outside this country.

H.R. 3736 will bring in hundreds of thousands and flood the job market. If supply and demand were being adhered to, and those of us on our side of the aisle always talk about supply and demand, we believe in it, that is why we oppose many of these other things, well, if it is being adhered to, it has to be adhered to when it pressures wages up and helps the American people at those times as well as when it helps American companies. If we believe in it, let us stand for it now.

Now, what would it mean if we let the supply and demand work at a time like this when they say there is a shortage of labor in the high-tech industries? It means wages would rise or investments would be made for retraining. That is what we are undercutting by passing this bill. We are undercutting increasing wages for our people and retraining. So there are thousands of veterans and aerospace workers, veterans who need jobs and they need retraining, aerospace workers in my area who need retraining, and there are perhaps 200,000 people who have been laid off by high-tech companies themselves, all of these people are the victims of this legislation.

And who are we helping? We are helping hundreds of thousands of foreign workers. Who are we loyal to here?

This is a maneuver to add to the profit margin of these high-tech companies. And, again, it is good for them. They should be out for their profit. But it is a dagger aimed at loyal employees, especially employees who are over 40 who may have to use health benefits and retirement benefits.

We should decide what our standard of immigration is all about, what is best for our country, and it should not be flexible and manipulated and used to subsidize any industry or to keep wages down. What these companies should do is go hire people and train them or get involved in the community but not manipulate the rules in order to keep their profits up and keep wages down. So wages and prices as well should be just like in supply and demand. It should be outside. Wages and prices should not be based on political maneuvers or manipulations.

Finally, this bill reflects an attitude I find pervasive in corporate America, and that is many of our executives think of themselves as citizens of the world. This is a global economy; thus, they are globalists. Well, I have news for everybody that makes that argument. We better be loyal to the American people. The freedom of the world, the prosperity of our country, the whole future of mankind depends on these people who have worked hard for our country. They have worked hard for their employer. They have been loyal to us, and they expect us to be loyal to them. And if we sell them out for the profit margin of a couple of high-tech companies, so it will be a little higher, at a time when they are unemployed and out of work, but we are going to flood the job market with foreigners, who are we loyal to and what does that mean to our future?

Our high-tech companies and their corporate leaders should be loyal to the United States of America. And if they are not, well, we, at least in the United States Congress, have to be loyal to the American people.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume to remind my colleagues this bill does, in fact, target businesses that are called H–1B dependent. Businesses who hire more than 15 percent of these type of foreign workers are targeted, and we do have safeguards for the American worker. We do have safeguards that include the fact that the businesses cannot fire an American worker and hire an overseas worker, and they have to make good-faith efforts to hire American workers first. So the abusers of the program are being targeted by the compromised bill.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. PORTER).

☐ 1615

Mr. PORTER. Mr. Speaker, I thank the distinguished gentleman from Texas for yielding this time to me, and I commend him for his leadership on this issue.

Mr. Speaker, I rise today in strong support of H.R. 3736. This well-balanced legislation addresses the needs of the business community while protecting the well-being of American workers. It meets a short-term labor demand for our country, and it institutes strong safeguards to protect against a permanent reliance upon alien labor sources,

including a new program of grants to provide technical skills training for workers.

Mr. Speaker, one project that should be supported under this new program is the DePaul University High-Tech Workforce Pilot Program in Chicago. Developed in conjunction with corporate and local entities, this comprehensive program ensures that America's workforce will be better prepared to compete in the dynamic high-tech industry. I am confident that implementation of DePaul's training, retraining and education program will expand America's skilled labor force and enhance our competitive position in the global marketplace.

Mr. Speaker, the technology industry is presently experiencing a labor shortage. The current 65,000 cap on H–1B visas, created by Congress in 1990, has been rendered irrelevant by the technology explosion of the past decade. This arbitrarily chosen quota was met by May of this year and has left American businesses unable to hire new H–1Bs until next January. In the interim, technology firms have been left with thousands of open jobs and few qualified applicants. Employing American workers for these jobs is not, at present time, a feasible solution. Failures in our educational system has created a void of qualified American skilled labor, compelling high tech firms to rely upon foreign born talent to fill these positions. Without an increase of the 65,000 visa ceiling, these vacant jobs will not be filled, thereby weakening a high growth industry that has been at the forefront of this nation's current economic boom.

Many of my colleagues have expressed concerns that increasing the number of H–1B visas will displace American workers and shut them out of future employment opportunities in the high tech industry. This bill institutes numerous measures to ensure that Americans will not be victimized by this legislation. A $500 fee paid by businesses wishing to participate in the H–1B program will raise approximately $75 million annually to be split between a scholarship program for underprivileged high school students studying mathematics, computer science, or engineering and funding for job training programs which focus on information technology. Furthermore, a system of fines and/or a one to three year disqualification for those companies who abuse this law will work to further protect American workers from being shut out of the high-tech industry by H–1B aliens.

Mr. Speaker, H.R. 3736 constitutes a carefully constructed, well-balanced piece of legislation that addresses the needs of the American business community while protecting the well-being of American workers. I urge my colleagues to vote in favor of this bill.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume. The self-executing amendment to H.R. 3736 includes a provision to provide math, engineering and computer science scholarships to needy students and a provision to provide additional worker training programs. There are a number of pilot programs being developed around the country to provide high-tech training to American workers. As the gentleman from Illinois (Mr. PORTER) has just mentioned, DePaul University has developed just such a pilot program to address the shortage of qualified U.S. high-tech workers in conjunction with corporate and local entities that might well serve as a good model for other programs across the country.

Programs like the one developed by DePaul University are what we had in mind when the training provisions were drafted. Again I thank the gentleman from Illinois for helping us make sure that this provision was in the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. WATT of North Carolina. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. OWENS).

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, I cannot emphasize too strongly, and I returned to the floor to state that this is an education problem, not an immigration problem. The immigration band-aid is botching up the whole process. There is a symptom here. We have a problem in terms of a shortage of people to fill information worker jobs. As long as we patch it up with a band-aid, we are not going to deal with the real problem. We need major surgery. Instead of a DePaul University experiment, which is a laudable innovation and I have no problem with that, but it is too small. We need something on the scale of a GI bill which offered education to every GI returning from World War II. We need something that massive to deal with the coming explosion of needs for information workers in our economy and in the economies of all the countries of the world. It is that big.

We are the indispensable nation. If we are going to stay ahead, our education system has to be ahead. We have to have the most educated people on the face of the earth. There is no reason why we cannot do that. We have the resources. We can finance it. We have the policies that have been proposed by the President in terms of school construction so that all of our schools can be wired in a way which allows them to have computers and educational technology in order for them to prepare youngsters at a very early age to enter into the information technology worker field.

We also have an e-rate that has been proposed by the Federal Communications Commission which gives communications services at a discount to schools and libraries. The same companies that are begging for these foreign workers and will utilize foreign workers are opposing the implementation of the e-rate. The e-rate is a permanent arrangement which will lower the cost of telecommunications services for schools. That is part of a comprehensive policy that we need. We need a comprehensive approach which includes school construction and wiring of schools, making more computers available, the e-rate, information and technology training centers at the community level so that youngsters from low-income homes will have an opportunity to go in and practice on the computer like their middle-income counterparts.

But since the low-income youngsters do not own computers, we need some storefront computer centers where we can keep them open late at night and on Saturdays so that not only the students or youngsters but also older workers who are being downsized and misplaced in their present jobs can get some new training. Other workers need to upgrade themselves. They do not have computers at home. There are a number of components that ought to go into meeting this massive need. It is true, we are going to need them. 1.5 million vacancies are predicted over the next 5-year period. Instead of this band-aid which if it were only temporary, I would not be here. It is not temporary when you talk about a three or four-year period. ''Temporary'' is this year or next year. But they are talking about going all the way to the year 2001 and in the process of making that journey from now until the year 2001, they are going to ask to have those quotas raised. I predict that we will be back here next year with an argument being made to increase the quota of foreign workers coming in.

Why can we not be as wise and have as much vision as Bangalore, India? Many years ago they decided they would heavily invest in training their students in computers and computer programming. Now Bangalore, India is considered the computer capital of the world. Most of these foreign workers that are going to come in will be coming from India. I have no problem with them coming from India or anywhere else, but the American students ought to have the opportunity to get the training that they need to fill these jobs. American workers also will keep the standard of pay at the level commensurate with the rest of our economy. They are going to pay these workers who come in as foreigners less. There are many inducements and enticements that are involved here which will make the industries continue to pressure to have more and more of the quota increases of foreign workers. We need to train our own workers with a comprehensive education program.

Mr. SMITH of Texas. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. HORN).

Mr. HORN. I thank the gentleman for yielding time. Mr. Speaker, I have very mixed feelings about this bill. There are some improvements that have been made without question by the gentleman from Texas (Mr. SMITH) and the gentleman from California (Mr. DREIER). I do not like to disagree with them. However, I have some major concerns.

My background is in education, heading a university with numerous computer programs. I come from the State of California where Silicon Valley is most of Santa Clara County.

But there are Silicon Valleys of many and few firms all over the United States of America. They are in Michigan near Ann Arbor. They are across the Potomac in Fairfax County, Virginia. They are in San Diego County and Orange County in California.

But I happen to come from Los Angeles County where 400,000 aerospace workers have been laid off over the last decade. And recently, Boeing, which I am delighted to have in my particular congressional district, they cut back roughly 3,000 workers in Downey, California. Now, that hurts. These workers built the Appollo, the Sky Lab, and the Shuttle.

Many of these 400,000 have either jobs much lower than they had at one point in time or simply have not been placed and have moved out of the field.

I feel very strongly that the Silicon Valleys of the Nation—and let us start with those firms in Santa Clara County. They should sit down with the Presidents of the community colleges of the Nation and work out the type of education program the computer firms need if domestic workers will master the skills to fill these jobs. These are not minimum wage jobs. These are $30,000 a year, $40,000 a year, $50,000 a year, and $60,000 a year jobs! We should have goals for our young people and adults who need to be retrained for the Information Age. Many already have the math and other courses. They just need the opportunity. That is why I am concerned. We have got to have an exchange of improving the quality of the product.

In California we have an excellent community college system. There are 107 two year colleges spread over the State from the Mexican border to the Oregon border. They have outstanding faculty members

We need to have the presidents of the colleges and the computer firms in the same room. The college presidents need to say, ''look, you can help us, Silicon Valley, because State budgets never cover our equipment needs. Our school budget is never able to secure the latest up-to-date generational equipment. We can help you with development of this curriculum. We need your input.''

The chief executives in education and industry must get together. Who will buy the coffee and provide the room. If that is not going to happen, I will tell you that the $75 million and the 10,000 scholarships it will fund is pitiful, When enacted, H.R. 3736 will remove the existing cap off at the 65,000 foreign worker level annually and this legislation would almost double the cap by going to 115,000. The 10,000 scholarships to retrain the American worker is a seemingly big drop in the bucket, but is not when the foreign visas rise from the current level of 65,000 annually to 115,000 in the year 2000. In 2001, 107,500 MIB visas would be issued. So much for 10,000 retrained American workers. There should be 107,500 trained American workers, not just 10,000. In the Second World War many more workers were trained.

I cannot believe that if we set goals and communicate with young and old alike, there will not be people who will seek that training. We should make sure that 7th and 8th grades know about the new and needed jobs that will be available in the twenty-first century.

I think my colleagues have done a wonderful job in some of the differences, but once you go this route with that big a gap between visas and scholarships, then you are in trouble. Industry and education need to get together. That ought to be our goal. Until that time, I am not going to vote for a bill that increases the visa cap,

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume. I just want to reassure my colleague from California that we do have that $500 fee in this bill that every business will pay for every H–1B worker that business brings into the country. That is a huge pot of money. It is going to be used largely for job training and also for scholarships, particularly for college students who major in either computer science or math or engineering. I hope that that will reassure the gentleman and answer and address some of his concerns.

Mr. Speaker, I reserve the balance of my time.

Mr. WATT of North Carolina. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding me this time. Let us get to what we are really debating here today. We are debating the failed trade policy of the United States of America. We are going to run a $200 billion trade deficit this year. That means we are going to export about 4 million jobs. But we were told, ''Don't worry. Those 4 million jobs are those old, dirty, obsolete industrial jobs.'' Even though they were family wages and they paid benefits, not to worry. Those workers will be retrained for the future, the high-tech industry of the United States of America.

So as we export the industrial base jobs, the family wage jobs, the jobs with benefits, what are we going to do now? We are going to import people for those jobs of the future. We are going to export our industrial jobs and we are going to import people into the United States to do the jobs of the future.

What about those 4 million people? What about the people laid off from the aerospace jobs, from the computer companies and everywhere else? Are you telling us the American people are stupid? They know what you are doing here. You are screwing them going and coming. You are going to bring in people to fill the jobs you promised them when you took away their jobs.

Both bills should be rejected, the bill and the substitute.

Mr. WATT of North Carolina. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Speaker, I rise in support of the measure before us for a number of reasons. As a member of the Subcommittee on Immigration and someone who has experience in immigration law, used to teach immigration law, I have worked through with the White House and leadership on the other side of the aisle on this issue, and I believe that the product before us has many things that merit our support.

First, although much has been said about computer professionals, and I come from Silicon Valley, I represent Santa Clara County, the H–1B program extends beyond computer specialists. I would note that I just received a call from a superintendent of schools in San Jose who said, ''Please be careful. We're getting almost all our bilingual teachers through the H–1B program right now.'' So that is something to keep in mind.

Secondarily there are specialists. This is not just a shortage issue, it is a specialist issue. Like the biotech firm in Silicon Valley that has hired specialists in Great Britain who are on the cutting edge of a particular type of science and has kept them on full salary since last spring in Great Britain waiting for an H–1B visa to become available. That is not a shortage issue. That is a specialist issue. That needs to be kept in mind.

Finally, it is also a shortage issue. For my colleagues who say that we ought to do a better job of training our own people, I could not agree more. We need to get into schools that have been neglected. We need to make sure that poor children who are not achieving have a chance to achieve and become scientists and engineers. And although this bill will not accomplish all of that, this 75 to $100 million a year that will be provided for in the bill by the fees is going to help retrain American workers through the Job Training Partnership Act and also will be made available for math and science instruction.

□ 1630

Now in listening to my colleagues here and in talking to Members on the Republican side of the aisle and also in the Senate I think that we may need in conference to take a look at the allocation of funds in the math and science arena and see if we should not do a little bit more in K–12 education in addition to the scholarships, and I think that there is a willingness to work together on that.

But having said that, Mr. Speaker, and if we could accomplish that, we should also note that in this bill there is the toughest enforcement that has ever been devised that is oriented towards those who are the wrongdoers primarily in abusing American workers, and that is the so-called job shops. Very heavy attestation requirements, very severe penalties and very strong enforcement provisions.

I would just also note that the Department of Labor has additional enforcement authority beyond the complaint system.

So this is a tough bill, it is a balanced bill, and it is a bill that provides

funding for American school kids so they can become the scientists and engineers we need. I hope that my colleagues will support this very sensible approach.

Mr. WATT of North Carolina. Mr. Speaker, I yield the balance of our time to close the general debate to the gentleman from Pennsylvania (Mr. KLINK), and then I will yield him some more time when we start the debate on the substitute.

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from Pennsylvania is recognized for 2¼ minutes.

Mr. KLINK. Mr. Speaker, I thank the gentleman from North Carolina for yielding this time to me, for his courteousness during this debate and also his leadership. The gentleman, the ranking member, is someone that, after we have been through this and my other work with him, I would appreciate being in a foxhole with him any day. He has conducted himself very well and very ably in this as he has on many other issues. And even though we have ended up with different conclusions, I would say to the gentleman from Texas (Mr. SMITH) he did good work to get us as far as he has gotten us, but it is not nearly good enough, and I think that the people of the country need to understand what is before us today.

Let me first talk about the macro view. My friend from Oregon touched on the point when we were debating NAFTA back in 1993. He said that we understand that those low-skilled jobs are going to move offshore, but we were promised, as the gentleman said, that the high-tech jobs would be created, our workers would be retrained for those jobs, our sons and daughters would be trained for those jobs; that was the new economy. And now what this bill is saying is that our children are too stupid; our displaced workers are too stupid. We are not putting money into training. We need to bring over those foreigners who can take the jobs and displace America.

The other macro view about this is, what will that do long term to the social fabric of this Nation? What will it do towards the attitudes of Americans when they see foreigners coming here and taking those jobs? It is only natural, if someone has got $60,000 or $70,000 in college loans and they are waiting on tables because the high-tech industry will not hire them, and, by the way, I have testimonial after testimonial from hundreds of people across this country who have been displaced who have not gotten jobs, and the people have told them we are waiting for the H–1B expansion because we can hire these workers cheaper, and when they are here, they are ours. They are nothing more than indentured servants. That is exactly what they are.

As my colleagues know, we have heard stories today about 10,000 scholarships. What good is a scholarship created by this program if the people who have gone to college here now cannot get hired? So we will have 10,000 more people with college educations waiting in the unemployment line and waiting on tables. That is what this debate is about.

I cannot understand why there is this huge deal about $500 a job in the new bill. For $500 we are going to sell each American job. That is what it cost. If my colleagues want a $50,000 or $60,000 a year job, vote for this and get it for $500. What a deal.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, once again this compromise bill is supported by both the Republican leadership and the administration because it does two things right. It continues to protect the rights of American workers, and in addition to that it also provides the needed workers for high-tech industry itself.

Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. DAVIS), who is both chairman of the Subcommittee on the District of Columbia and, just as importantly, he is a former high-tech executive in the information technology field.

Mr. DAVIS of Virginia. Mr. Speaker, I thank my friend from Texas for yielding this time to me, working with the other body and working with the administration to try to bring a bill with some very complex components and, obviously, some very emotional components to fruition here where we can do what is right for American workers. And to my friend from Pennsylvania who spoke, I know these are sincere words from him, but I take a different macro view of how the world and jobs are being created.

The reality is that high-technology jobs are being created in America faster than we have qualified people to fill them. This was not expected at the time. In my own county, the Northern Virginia Technology Council did a study that showed we have 20,000 available jobs, average salary $42,000 a year, that we cannot fill. Now, what happens if we cannot find the people to fill them?

There is, by the way, a nationwide vacuum in the vacancies in the information technology field, and this is a study by the Information Technology Association of America, the ITAA: 346,000 vacancies for computer programers, systems analysts, software engineers, computer scientists nationwide that we cannot fill. It is building and costing companies more to hire people. We are in a bidding war. Salaries are going up. And with the year 2000 problems and others it is costing our Federal Government billions of dollars more than we originally envisioned because of the scarcity of trained technical workers.

Now what does this bill do? It confronts it. One of the most challenging components of the information age is, as a society, how do we confront these challenges that workers are going to have to be trained and constantly retrained as technologies emerge, as they change rapidly to fill the rapidly developing jobs in this era? H.R. 3736 serves as a short-term remedy to this Nation's long-term need for highly skilled technical workers. If we do not, and let us take these 20,000 jobs in Fairfax that are available right now, if we do not find technical workers that are qualified to do this, what happens to those jobs? I will tell my colleagues exactly what happens:

We have companies right now unable to find trained Americans to do the jobs that are moving the jobs to India, they are moving them to Malaysia, they are moving them offshore. And as they move offshore, we lose those jobs from this country entirely over the long period so that when our sons and daughters and friends and neighbors are trained to be able to provide for this, not only those jobs but the jobs that spill out of that have gone offshore forever. This is a short-term remedy.

And it does something else that I am not hearing from the other side and opponents of this. It addresses the issue of training, something we as a society both on the private sector and government sector have really not focused on in the information age, and that is how you get people to be trained and retrained into where the jobs are, how do we coordinate public education, higher education, community colleges and train people for exactly where the jobs are? Because government traditionally lags a little bit behind the market, and we are finding that now, because of the fee that companies are paying for each worker that is put into a fund is going to fund scholarships for individuals who would otherwise not be trained and to entice people to go into some of these engineering and speciality fields so they can get the training and at the end of the cycle, in the year 2001, we are going to have trained Americans to fill these jobs. Without this legislation, I dare say there is nothing pending before this body that addresses the issue of how we are going to get people into these fields where the jobs are.

In my State of Virginia, we have more students graduating from college each year going into psychology as a major than we do into the computer science area, three times as many last year, and yet the jobs are not there, they are in the technical side. This bill addresses that. This bill makes the companies who are bringing workers in on a temporary basis pay for those jobs. That is the way it ought to be. It should not be the taxpayers at large. We have no other vehicle that does that.

And that is the beauty of this compromise. By creating that $500 fee to be included as a part of every H–1B visa issued, it will support this fund, and it is going to provide scholarship assistance for students studying math, computer science, engineering for Federal job training services.

I think that instead of sitting, complaining and whining about what is happening in different parts we need to take actions, that the result of those actions move jobs out of the United States on a permanent basis. What we need is to take more positive steps to induce qualified Americans to become trained and retrained, and this bill does that. We need to bring students from the inner city right now where a lot of these high technology jobs do not even exist, get them into training and programs. They have the aptitudes. Get them into programs where they can be trained and take advantage of these.

This is the wave of the future, not just in the United States, not just in the Silicone Valley or northern Virginia, but across the world, and this legislation is the first meaningful piece I have seen come out of this Congress that addresses this in a fair way and addresses the future, not just the current cycle.

And I just thank my friend from Texas (Mr. SMITH) for working so hard to bring this compromise about. I am excited about this legislation. I hope my colleagues will support it.

Mr. SMITH of Texas. Mr. Speaker, I yield back the balance of my time.

AMENDMENT NO. 2 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 2 in the nature of a substitute offered by Mr. WATT of North Carolina:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Workforce Improvement and Protection Act of 1998''.

SEC. 2. TEMPORARY INCREASE IN SKILLED FOREIGN WORKERS; TEMPORARY REDUCTION IN H–2B NONIMMIGRANTS.

Section 214(g) of the Immigration and Nationality Act (8 U.S.C. 1184(g)) is amended—

(1) by amending paragraph (1)(A) to read as follows:

''(A) under section 101(a)(15)(H)(i)(b), subject to paragraph (5), may not exceed—

''(i) 95,000 in fiscal year 1998;

''(ii) 105,000 in fiscal year 1999;

''(iii) 115,000 in fiscal year 2000; and

''(iv) 65,000 in fiscal year 2001 and any subsequent fiscal year; or'';

(2) by amending paragraph (1)(B) to read as follows:

''(B) under section 101(a)(15)(H)(ii)(b) may not exceed—

''(i) 36,000 in fiscal year 1998;

''(ii) 26,000 in fiscal year 1999;

''(iii) 16,000 in fiscal year 2000; and

''(iv) 66,000 in fiscal year 2001 and any subsequent fiscal year.'';

(3) in paragraph (4), by striking ''years.'' and inserting ''years, except that, with respect to each such nonimmigrant issued a visa or otherwise provided nonimmigrant status in each of fiscal years 1998, 1999, and 2000 in excess of 65,000 (per fiscal year), the period of authorized admission as such a nonimmigrant may not exceed 4 years.''; and

(4) by adding at the end the following:

''(5) The total number of aliens described in section 212(a)(5)(C) who may be issued visas or otherwise provided nonimmigrant status during any fiscal year (beginning with fiscal year 1999) under section 101(a)(15)(H)(i)(b) may not exceed 5,000.''.

SEC. 3. PROTECTION AGAINST DISPLACEMENT OF UNITED STATES WORKERS.

(a) IN GENERAL.—Section 212(n)(1) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)) is amended by inserting after subparagraph (D) the following:

''(E)(i) Except as provided in clause (iv), the employer has not laid off or otherwise displaced and will not lay off or otherwise displace, within the period beginning 6 months before and ending 90 days following the date of filing of the application or during the 90 days immediately preceding and following the date of filing of any visa petition supported by the application, any United States worker (as defined in paragraph (3)) (including a worker whose services are obtained by contract, employee leasing, temporary help agreement, or other similar means) who has substantially equivalent qualifications and experience in the specialty occupation, and in the area of employment, for which H–1B nonimmigrants are sought or in which they are employed.

''(ii) Except as provided in clause (iii), in the case of an employer that employs an H–1B nonimmigrant, the employer shall not place the nonimmigrant with another employer where—

''(I) the nonimmigrant performs his or her duties in whole or in part at one or more worksites owned, operated, or controlled by such other employer; and

''(II) there are indicia of an employment relationship between the nonimmigrant and such other employer.

''(iii) Clause (ii) shall not apply to an employer's placement of an H–1B nonimmigrant with another employer if the other employer has executed an attestation that it satisfies and will satisfy the conditions described in clause (i) during the period described in such clause.

''(iv) This subparagraph shall not apply to an application filed by an employer that is an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965), or a related or affiliated nonprofit entity, if the application relates solely to aliens who—

''(I) the employer seeks to employ—

''(aa) as a researcher on a project for which not less than 50 percent of the funding is provided, for a limited period of time, through a grant or contract with an entity other than the employer; or

''(bb) as a professor or instructor under a contract that expires after a limited period of time; and

''(II) have attained a master's or higher degree (or its equivalent) in a specialty the specific knowledge of which is required for the intended employment.''.

(b) DEFINITIONS.—

(1) IN GENERAL.—Section 212(n) of the Immigration and Nationality Act (8 U.S.C. 1182(n)) is amended by adding at the end the following:

''(3) For purposes of this subsection:

''(A) The term 'H–1B nonimmigrant' means an alien admitted or provided status as a nonimmigrant described in section 101(a)(15)(H)(i)(b).

''(B) The term 'lay off or otherwise displace', with respect to an employee—

''(i) means to cause the employee's loss of employment, other than through a discharge for cause, a voluntary departure, or a voluntary retirement; and

''(ii) does not include any situation in which employment is relocated to a different geographic area and the employee is offered a chance to move to the new location, with wages and benefits that are not less than those at the old location, but elects not to move to the new location.

''(C) The term 'United States worker' means—

''(i) a citizen or national of the United States;

''(ii) an alien lawfully admitted for permanent residence; or

''(iii) an alien authorized to be employed by this Act or by the Attorney General.''.

(2) CONFORMING AMENDMENTS.—Section 212(n)(1) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)) is amended by striking ''a nonimmigrant described in section 101(a)(15)(H)(i)(b)'' each place such term appears and inserting ''an H–1B nonimmigrant''.

SEC. 4. RECRUITMENT OF UNITED STATES WORKERS PRIOR TO SEEKING NONIMMIGRANT WORKERS.

Section 212(n)(1) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)), as amended by section 3, is further amended by inserting after subparagraph (E) the following:

''(F)(i) The employer, prior to filing the application, has taken, in good faith, timely and significant steps to recruit and retain sufficient United States workers in the specialty occupation for which H–1B nonimmigrants are sought. Such steps shall have included recruitment in the United States, using procedures that meet industry-wide standards and offering compensation that is at least as great as that required to be offered to H–1B nonimmigrants under subparagraph (A), and offering employment to any United States worker who applies and has the same qualifications as, or better qualifications than, any of the H–1B nonimmigrants sought.

''(ii) The conditions described in clause (i) shall not apply to an employer with respect to the employment of an H–1B nonimmigrant who is described in subparagraph (A), (B), or (C) of section 203(b)(1).''.

SEC. 5. LIMITATION ON AUTHORITY TO INITIATE COMPLAINTS AND CONDUCT INVESTIGATIONS FOR NON-H–1B-DEPENDENT EMPLOYERS.

(a) IN GENERAL.—Section 212(n)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)(A)) is amended—

(1) in the second sentence, by striking the period at the end and inserting the following: '', except that the Secretary may only file such a complaint respecting an H–1B-dependent employer (as defined in paragraph (3)), and only if there appears to be a violation of an attestation or a misrepresentation of a material fact in an application.''; and

(2) by inserting after the second sentence the following: ''Except as provided in subparagraph (F) (relating to spot investigations during probationary period), no investigation or hearing shall be conducted with respect to an employer except in response to a complaint filed under the previous sentence.''.

(b) DEFINITIONS.—Section 212(n)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)), as added by section 3, is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (E), respectively;

(2) by inserting after ''purposes of this subsection:'' the following:

''(A) The term 'H–1B-dependent employer' means an employer that—

''(i)(I) has fewer than 21 full-time equivalent employees who are employed in the United States; and

(II) employs 4 or more H–1B nonimmigrants; or

''(ii)(I) has at least 21 but not more than 150 full-time equivalent employees who are employed in the United States; and

(II) employs H–1B nonimmigrants in a number that is equal to at least 20 percent of the number of such full-time equivalent employees; or

''(iii)(I) has at least 151 full-time equivalent employees who are employed in the United States; and

(II) employs H–1B nonimmigrants in a number that is equal to at least 15 percent of the number of such full-time equivalent employees.

In applying this subparagraph, any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as a single employer. Aliens employed under a petition for H–1B nonimmigrants shall be treated as employees, and counted as nonimmigrants under section 101(a)(15)(H)(i)(b) under this subparagraph.''; and

(3) by inserting after subparagraph (C) (as so redesignated) the following:

''(D) The term 'non-H–1B-dependent employer' means an employer that is not an H–1B-dependent employer.''.

SEC. 6. INCREASED ENFORCEMENT AND PENALTIES.

(a) IN GENERAL.—Section 212(n)(2)(C) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)(C)) is amended to read as follows:

''(C)(i) If the Secretary finds, after notice and opportunity for a hearing, a failure to meet a condition of paragraph (1)(B) or (1)(E), a substantial failure to meet a condition of paragraph (1)(C), (1)(D), or (1)(F), or a misrepresentation of material fact in an application—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $1,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 1 year for aliens to be employed by the employer.

''(ii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1), a willful misrepresentation of material fact in an application, or a violation of clause (iv)—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $5,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 1 year for aliens to be employed by the employer.

''(iii) If the Secretary finds, after notice and opportunity for a hearing, a willful failure to meet a condition of paragraph (1) or a willful misrepresentation of material fact in an application, in the course of which failure or misrepresentation the employer also has failed to meet a condition of paragraph (1)(E)—

''(I) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $25,000 per violation) as the Secretary determines to be appropriate; and

''(II) the Attorney General shall not approve petitions filed with respect to that employer under section 204 or 214(c) during a period of at least 2 years for aliens to be employed by the employer.

''(iv) It is a violation of this clause for an employer who has filed an application under this subsection to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any other manner discriminate against an employee (which term, for purposes of this clause, includes a former employee and an applicant for employment) because the employee has disclosed information to the employer, or to any other person, that the employee reasonably believes evidences a violation of this subsection, or any rule or regulation pertaining to this subsection, or because the employee cooperates or seeks to cooperate in an investigation or other proceeding concerning the employer's compliance with the requirements of this subsection or any rule or regulation pertaining to this subsection.''.

(b) PLACEMENT OF H–1B NONIMMIGRANT WITH OTHER EMPLOYER.—Section 212(n)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)) is amended by adding at the end the following:

''(E) Under regulations of the Secretary, the previous provisions of this paragraph shall apply to a failure of an other employer to comply with an attestation described in paragraph (1)(E)(iii) in the same manner as they apply to a failure to comply with a condition described in paragraph (1)(E)(i).''.

(c) SPOT INVESTIGATIONS DURING PROBATIONARY PERIOD.—Section 212(n)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)), as amended by subsection (b), is further amended by adding at the end the following:

''(F) The Secretary may, on a case-by-case basis, subject an employer to random investigations for a period of up to 5 years, beginning on the date that the employer is found by the Secretary to have committed a willful failure to meet a condition of paragraph (1) or to have made a misrepresentation of material fact in an application. The preceding sentence shall apply to an employer regardless of whether the employer is an H–1B-dependent employer or a non-H–1B-dependent employer. The authority of the Secretary under this subparagraph shall not be construed to be subject to, or limited by, the requirements of subparagraph (A).''.

SEC. 7. PROHIBITION ON IMPOSITION BY IMPORTING EMPLOYERS OF EMPLOYMENT CONTRACT PROVISIONS VIOLATING PUBLIC POLICY.

Section 212(n)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(2)), as amended by section (6), is further amended by adding at the end the following:

''(G) If the Secretary finds, after notice and opportunity for a hearing, that an employer who has submitted an application under paragraph (1) has requested or required an alien admitted or provided status as a nonimmigrant pursuant to the application, as a condition of the employment, to execute a contract containing a provision that would be considered void as against public policy in the State of intended employment—

''(i) the Secretary shall notify the Attorney General of such finding and may, in addition, impose such other administrative remedies (including civil monetary penalties in an amount not to exceed $25,000 per violation) as the Secretary determines to be appropriate; and

''(ii) the Attorney General shall not approve petitions filed by the employer under section 214(c) during a period of not more than 10 years for H–1B nonimmigrants to be employed by the employer.''.

SEC. 8. COLLECTION AND USE OF H–1B NONIMMIGRANT FEES FOR STATE STUDENT INCENTIVE GRANT PROGRAMS AND JOB TRAINING OF UNITED STATES WORKERS.

(a) IMPOSITION OF FEE.—Section 214(c) (8 U.S.C. 1184(c)) is amended by adding at the end the following:

''(9)(A) The Attorney General shall impose a fee on an employer (excluding an employer described in subparagraph (A) or (B) of section 212(p)(1)) as a condition for the approval of a petition filed on or after October 1, 1998, and before October 1, 2002, under paragraph (1) to grant an alien nonimmigrant status described in section 101(a)(15)(H)(i)(b). The amount of the fee shall be $500 for each such nonimmigrant.

''(B) Fees collected under this paragraph shall be deposited in the Treasury in accordance with section 286(t).

''(C)(i) An employer may not require an alien who is the subject of the petition for which a fee is imposed under this paragraph to reimburse, or otherwise compensate, the employer for part or all of the cost of such fee.

''(ii) Section 274A(g)(2) shall apply to a violation of clause (i) in the same manner as it applies to a violation of section 274A(g)(1).''.

(b) ESTABLISHMENT OF ACCOUNT; USE OF FEES.—Section 286 (8 U.S.C. 1356) is amended by adding at the end the following:

''(t) H–1B NONIMMIGRANT PETITIONER ACCOUNT.—

''(1) IN GENERAL.—There is established in the general fund of the Treasury a separate account which shall be known as the 'H–1B Nonimmigrant Petitioner Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the account all fees collected under section 214(c)(9).

''(2) USE OF HALF OF FEES BY SECRETARY OF EDUCATION FOR HIGHER EDUCATION GRANTS.—Fifty percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available until expended to the Secretary of Education for additional allotments to States under subpart 4 of chapter 8 of title IV of the Higher Education Act of 1965 but only for the purpose of assisting States in providing grants to eligible students enrolled in a program of study leading to a degree in mathematics, computer science, or engineering.

''(3) USE OF HALF OF FEES BY SECRETARY OF LABOR FOR JOB TRAINING.—Fifty percent of amounts deposited into the deposits into such Account shall remain available until expended to the Secretary of Labor for demonstration programs described in section 104(d) of the Temporary Access to Skilled Workers and H–1B Nonimmigrant Program Improvement Act of 1998.''.

(c) CONFORMING MODIFICATION OF APPLICATION REQUIREMENTS FOR STATE STUDENT INCENTIVE GRANT PROGRAM.—Section 415C(b) of the Higher Education Act of 1965 (20 U.S.C. 1070c–2(b)) is amended—

(1) in paragraph (9), by striking ''and'' at the end;

(2) in paragraph (10), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(11) provides that any portion of the allotment to the State for each fiscal year that derives from funds made available under section 286(t)(2) of the Immigration and Nationality Act shall be expended for grants described in paragraph (2)(A) to students enrolled in a program of study leading to a degree in mathematics, computer science, or engineering.''.

(d) DEMONSTRATION PROGRAMS AND PROJECTS TO PROVIDE TECHNICAL SKILLS TRAINING FOR WORKERS.

(1) IN GENERAL.—Subject to paragraph (3), in establishing demonstration programs

under section 452(c) of the Job Training Partnership Act (29 U.S.C. 1732(c)), as in effect on the date of enactment of this Act, or demonstration programs or projects under a successor Federal law, the Secretary of Labor shall establish demonstration programs or projects to provide technical skills training for workers, including both employed and unemployed workers.

(2) GRANTS.—Subject to paragraph (3), the Secretary of Labor shall award grants to carry out the programs and projects described in paragraph (1) to—

(A)(i) private industry councils established under section 102 of the Job Training Partnership Act (29 U.S.C. 1512), as in effect on the date of enactment of this Act; or

(ii) local boards that will carry out such programs or projects through one-stop delivery systems established under a successor Federal law; or

(B) regional consortia of councils or local boards described in subparagraph (A).

(3) LIMITATION.—The Secretary of Labor shall establish programs and projects under paragraph (1), including awarding grants to carry out such programs and projects under paragraph (2), only with funds made available under section 286(t)(3) of the Immigration and Nationality Act, and not with funds made available under the Job Training Partnership Act or a successor Federal law.

SEC. 9. IMPROVING COUNT OF H–1B AND H–2B NONIMMIGRANTS.

(a) ENSURING ACCURATE COUNT.—The Attorney General shall take such steps as are necessary to maintain an accurate count of the number of aliens subject to the numerical limitations of section 214(g)(1) of the Immigration and Nationality Act who are issued visas or otherwise provided nonimmigrant status.

(b) REVISION OF PETITION FORMS.—The Attorney General shall take such steps as are necessary to revise the forms used for petitions for visas or nonimmigrant status under clause (i)(b) or (ii)(b) of section 101(a)(15)(H) of the Immigration and Nationality Act so as to ensure that the forms provide the Attorney General with sufficient information to permit the Attorney General accurately to count the number of aliens subject to the numerical limitations of section 214(g)(1) of such Act who are issued visas or otherwise provided nonimmigrant status.

(c) REPORTS.—Beginning with fiscal year 1999, the Attorney General shall provide to the Congress not less than 4 times per year a report on—

(1) the numbers of individuals who were issued visas or otherwise provided nonimmigrant status during the preceding 3–month period under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act;

(2) the numbers of individuals who were issued visas or otherwise provided nonimmigrant status during the preceding 3–month period under section 101(a)(15)(H)(ii)(b) of such Act; and

(3) the countries of origin and occupations of, educational levels attained by, and total compensation (including the value of all wages, salary, bonuses, stock, stock options, and any other similar forms of remuneration) paid to, individuals issued visas or provided nonimmigrant status under such sections during such period.

SEC. 10. GAO STUDY AND REPORT ON AGE DISCRIMINATION IN THE INFORMATION TECHNOLOGY FIELD.

(a) STUDY.—The Comptroller General of the United States shall conduct a study assessing age discrimination in the information technology field. The study shall consider the following:

(1) The prevalence of age discrimination in the information technology workplace.

(2) The extent to which there is a difference, based on age, in promotion and advancement; working hours; telecommuting; salary; and stock options, bonuses, or other benefits.

(3) The relationship between rates of advancement, promotion, and compensation to experience, skill level, education, and age.

(4) Differences in skill level on the basis of age.

(b) REPORT.—Not later than October 1, 2000, the Comptroller General of the United States shall submit to the Committees on the Judiciary of the United States House of Representatives and the Senate a report containing the results of the study described in subsection (a). The report shall include any recommendations of the Comptroller General concerning age discrimination in the information technology field.

SEC. 11. GAO LABOR MARKET STUDY AND REPORT.

(a) STUDY.—The Comptroller General of the United States shall conduct a labor market study. The study shall investigate and analyze the following:

(1) The overall shortage of available workers in the high-technology, rapid-growth industries.

(2) The multiplier effect growth of high-technology industry on low-technology employment.

(3) The relative achievement rates of United States and foreign students in secondary school in a variety of subjects, including math, science, computer science, English, and history.

(4) The relative performance, by subject area, of United States and foreign students in postsecondary and graduate schools as compared to secondary schools.

(5) The labor market need for workers with information technology skills and the extent of the deficit of such workers to fill high-technology jobs during the 10–year period beginning on the date of the enactment of this Act.

(6) Future training and education needs of companies in the high-technology sector.

(7) Future training and education needs of United States students to ensure that their skills at various levels match the needs of the high-technology and information technology sectors.

(8) An analysis of which particular skill sets are in demand.

(9) The needs of the high-technology sector for foreign workers with specific skills.

(10) The potential benefits of postsecondary educational institutions, employers, and the United States economy from the entry of skilled professionals in the fields of engineering and science.

(11) The effect on the high-technology labor market of the downsizing of the defense sector, the increase in productivity in the computer industry, and the deployment of workers dedicated to the Year 2000 Project.

(b) REPORT.—Not later than October 1, 2000, the Comptroller General of the United States shall submit to the Committees on the Judiciary of the United States House of Representatives and the Senate a report containing the results of the study described in subsection (a).

SEC. 12. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to applications filed with the Secretary of Labor on or after 30 days after the date of the enactment of this Act, except that the amendments made by section 2 shall apply to applications filed with such Secretary before, on, or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to House Resolution 513, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just point out to my colleagues that this has been an interesting debate up to this point, and my colleagues will see, if they have been listening to the debate, how difficult an issue this is. This is not a Republican issue. It is not a Democratic issue. There are some very difficult issues that we have had to address here, and I will just say to my colleagues that, in addressing those issues, the Committee on the Judiciary took every single point that was made in the general debate into account.

There are people in the general debate who are saying we should not have an H–1B program at all because we got enough American workers here in our country to meet the need. There are people who said we ought to increase it a lot more than we increase it in either this bill or in my substitute. There are people who are all over the waterfront on this issue, and we tried to take every single view into account as we went through the process.

Now listen to what the committee report says. This is the committee report in support of the bill which I am offering as my substitute which ought to be on the floor because it passed the Committee on the Judiciary by a vote of 23 to 4. This is what the committee report says. It says, it is in the Nation's interest that the quota for H–1B aliens be temporarily raised. First, unless Congress acts, employers will not be able to employ new H–1B nonimmigrants until the beginning of the next fiscal year.

The committee report then goes on to say, the committee recognizes that the evidence for such a shortage is inconclusive. There are people out there who are saying there is no shortage of high-tech workers. There are people who are saying there is a major shortage of high-tech workers, and we, in our committee report, acknowledge that we could not decide that one way or another.

☐ 1645

Then the committee report says, however, the increase in the H–1B quota should be of relatively brief duration; there will be a bumper crop of American college graduates skilled in computer science beginning in the summer of 2001.

Now, we acknowledge that if there is a shortage, it is a temporary shortage of high skilled workers, and we ought to respond to that shortage by increasing the number on a temporary basis. And that is exactly what the committee's bill does, the one that I am offering instead of my chairman defending the committee's bill, I am here offering on the floor, defending the committee's position.

Now, what does our bill do? What does our bill do? It temporarily increases the number of H–1B visas until the year 2000 under our bill, because we recognize that this was a temporary problem that we were trying to address. So our plan was to increase it from 65,000 to 95,000 workers for fiscal year 1998, to 105,000 for the year 1999, and to 115,000 for the year 2000. And then we were going to go back to the current level of 65,000, because we had evidence that said in 2001 we are going to have a bumper crop of students coming out of school in these fields and we will not need this increase anymore. That is why we passed the bill the way we passed it out of our committee.

So now you have a choice between a bill that we had hearings on, that documented, to some extent, the need for it. We acknowledged that there might be a need for it and increased the numbers until the year 2000, but not to 2001, like the bill we have on the floor today. The bill we have on the floor goes to 115,000 for 1999, 115,000 for 2000 and 107,500 for the year 2001, when we have in our record documentation that there is going to be a bumper crop of American students coming out, and it is in our report.

So, you have got a choice: Do you take our efforts that we worked so hard in the committee on and passed, 23 to 4, to address this issue, or do you take something that somebody pulled out of the sky, where I do not know where the figures came from, I still do not know, and nobody will be able to tell us.

Now, we had evidence before the committee that said this program is being abused, and we took steps in the committee's bill to address the abuse in the process.

Our bill, the substitute which is being offered here today, requires all employers to attest that they have not laid off or otherwise displaced a U.S. worker who has substantially equivalent qualifications, and that they will only place the foreign worker that comes in under the program with another employer who has also attested to this. You cannot either bring in a person for your own benefit or for another employer unless you have attested that you are not going to lay off a U.S. worker. Now, is that unreasonable? There is not a person in this chamber who could say that that is unreasonable, if we are going to fulfill our minimum obligation to U.S. employees.

Yet the bill we are voting on today does not apply that requirement to all employers. What it says is some convoluted formula, if you are under 25,000 employees, then you have to attest; under 25,000 to 50,000, you have to do another kind of attestation. It makes no sense. We had attestation that 23 Members of the Committee on the Judiciary said was a good way to protect against abuses, and we are throwing it in the trash can, unless we adopt the substitute that is on the floor today.

The third thing our bill does is that it requires that all employers attest that they have in good faith taken timely and significant steps to recruit and retain sufficient U.S. workers in the specialty occupation for which the foreign workers are sought.

That is not an unreasonable requirement. All we are saying is do not go and bring a foreign worker into the United States unless you have in good faith taken some steps to try to recruit U.S. workers. That is why all of these people are coming to the floor today and saying to us, well, in my part of the country, people are being laid off.

If there are laid off people in Michigan and there is a need in California, my goodness, we ought to request the employer to go to Michigan before we send them to India. That is all we are saying, and that is all the attestation would do. And it applies to all employers again, just like it should apply to all employers.

Now, there is something in our bill, because we did not have all the facts, that required a study to be done by GAO to determine what impact this is having.

I do not know whether they put that in their new bill or not, but I do not see anything about the GAO in the draft of the bill that I got late last night in the CONGRESSIONAL RECORD in the fine print. So maybe they will tell me that that is in their bill too. But at least we ought to during this three or four year period document whether there is a shortage or is not a shortage, and our substitute does that, the bill that passed the Committee on the Judiciary, which I, a minority member of the committee, has to come to the floor and defend the committee's work product. That ought not be the case.

We had a good bill. We passed it 23 to 4, bipartisan support, broad based support. It addressed the issues. It was not protectionist. It acknowledged that we had a problem. But we have got to do it in a way that is fair to the American workers.

Mr. Speaker, I ask all of my colleagues to search their heart and vote for this bipartisan substitute that came out of the Committee on the Judiciary by a 23 to 4 vote; not a bill that we have been sent over here from the Senate that has nothing in it that really supports the findings that we made as a committee in this House of Representatives.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I oppose the amendment offered by my colleague, the gentleman from North Carolina (Mr. WATT).

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from Texas is recognized for 30 minutes.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we are considering on the floor today represents a good faith compromise between differing H–1B measures, one passed by the Senate and one passed by the House Committee on the Judiciary. It is not perfect, but compromises seldom are.

What the bill does do is take a middle role between varying viewpoints as to the H–1B visa program. The H–1B program is being abused by firms known as job shops or job contractors. These companies do not bring in a few H–1B aliens a year to plug skill gaps in their work forces. Instead, many, and sometimes all, of their personnel are in fact H–1B workers.

Job contractors make no pretense of looking for American workers. They are in the business of contracting out their H–1Bs to other companies. The companies to which the H–1Bs are contracted benefit by paying wages to the H–1Bs often well below what comparable Americans would receive. In order to achieve this benefit, they have been known to lay off American workers and replace them with H–1B foreign workers from job contractors.

In order to stem this abuse, H.R. 3736 requires job contractors, defined as companies where 15 percent or more of the workforce is composed of H–1Bs, to make good faith efforts to recruit American workers, to not lay off Americans and replace them with foreign workers, and to not contract H–1Bs to other companies who use them to replace other American workers.

If we are to have an increase in the H–1B quotas and protect American workers at the same time, it will be through H.R. 3736, and not the Watt amendment.

Mr. Speaker, I urge my colleagues to vote against this amendment.

I also want to make a final point: You might get the impression from listening to some of the opponents of the bill and to some of the proponents of the Watts substitute that there is nothing in the bill to protect American workers. The opposite is true. We are going to protect American workers, and, in fact, we are going to target the companies that have in fact been the abusers in the past. So there are lots of protections for the American workers in the bill. That will continue, that is in the compromise.

Mr. Speaker, I yield four minutes to my friend the gentleman from Utah (Mr. CANNON), who is also a member of the Subcommittee on Immigration and Claims.

Mr. CANNON. Mr. Speaker, I thank the subcommittee chairman, for yielding me time.

Mr. Speaker, I rise today in opposition to the Watt amendment in the nature of a substitute to H.R. 3736, the Workforce Improvement and Protection Act. The H–1B program is critical to our Nation, and, in particular, to the state of Utah, which I represent. The engine driving American productivity has performed well beyond anyone's expectations over the past several years, and I am sure we all realize how much of this performance is due to the contribution made by the high-tech sector

and its commitment to research, development, innovation and achievement.

So today we must make a choice that is critical to this engine of American productivity. We must decide whether this engine will continue to have fuel to run on, because that is what we are talking about here. Our high-tech sector cannot function without the high skilled individuals employed to generate that productivity, and voting in favor of this substitute would effectively put a stop to this productivity.

At the same time, I am pleased that a compromise has been reached that safeguards productivity while it, for example, generates additional private sector funds for scholarships for American students in the fields of mathematics, computer science and engineering.

The compromise will build our investment in American students and workers, will sustain our high-tech sector, and will allow America to remain the global economic leader it is today. I voted ''no'' during the markup of an earlier version of this language in the Committee on the Judiciary several months ago, for the same reasons I urge Members to vote against it today.

Mr. WATT of North Carolina. Mr. Speaker, I yield three minutes to the gentleman from California (Mr. BERMAN), a cosponsor of the substitute.

Mr. BERMAN. Mr. Speaker, I rise in support of the substitute sponsored by the ranking member of our subcommittee and the gentleman from Pennsylvania, as well as myself.

Here is where I come from: I buy into a lot of the arguments of the proponents of the bill. One, in a global economy, we want our companies to be competitive. That includes making sure they are able to hire workers with the skills necessary for them to be as competitive as they can be, because it is our competitive edge which will help us in the future.

I come from a very strong background of believing in immigration, believing immigration is good for this country, believing immigration based on family relationships and employer sponsorships are both important and that those immigrants contribute a great deal to our economy and to our social fabric and to our culture.

I also accept the premise that probably at this particular time we need substantial additional visas for H–1B, for temporary nonimmigrant workers who have specific skills. I just think that to say that huge numbers of the employers who will utilize these H–1B workers do not have to go through a basic meaningful process of recruitment and do not have any meaningful constraints on their ability to displace a U.S. worker in order to bring in a temporary nonimmigrant visa is wrong fundamentally, and, moreover, will in the long term undermine America's willingness to accept immigration under these grounds.

□ 1700

So I think the substitute, which provides a meaningful attestation requirement, is a compelling help to this particular legislation.

The way this is written, a company that employs 5,000 people but has only 600 H–1B workers would not be obligated to provide any of the attestation requirements, because it would not meet the definition of an H–1B-dependent company.

That makes no sense to me. This is not an amendment that simply excludes small employers, not that they should not have the same obligations, anyway, but we can talk about the Department of Labor, paperwork burdens, and things like this. We could be talking about some enormous employers with substantial numbers of H–1B employees who will not be required to have enforceable obligations to recruit domestically first, or to agree not to displace U.S. workers with people filling these nonimmigrant visas, these H–1B visas.

I urge support for the substitute. I congratulate our ranking member for his preparing of this amendment, and I urge its adoption.

Mr. WATT of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the substitute of the gentleman from North Carolina (Mr. WATT) and the gentleman from California (Mr. BERMAN) to the legislation pending before us.

I do so because of many of the points that the two authors of this substitute have pointed out. When we read the committee report, we see the documented concerns that have been raised both about age discrimination, about displacement, about unemployment in various regions of the country, and the overdefining of some of these jobs, and I think that it is incumbent that we ask employers to make the kinds of efforts necessary to make sure that in fact these jobs cannot be filled from United States citizens before we go overseas to look for them.

I, like the proponents of this legislation, also accept the notion that there are in many instances jobs that cannot be filled from the domestic work force, for one reason or another, and it may be temporary in some cases, or what appears to be permanent when we consider the rapidity of change within these industries.

But not all of these jobs are the narrow band of jobs on the cutting edge where, in many instances, those individuals do not exist within the American work force, and we ought to make sure that, therefore, we can go overseas and recruit those individuals and bring them here to help companies remain in the competitive position.

But many of the other jobs in fact are available, but they may not be available in that immediate geographic region. It ought to be incumbent on people to go out and to see and recruit individuals that can fill those jobs, either because they have been laid off of their jobs in another region of this country, or they can be readily retrained for those jobs that these employers are looking for.

For that reason, I believe that the substitute is a preferable work product in assuring that we make sure that American citizens who are looking for work, who have these skills, are in fact considered first, because that really is the obligation that these companies should have. If they are not available, then we ought to make sure that we also provide a vehicle so those people can be brought into the work force. Again, I support the substitute.

Mr. WATT of North Carolina. Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. BROWN).

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise to support the substitute to H.R. 3736 prepared by my colleagues from North Carolina, California, and Pennsylvania. I have already expressed my skepticism about the claims of a shortage. I would like to turn here to the protection for U.S. workers.

The Republican proposal is carefully crafted to apply only to companies that we call ''body shops.'' It would allow most American firms who use H–1Bs to avoid scrutiny by the Department of Labor. The Watt substitute requires all companies using H–1Bs to attest that they have sought an American employee, and that they have not laid off an American in order to take on the H–1B employee.

In the Republican bill, the protection against layoffs only applies if the body shop knows or should have known that the ultimate employer was going to lay off the American worker. If I am an American worker, that does not fill me with confidence.

The Department of Labor has been hampered in enforcing the H–1B program because only H–1B visa holders could initiate complaints. The Republicans claim that the Department receives authority to investigate based on specific credible information of violation. What is not said is that the Secretary must first ''* * *provide notice to allow the employer to respond before the investigation is initiated, unless the Secretary determines it would interfere with compliance.''

In practice, we know the Secretary has few resources to investigate violations now, and the Department can expect to find employers objecting to investigations as soon as the Department informs them that one is being considered. It should also be noted that the increased protections provided by the Republican substitute last only as long as the increase in visa numbers continues. The Watt substitute permanently protects U.S. workers.

I noted earlier that the claim of a shortage is not well supported by the evidence. The Republicans think they have made a great concession by shrinking their bill from 5 years to 3 years, but with substantial increases in the numbers. The Watt substitute provides a smaller increase. I prefer this more limited intervention in the labor market.

Our colleague, the gentleman from Texas (Mr. SMITH) worked hard to produce a bipartisan consensus in the Committee on the Judiciary. The Watt substitute embodies the fruits of his labor. I believe the House would do better to vote for the Watt substitute.

Mr. WATT of North Carolina. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member for yielding time to me, I thank him for his leadership, and I thank my good friend, the gentleman from Texas, for working on this very difficult issue.

Frankly, in my district I get immigrants who are speaking of those they have left behind, and are certainly concerned that this country might be seen as closing the doors to those who seek to come and work. At the same time, I get many of those who are in this country, who are born in this country, who express a great degree of concern about losing their jobs and opportunities.

Where reasonable men and women can agree, that is what we should be doing in the United States House of Representatives. Adversarial positions, where we can agree, do nothing to help America and to move forward.

I think the gentleman from Texas (Mr. SMITH) is an obviously reasonable person, not only because he comes from the State of Texas, but I know where he went to undergraduate college, so I know where his background leads him, and I know he is a reasonable man.

With that in mind, I think it is extremely appropriate that we support the Watt-Berman-Klink bill. Just look at that, New York, Pennsylvania, and California. Can we get any more American, talking about how can we can resolve this question?

I think it is extremely important that we insist that employers attest to the fact that they have not laid off or otherwise displaced a U.S. worker who has a substantially equivalent qualification, and that they will only place the foreign worker with another employer who has also attested to do this.

Do Members realize that there are thousands of middle-aged, and I know they would not want us to call them that, engineers who are unemployed? Do Members realize that 650,000 Americans get Bachelor's of Science degrees in science and engineering, and 120,000 master's degrees? Do Members recall that Bill Gates never finished college, and organized Microsoft?

Frankly, we need this amendment, because it allows $500 for a training fee on such H–1B visas to be applied to train and retain American workers. The legislation will also provide for a more accurate account of foreign workers and GAO studies of the high technology labor market.

Mr. Speaker, we can do this together. There is no reason why we should leave these chambers and not protect American workers. There is no reason why we should not train those who can be trained. There is no reason why we should not hire our middle-aged, if you will, engineers who need jobs.

Frankly, let me say to the computer industry, there is no reason why they should not be going into the inner city and hiring minorities and women. They have a very poor record of that, of which I look forward to convening a meeting with the computer industry to tell me, who are they hiring in this country? Are they hiring women? Are they promoting people? Are they bringing back engineers who have been displaced?

We can work this out together. This is not an adversarial posture. Yes, America stands for opening its doors of opportunity to those who would come legally. Let us not close the door on them. But at the same time, we owe an obligation to protect Americans who are unemployed, underemployed, and who want an opportunity, 650,000 getting degrees in science and math, and 120,000 with master's degrees.

I think this amendment is the right and fair way to go. I ask for reasonable men and women to join me on this.

Mr. SPEAKER. I thank the gentleman for yielding me time and for the opportunity to speak on this bill. Although it is true that in recent years, the high tech industry has fueled enormous growth in the United States and has benefitted the corporate information technology industry, I have some serious concerns about wholeheartedly supporting H.R. 3736 for several reasons.

H.R. 3736 seems to speak to the need for more skilled workers to move into highly paid jobs in the high tech/information technology industry. Yet, there are more complex issues that should not be overlooked. currently highly skilled foreign workers are unable to obtain a H1–B visa and work for U.S. industry.

The cap on such highly skilled position visas was met in May of this year, and this bill proposes to increase the number of processable visas, by 30,000 for 1998, 40,000 for 1999, and 50,000 for the year 2000. Although on its face, these increases may seem as if they are a positive move for our country's technological industry, there are several issues regarding the provisions of this bill which we must consider.

For example, what about increasing resources for training U.S. workers for these high tech jobs? Currently there are thousands of middle age engineers who are unemployed. There have been recent studies which indicate that the industry only hires about 2% of all of those applying for programmer positions.

Is there really a shortage of high tech workers in America? I am also concerned that although the H1–B visa program was originally designed to bring in highly skilled workers it has been used for other less ethical purposes. A little over two years ago the high technology industry was laying off U.S. computer programmers by the hundreds and replacing them with cheaper foreign workers. High Tech management told us that Americans were being paid too much and that temporary foreign workers should be used to keep wages down, lest companies should move abroad!

Every year, this country produces 650,000 bachelor degrees in science and engineering and 120,000 masters degrees! And let's not forget that even degrees aren't absolutely necessary to train talented and motivated U.S. workers.

Remember, Bill Gates dropped out of College and THEN created Microsoft! Right now, our most highly skilled, sought after, domestic technology workers have realized just how valuable they are to high tech Corporate America, and the industry is unwilling to pay these workers the high wages they are demanding!

Mr. Speaker, I am urging my colleagues to vote for the Watt-Berman-Klink substitute. Although it is true that in recent years, the high tech industry has fueled enormous growth in the United States and has benefitted the corporate information technology industry, I have some serious concerns about wholeheartedly supporting H.R. 3736 for several reasons.

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technology workers have realized just how valuable they are to high tech Corporate America, and the industry is unwilling to pay the workers the high wages they are demanding!

For the above reasons, I am urging my colleagues to vote for the Watt-Berman-Klink substitute. Some of the most important changes in the Watt Berman legislation require employers to attest that they have not laid off or otherwise displaced a U.S. worker who has substantially equivalent qualifications, and that they will only place the foreign worker with another employer who has also attested to this. In addition, the Watt-Berman substitute will provide $500 for a training fee on each H–1B visa applied for to train and retrain American workers. This legislation will also provide for a more accurate count of foreign workers and GAO studies of the high technology labor market.

I believe that the growing workforce of our country and the strength and growth of the high tech industry in particular can be met most effectively by fully developing the skills of our own U.S. workers. In fact, the hidden blessing in the current high demand market for certain technical specialties is that it should encourage us to retrain displaced workers, attract underrepresented women and minorities, better educate our young people and recommission willing and able older workers who have been forced out of their work.

Increased immigration should it be allowed, should be considered a complement to our industries, not a substitute for U.S. workers.

PARLIAMENTARY INQUIRY

Mr. WATT of North Carolina. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman will state it.

Mr. WATT of North Carolina. Mr. Speaker, could the Speaker advise us as to who has the right to close, and why?

The SPEAKER pro tempore. As a member of the committee controlling time in the opposition, the manager of the bill, the gentleman from Texas (Mr. SMITH), has the right to close.

Mr. WATT of North Carolina. The gentleman from Texas (Mr. SMITH) has the right to close?

The SPEAKER pro tempore. That is correct.

Mr. WATT of North Carolina. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, before I yield to the final speaker to close debate, the gentleman from Pennsylvania (Mr. KLINK), I just wanted to spend a minute or two, or less than a minute or two, really, saying that I understand the predicament that the chairman of my subcommittee is in. I suspect he would rather be supporting my substitute than the bill that he is on the floor with, so I do not envy his position.

He has worked hard on this bill, and to kind of show Members how interesting this is, we had to get a special ruling from the Chair to determine who has the right to close this debate, because the bill that came out of our committee, except in one respect, is the same bill that I am offering as a substitute. This is a very unusual process.

The bill that I am offering as a substitute is a bill that passed our committee by a vote of 23 to 4, and here I am, defending the committee's bill. So I want to just empathize with my friend, the gentleman from Texas. He has gotten a bill shoved down his throat, just like we are having a bill shoved down our throats, but we are the House. We have the right to stand up and vote against the Senate's bill and support our own bill. That is what I hope my colleagues will do.

Mr. Speaker, I yield the balance of our time to the gentleman from Pennsylvania (Mr. KLINK), the cosponsor of this substitute.

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. KLINK) is recognized for 6 minutes.

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding time to me. It has been a pleasure to work with him on this. I hope we are successful in our substitute. I also want to again laud the gentleman from Texas (Mr. SMITH) for working with us.

I just want to just draw the attention of the Members to a Dear Colleague that was sent out on June 18 by my friend, the gentleman from Texas (Mr. SMITH) and the gentleman from California (Mr. ELTON GALLEGLY).

They pointed out what I thought was a very important point, and that is that during the time that all of these information technology companies were in fact telling us how much of a shortage there was of workers in the workplace, they were laying off workers by the hundreds of thousands.

Silicon Graphics laid off 1,000; Xerox laid off 9,000; Seagate Technologies, 10,000; Intel 4,000; National Semiconductor, 1,000; Hewlett Packard, 1,000; Boeing, 12,000 workers. Do they mean that they were so so stupid they could not be reeducated or retrained to take other jobs?

Kodak laid off 19,000 workers; AT&T, 18,000 workers laid off; Ameritech, 5,000 workers laid off; Motorola, 16,500 workers laid off; and on and on and on we go. I could read many more. In fact, the final number by the end of August that we have is 208,558 workers, that is that we know about.

If this was on the legitimate, this whole argument about not liking the substitute, our friends in industry would not have disagreed so much with attesting to the fact that they could not find American workers, or that they were not firing American workers.

□ 1715

See, the fact of the matter is that if they really are searching for Americans for these jobs, or if they are not displacing an American worker, then they should not have any difficulty then attesting to that fact in order to get H–1B visas. But the industry has been screaming about the attestation.

The committee's own report says that ''it is imperative that we build into the H–1B program adequate protection for U.S. workers.'' Continuing to quote from the report from the committee in the House, ''the most simple, most basic protection that can be given to any American worker is a guarantee that he or she will not be fired by an employer and replaced by a foreign worker. More broadly stated, an employer should not in the same instance fire an American worker and bring on a foreign worker when the American worker is well-qualified to do the work intended for the foreign worker. The H–1B program currently contains no such guarantee.''

The underlying bill that we are trying to substitute provides protection for only a small percentage, about 1 percent, of the H–1B workers that are going to be brought into this country. This substitute has that attestation provision for all of those workers and that, in fact, is the difference.

Mr. Speaker, I want to get into speaking for some of the workers who are not here to speak for themselves.

Mr. BECERRA. Mr. Speaker, will the gentleman yield?

Mr. KLINK. I yield to the gentleman from California, my friend.

Mr. BECERRA. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. KLINK) for yielding me a bit of his time.

I just wanted to come down and say that as much as I would love to be able to support the underlying bill, having a large number of firms that are in desperate need of workers to fill high-tech, high-paying jobs, it is difficult to stand here and not be able to support the bill unless we have the Watt amendment, which is the committee's bill.

It is such a frustrating thing to stand here knowing that this committee passed a bill out for House consideration, a full vote of the House, and we cannot get Members who supported it in committee to now support what they voted out of committee. That would be something a number of us would be willing to support. Unfortunately, now we have to try to get it into the bill that is being debated here through an amendment.

The problem I see with the underlying bill without the Watt amendment accepted is that we restrict the application of this visa category to only a small percentage of all the employers who are going to be out there seeking these employees from foreign countries, which means that we are going to have a vast number of companies that will be able to skirt the law, bring in foreign workers, and deny American workers the opportunity to get good-paying jobs. That is not fair, that is not reasonable, and I think most people here know that I am one who is generally pro-immigration that is fair and reasonable.

Mr. Speaker, if we did more to make sure that the workforce of the future that we grow by ourselves in our country could meet the needs of these firms, that would be great. But I understand the need temporarily for these firms immediately.

I wish I could support this; I cannot without the Watt amendment. I hope

everyone here will vote for the Watt amendment, which is in fact the committee's bill. Then we could get good support out of this House and hopefully get it to the President's desk. But without the Watt amendment, I would hope everyone would vote against this bill.

Mr. KLINK. Mr. Speaker, reclaiming my time, that seemed like an adequate 60 seconds. I thank the gentleman from California for what he was able to fit into that time.

Mr. Speaker, let me speak for those workers out there. We have no definitive evidence that there is a shortage. And if those 208,000 people have been laid off, can they not be retrained? I want to talk about a research faculty member from Texas who wrote me to say, ''I train international students to qualify for H–1B and other work visas. I would like to know, however, why these companies show no interest in hiring me.''

How about Linda Killcrese of Dover, New Jersey, who said, ''In my own case, all information technology staff were fired by American International Group and replaced by a body shop.''

Mr. Speaker, we have workers after workers who complain that they have jobs, and at $500 a job we are selling away the future of American workers.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, much has been made in the last few minutes about the need to support the Watt substitute because it is the committee bill. I will look forward to the enthusiastic support of my friends on the other side of the aisle on future committee bills commensurate with their support of the Watt substitute tonight.

Mr. Speaker, I want to repeat again that the underlying bill has the support of both the Republican leadership and the administration. And the reason it has garnered such bipartisan support is because it does target companies that have historically been the abusers of the H–1B program. It does target companies who in the past have not hired American workers when they should have, and it targets companies that in the past may have fired American workers and replaced them with foreign workers.

In addition to that, it also provides the needed high-tech employees for our high-tech companies which will generate more jobs in the economy and help our economy continue to expand.

So, Mr. Speaker, I do want to encourage my colleagues to vote against the Watt amendment and vote for the underlying bill.

Mr. Speaker, I yield such time as he may consume to the professor from Stanford Law School, the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Speaker, I thank the gentleman from Texas for yielding me this time, and I welcome him to my class any time he pays the tuition.

Mr. Speaker, I wish to note with recognition of the great effort of my friend, the gentleman from North Carolina (Mr. WATT). I do understand what he is offering. I respect him and his thinking. I am impressed by it.

I also wish to recognize what a remarkable job the gentleman from Texas (Mr. SMITH), the subcommittee chairman, has done along the lines very much of the gentleman from North Carolina's comments: I know LAMAR SMITH, LAMAR SMITH is a friend of mine, and he has gone farther than perhaps he wished to go. I know how far he has gone in order to bring a bill to the floor that will meet the approval of a majority of this body and the President of the United States. My credit to both of these fine gentlemen.

Mr. Speaker, there are two differences between the Watt substitute and the underlying Smith version. One has received a lot of attention, the attestation requirement, and I will have a word about that in a second. But the first has not, and that is that there is a difference in the Watt substitute in that the increased H–1Bs come from H–2Bs, so that the net number of temporary immigrant visas will not increase. Whereas, under the Smith bill, the H–1Bs are a net increase.

So, we really have two differences and they are quite significant. If we believe that it is beneficial to our country to have a net increase in the number of temporary visas, then only the Smith bill provides for that.

As to the attestation requirement, the arguments that have been made are in my judgment missing the fundamental point that we are speaking of a temporary position. That is why we do not have an attestation requirement in existing law for an H–1B visa. See, if we are hiring somebody to come to this country on a permanent basis, that is a green card. And for a green card, an attestation requirement is needed and that is in existing law. That is because they are coming to this country and are going to be a member of our economy on a permanent basis.

But the whole idea of the H–1B and the H–2B is that it is a temporary invitation to this country for a task that needs someone now. That is why the attestation requirement runs into such opposition in many industries, because the need now to go through the attestation requirement delays the ability to fill that need now. That is why existing law does not have an attestation requirement for the H–1B visa.

We would, for the first time, be imposing into law an H–1B attestation requirement, and that is quite a move towards those who have expressed, with all good faith, concern for protecting the jobs of the American worker.

Indeed, the best way, it seems to me, to protect it is job of the American worker is to guarantee a vibrant economy with a growing sector that relies upon the H–1B and permanent immigrants and American citizens.

That is my second main point. It is essential that we remain competitive. If as a result of what we do today we have fewer temporary immigrant laborers hired, but we lose the opportunity for the person necessary to the immediate job at hand to come to this country, we will have lost a great deal. For the immediate need is exactly the competitive edge, and then that technology, that opportunity, will very well go to another country which does have the ability to hire the temporary worker without the delay of the attestation requirement.

So, I observe that under existing law we do not have an attestation requirement, and for a very good reason. I observe that we do have an attestation requirement, however, for permanent workers and I observe that the Smith version of the bill has an attestation requirement where there is reason to expect it. Namely, where there is a reliance upon the imported, the H–1B imported laborer above the 15 percent.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from California.

Mr. LAZIO of New York. Mr. Speaker, I thank the gentleman from California for yielding, and I thank the gentleman from Texas (Mr. SMITH) for his great work on behalf of high-tech companies and workers throughout this country.

Mr. Speaker, I would just like to offer my support for this bill as well from somebody who represents an area that has transitioned from a particularly defense-laden economy to one that has a much more diversified economy. It is now struggling to continue to break free to add employment to what is increasingly a biotech and high-tech economic base.

This bill strikes the right balance between promoting the growth of the high-tech companies that are so important to the future of this country and the need to keep American workers educated, trained, and fully employed.

Just last month, I would say to the gentleman from California, I met with a large group of high-tech executives from my district. They repeated a concern that I have heard time and time again that Long Island does not have enough workers with the unique skills that they need today. Our schools are not producing enough engineering graduates, they told me, and high schools do not concentrate enough effort on the technological education that will provide the core technological skills our students need.

This is something we all want. We need to address these problems on both a long-term and short-term basis. This compromise reflects this reality.

H–1B visa holders bring unique skills to American companies help U.S. businesses access foreign markets, provide training to American workers about foreign markets, and help fill temporary worker shortages.

Clearly, the long-term answer is to be sure that American students and workers are prepared to fill these good

jobs permanently. But this bill provides 10,000 scholarships a year for low-income students in math, engineering and computer science. Equally important, it provides training for many thousands of American workers through the Jobs Partnership Act. These programs will be paid for by the companies that benefit from the H–1B visa program, and not by taxpayers.

The bill protects our workers today with three types of layoff protections, including requiring those companies most likely to abuse the program to attest that they are not laying off an American employee to hire an H–1B employee. The bill even provides a $35,000 fine for violations.

For the short term, while we are helping to train and educate American workers and students, we provide a temporary 3-year increase in the number of H–1B visas. Mr. Speaker, I urge my colleagues to take advantage of this opportunity to promote our high-tech companies and help our workers now and in the future.

I urge my colleagues to look at this as a two-pronged strategy of looking to the short-term to insure growth in our most promising industries and also insuring a continuing supply of students with the type of technological and educational backgrounds to make that happen.

Mr. Speaker, I thank the gentleman from California (Mr. CAMPBELL) for yielding this time to me, I know it is precious time, to allow me to make these remarks.

Mr. CAMPBELL. Mr. Speaker, reclaiming my time, I thank the gentleman from New York (Mr. LAZIO) for his insightful remarks and courtesy.

Mr. SHAYS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Speaker, I thank the gentleman from California (Mr. CAMPBELL) for his helpful and enlightening comments, and to follow the gentleman from New York (Mr. LAZIO), because he really said exactly what I would like to say. In fact, he said in just a few minutes what would probably take me 10 minutes to say.

So, Mr. Speaker, I will simply associate my comments to those of the gentleman from New York and the gentleman from California. I also wish to thank the gentleman from Texas (Mr. SMITH) for his outstanding efforts in bringing this legislation to the floor.

Mr. Speaker, I have been a strong opponent of illegal immigration. I think we need to do a better job of cracking down on illegal immigration. At the same time, I think it is imperative that in certain areas we increase legal immigration, particularly in the areas where other jobs are related. I believe by bringing in people with high-tech skills, we help create more jobs in the United States for American workers.

Mr. CAMPBELL. Mr. Speaker, again reclaiming my time, I have been informed by the subcommittee chairman that the distinguished ranking minority member may wish to speak, and that it would be courteous to allow him to do so.

Mr. Speaker, I yield to the gentleman from North Carolina (Mr. WATT), my good friend.

☐ 1730

Mr. WATT of North Carolina. I thank the gentleman for yielding to me.

Mr. Speaker, I think the reason he wanted to yield to me was that he had represented that he was on his final speaker, and he did not want it to look like he had misrepresented. I understand that other Members came to the floor after that. He probably also wants me to speak in favor of my substitute again, but I will not take advantage of his generosity.

Mr. CAMPBELL. Mr. Speaker, it just adds to my admiration for the gentleman from North Carolina, his candor.

I yield to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, I want to congratulate our good friend, the gentleman from Texas (Mr. SMITH) who has labored with this bill along with other Members over the course of this year. And although the gentleman from North Carolina has a worthy alternative, I think that the bill we have before us is an agreed-upon bill between the House and the Senate and the administration. It is time to move this issue forward.

There are probably a lot of people in America who wonder why we have guest workers, why we would bring these special H–1B workers in. I think it is important to note that over the last 18 to 20 years, the American economy has grown to be the most competitive economy in the world. If Members will recall, in the late 1970s and early 1980s, we were losing quickly our ability to compete.

What has happened over the last 18 to 20 years is America, because of the information age, because of the advent of new technology, has really become the most competitive Nation on the earth. The only problem is, our workers, a lot of them, we do not have enough to fill these very highly skilled positions. That is why we have this temporary guest worker program.

While I support the program, I support what we are doing here, we also have to keep in mind that we need to do a better job of making sure that we have the educational resources and the options available for U.S. citizens to gain the skills and gain the education to fill these positions long-term. That is why in this bill there is some additional money for training and education. But I think it causes us to take a moment to think about the bigger picture of what has to happen in our country.

Tomorrow, hopefully, we will have the Higher Education Reauthorization Act on the floor of the House that will, again, show the American people our commitment to broadening higher education and the availability of it for all Americans, because long-term we have the skills and the ability to fill these jobs ourselves if, in fact, we make that commitment to them.

In the meantime, we need this to maintain our competitiveness. It is the right thing to do. The gentleman from Texas really does deserve a big pat on the back for laboring through a lot of slings and arrows from a lot of different directions over the course of this year.

Mr. CAMPBELL. Mr. Speaker, in brief recital of where I was before, I was equally surprised at the additional speakers. I had made the point that the Smith version gives us a net increase in temporary worker visas, the Watt substitute does not; that it is important to have temporary visas so that people needed for an immediate job can get into that job without the delay of attestation.

But a very fundamental point has been raised by my friends on the other side saying that there have been layoffs and what sort of compassion do we have for American workers who have been laid off. I have a great degree of compassion. I hear them at every town hall meeting in my district which is a high technology district. But the Smith substitute, I think, cuts the compromise just about right.

It realizes that the people who are laid off in categories are different from the categories where the H–1B visas are being hired. They are simply not the same. In high technology terms, the layoffs tend to be in the fabrication side, and the H–1Bs tend to be in the engineering side. That is exactly where we need to be importing, for temporary engineering purposes, that brainpower that might otherwise go to one of our competitor countries.

The Smith substitute makes that cut perhaps roughly at 15 percent. Nevertheless it makes exactly the cut that we ought to between those are truly job shops and should be subject to an attestation requirement and should be subject to heightened Department of Labor scrutiny, because they are taking jobs away from Americans, and those legitimate American employers who need a temporary visa for someone to come in and provide the technological expertise that otherwise will diminish our competitive position.

I close by observing that the economic benefit is as important as the preservation of the existing jobs. The first being new growth for new jobs; the second being the preservation of existing. Without the H–1B, we will not, I think, be able to guarantee the growth of new jobs. Important as preserving the existing jobs are, we must do both. The Smith substitute recognizes both of those.

A former constituent of mine, Andy Grove, came to this country as an immigrant. He founded Intel Corporation and he was Time magazine's Man of the Year. This is the kind of talent that I

would wish to come to our country rather, in Andy Grove's case, than stay in Europe.

At the end of this debate, this is only the first step. We must do far more to retrain American workers. I strongly support the provision in the Smith alternative that every H–1B visa employer pay $500 that goes into a retraining and education fund for Americans so that they do not lose this opportunity in the long run. But even that is not enough.

Legislation of my own supports a double deduction for retraining an American worker, not just the ordinary and necessary cost of doing business deduction but twice it, so that if you are retraining an American worker, you have an economic incentive from all of us that that person keep the job and keep the job in this country.

Mr. SMITH of Texas. Mr. Speaker, I yield myself the balance of my time.

I thank my friend from California for his very articulate and trenchant remarks. I urge my colleagues to vote against the Watt amendment and for the underlying bill.

Ms. DUNN. Mr. Speaker, I rise today in support of the Workforce Improvement and Protection Act. America's cutting-edge companies depend on the annual admission of a small number of highly-skilled workers under the H–1B visa program in order to maintain a competitive edge in the global marketplace. The H–1B visa program is a timely—and often the only—means for U.S. companies to employ foreign-born professionals on a temporary basis. These workers supplement the domestic labor force where no American worker is available who can perform the job.

In recent years, the high-tech, engineering, pharmaceutical, and other industries that use H–1B workers have enjoyed extraordinary growth. Demand for H–1B workers has increased to a point where the annual cap of H–1B visas was reached in May this year and is expected to be reached even earlier in coming years. This means that indispensable people, who likely have been educated and trained in the United States, will have to return home and work for our foreign competitors instead of staying in the U.S. to advance American companies and generate jobs for American workers.

In my home State of Washington, companies like Boeing and Microsoft, and the hundreds of other high-tech firms just starting up, understand the importance of H–1B visas. I recently received a letter from a constituent detailing her concerns. She employs less than 10 H–1B workers in a company of over 230 employees. These workers are in key leadership roles, where people with international experience and perspective, along with technical expertise, are required. The success of these visa holders enables this company to hire many more American workers. Without the H–1B visa program, this firm would be negatively impacted, to the point where the company could move out of my district, possibly to a foreign country, moving 230 jobs and the ensuing economic benefit out of the United States.

Mr. Speaker, high-tech companies aren't the only ones utilizing the talents of H–1B workers. The Fred Hutchinson Cancer Research Center, also in Washington State, is an excellent example of the specialized abilities of these workers. For example, Dr. Rainier Storb, a German national, joined the bone marrow research team working at the Center. Dr. Storb brought unique knowledge to this team, which subsequently developed the use of bone marrow transplantation. This research resulted in the clinical treatment of a host of blood and immune system diseases. Lymphomas and anemias, which were terminal just 20 years ago, are now successfully treated in 80 percent of cases. This work led to the award of a Nobel Prize in Medicine. Dr. Storb's example is simply one of a number where the contribution of a foreign born scientist led to significant scientific and health care progress, the creation of jobs and economic opportunity, and training to countless other scientists from the U.S.

While our Nation's economic health is strong today, I believe that we must ensure access to the best talent the world has to offer in order to keep this momentum. Temporarily expanding H–1B admissions will help insure that the United States remains the world leader in the development of new technologies.

Mrs. MINK of Hawaii. Mr. Speaker, I rise in opposition to the current version of H.R. 3736, which drastically increases the number of available H–1B visas while severely limiting worker protection clauses that were contained in the version passed out of the House Judiciary Committee on May 20, 1998. I am especially disturbed that the newest compromise achieved by Senate Members and the administration late last night has been brought to the floor today with little time for us to adequately review this newest proposal.

I am not convinced of the need for more temporary workers. Industry alleges there is a great shortage among high-tech companies. The Information Technology Association of America, an industry-funded group claims 340,000 information technology jobs are going unfilled.

In March of this year, the GAO questioned the ''reliability of ITAA's survey findings,'' as not supported by the evidence. It concluded the response rate of the survey was too low (36%) to make an accurate projection.

It is important to note various reports which show that industry has laid off over 142,000 American workers since the beginning of this year. Why were they laid off if there is a shortage?

The August 1997 Computerworld Magazine found over 17 percent of American high-tech workers over the age of 50 are unemployed. If there is a shortage, why aren't these individuals being retrained and rehired?

Foreign high-tech workers generally earn less than their American counterparts, despite laws requiring employers to pay them ''prevailing wages.'' A July 26, 1998 Washington Post article found that foreign computer programmers with masters' degrees earn $50,000 compared to $70,000 that a comparably educated American worker could earn. So what are these industries doing? Hiring cheaper labor? Are H–1B visas being used as a conduit for cheap labor? It sure looks that way. Between 1990 and 1995, computer specialist jobs increased by only 35 percent, while the number of visas requested by employers increased by 352 percent! These companies are more interested in hiring foreign workers than our American workers.

In response to these concerns, the bipartisan bill reported out of committee on May 20, 1998 contained worker protection clauses designed to prevent foreign workers from being hired over American workers because they are cheaper labor. The clause simply required employers petitioning for H–1B foreign workers to show a good faith effort to recruit Americans first.

This simple requirement was read as too burdensome to the industry. They argued that it would cause ''too much red tape'' impeding their ability to hire workers. Well I say to those companies, what about the hardship faced by 142,000 laid off technology workers?

I am appalled that this simple attestation clause has been whittled down to nothing in the current form of H.R. 3736. This attestation clause is now expected to reach only 5 percent of H–1B employers. While the job-shops will be required to attest that no American workers were laid off to create the position for the foreign worker and that workers they provide on a contractual basis to another company do not replace American workers, this is not enough. Ninety-five percent of our workers are left unprotected under this bill. Even with the added authority given to the Department of Labor in the newest compromise between Members of the Senate and the administration, there is no guarantee that our workers will be protected. The Department of Labor is only allowed to investigate and punish once there is a willful violation. What about other violations? I am simply not convinced that our American workers will be sufficiently protected.

Fundamental fairness requires that we take a balanced approach when lifting the cap on H–1B visas. We cannot raise the limit for foreign workers while providing no worker protections for Americans laid off from this very industry. There was a bipartisan measure in the House that could have passed. Now I am forced to oppose passage of this bill unless amended because it still does not provide adequate protections for American job-seekers.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the amendment in the nature of a substitute offered by the gentleman from North Carolina (Mr. WATT).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. WATT of North Carolina. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 177, nays 242, not voting 15, as follows:

[Roll No. 459]

YEAS—177

Abercrombie	Berman	Brown (CA)
Ackerman	Berry	Brown (FL)
Allen	Bishop	Brown (OH)
Andrews	Blagojevich	Cardin
Baesler	Boehlert	Carson
Baldacci	Bonior	Clay
Barcia	Borski	Clayton
Barrett (WI)	Boswell	Clyburn
Becerra	Boucher	Coburn
Bereuter	Brady (PA)	Conyers

Costello
Coyne
Cummings
Danner
Davis (IL)
Deal
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Doyle
Ehlers
Engel
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Fowler
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Green
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Horn
Hoyer
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kingston
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
McCarthy (MO)
McDade
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Regula
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Ros-Lehtinen
Roybal-Allard
Royce
Rush
Sabo
Sawyer
Schumer
Scott
Sensenbrenner
Serrano
Sisisky
Skaggs
Slaughter
Smith (MI)
Spratt
Stabenow
Stark
Stokes
Strickland
Thompson
Thurman
Tierney
Towns
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weygand
Wise
Woolsey
Wynn

NAYS—242

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bono
Boyd
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (FL)
Davis (VA)
DeFazio
DeLay
Dickey
Dicks
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Fawell
Fazio
Foley
Fossella
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Graham
Granger
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hooley
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lucas
Manzullo
Martinez
Matsui
McCarthy (NY)
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Neumann
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Quinn
Radanovich
Ramstad
Redmond
Riggs
Riley
Rogan
Rogers
Roukema
Ryun
Salmon
Sanders
Sandlin
Sanford
Saxton
Scarborough
Schaffer, Bob
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—15

Brady (TX)
Burton
Goss
Kennelly
Manton
Murtha
Poshard
Pryce (OH)
Rothman
Sanchez
Schaefer, Dan
Skelton
Torres
Wexler
Yates

□ 1758

Messrs. PAPPAS, GIBBONS, HALL of Ohio, SANDERS, WHITFIELD, FOX of Pennsylvania, BILIRAKIS, EVERETT, and DICKS, and Mrs. CAPPS, Mr. CONDIT, and Ms. HARMAN changed their vote from ''yea'' to ''nay.''

Mr. GILMAN, Ms. MCCARTHY of Missouri, Mr. LUTHER, Mr. DIAZ-BALART, and Ms. ROS-LEHTINEN changed their vote from ''nay'' to ''yea.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to House Resolution 513, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SMITH of Texas. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 288, noes 133, not voting 14, as follows:

[Roll No. 460]

AYES—288

Ackerman
Aderholt
Allen
Archer
Armey
Baker
Baldacci
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Christensen
Clayton
Clement
Coble
Coburn
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (FL)
Davis (VA)
Delahunt
DeLay
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
English
Ensign
Eshoo
Etheridge
Everett
Ewing
Farr
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Frelinghuysen
Frost
Furse
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Gordon
Graham
Granger
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hinojosa
Hobson
Hoekstra
Hooley
Houghton
Hoyer
Hulshof
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kim
Kind (WI)
King (NY)
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Menendez
Mica
Miller (CA)
Miller (FL)
Minge
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Northup
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Ramstad
Redmond
Regula
Reyes
Riley
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Ryun
Sabo
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Slaughter
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Souder
Spratt
Stabenow
Stearns
Stenholm
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Tierney
Upton
Vento
Walsh
Watkins
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Wicker
Wilson
Wolf
Woolsey
Young (FL)

NOES—133

Abercrombie
Andrews
Bachus
Baesler
Barcia
Barr
Barrett (WI)
Berry
Blagojevich
Blunt
Bonior
Borski
Boucher
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Carson

Chenoweth	Hutchinson	Rahall
Clay	Jackson (IL)	Rangel
Clyburn	Jefferson	Riggs
Collins	Johnson (WI)	Rivers
Combest	Kanjorski	Rodriguez
Condit	Kaptur	Rohrabacher
Conyers	Kildee	Rothman
Costello	Kilpatrick	Roybal-Allard
Coyne	Kingston	Royce
Cummings	Kleczka	Rush
Danner	Klink	Sanders
Davis (IL)	Kucinich	Sandlin
Deal	Lampson	Serrano
DeFazio	Lee	Sherman
DeGette	Lewis (GA)	Smith (MI)
DeLauro	Lipinski	Smith (NJ)
Deutsch	LoBiondo	Solomon
Dingell	Martinez	Spence
Doyle	Mascara	Stark
Duncan	McKinney	Stokes
Emerson	McNulty	Strickland
Engel	Meek (FL)	Stump
Evans	Meeks (NY)	Stupak
Fattah	Metcalf	Taylor (MS)
Filner	Millender-McDonald	Thompson
Franks (NJ)	Mink	Thurman
Gallegly	Moakley	Towns
Gejdenson	Mollohan	Traficant
Gonzalez	Ney	Turner
Goode	Norwood	Velazquez
Green	Oberstar	Visclosky
Hefley	Obey	Wamp
Hilleary	Olver	Watts (OK)
Hilliard	Owens	Wexler
Hinchey	Pallone	Whitfield
Holden	Pascrell	Wise
Horn	Payne	Wynn
Hostettler	Peterson (MN)	Young (AK)
Hunter		

NOT VOTING—14

Brady (TX)	Murtha	Skelton
Burton	Poshard	Torres
Goss	Pryce (OH)	Waters
Kennelly	Sanchez	Yates
Manton	Schaefer, Dan	

□ 1814

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BURTON of Indiana. Mr. Speaker, due to a death in my immediate family, I was not present during today's floor proceedings. Had I been here, I would have voted ''Yea'' on rollcall vote number 457; ''Yea'' on rollcall vote number 458; ''No'' on rollcall number 459; and ''Yea'' on rollcall vote 460.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3736, WORKFORCE IMPROVEMENT AND PROTECTION ACT OF 1998

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 3736, the Clerk be authorized to correct section numbers, cross-references and punctuation, and to make such stylistic, clerical, technical, conforming and other changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Texas?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 2206, HUMAN SERVICES REAUTHORIZATION ACT

Mr. GOODLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2206) to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania? The Chair hears none and, without objection, appoints the following conferees:

Messrs. GOODLING, CASTLE, SOUDER, CLAY, and MARTINEZ.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

GOP RESPONSE TO AG CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. CHAMBLISS) is recognized for 5 minutes.

Mr. CHAMBLISS. Mr. Speaker, 2 years ago, this body made a commitment to the American farmer. Like a majority of my colleagues, I stood on this very floor during that farm bill debate and promised my farmers that the Federal Government would walk hand in hand with them as our Nation began the transition to a 21st-century-based agricultural economy, such an economy that depends less on government and more on letting hard-working American farmers and ranchers do their best in producing the finest crops and produce in the world.

Congress and the President must hold true to our pledge and remain committed to these free market principles. But, at the same time, the Federal Government must recognize that agriculture, more than any other sector of the economy, is constantly subject to conditions beyond its immediate control.

Unfortunately, this has been evident in recent years as unprecedented weather conditions have pummeled America's farmers, and the effect of these conditions upon America's rural communities has been devastating.

In my home State of Georgia, the most recent study done by the University of Georgia places the 1998 crop losses from forces of nature beyond the control of farmers in the State of Georgia alone at $767 million. From flood-soaked cotton last winter to frost-damaged peaches this spring to drought-stricken peanuts this summer, not a single crop has been spared, and the story is the same all across rural America.

The deteriorating state of America's farm economy is a national priority, and I am pleased to see the leadership of this body stepping up to the plate and going to bat for America's farm families. In the absence of presidential leadership in addressing the crisis gripping our rural communities, the Republican majority has taken immediate action to protect our farmers.

Our $4 billion disaster relief measure will place real money into our farmers' hands at a time of great need. This money can now be used to pay off past operating loans and help our family farms prepare for the future crop years, and this relief package accomplishes this without tearing apart the farm bill and its commitments made to farmers.

Included in the Republican relief measure is 2.25 billion in direct payments to farmers whose crops have been damaged by weather-related disasters, including special funds targeted to farmers who have suffered multi-year crop losses and those suffering severe livestock feed losses. The relief package also contains over 1.5 billion in aid to assist farmers in dealing with the loss of markets and the Clinton administration's inability to keep foreign markets open for our farmers.

This assistance will come in the form of one-time increases in the agricultural marketing transition payments under the 1996 farm bill. While the damage done by the administration's neglect of agricultural trade cannot be fully offset, this assistance will help farmers make it through this temporary market turndown. While the House and Senate Republicans have had their nose to the grindstone in putting together an agriculture relief package, our farmers have only received a cold shoulder and hot air from the Clinton administration on this crisis. Now all of a sudden it is the fourth quarter, and the administration wants to get up off the sidelines and into the game.

While I do welcome the administration in getting off the bench and joining Congress on addressing this extremely important issue, I must ask the current administration, where have you been all year long with respect to our farmers? In fact, just where has this administration been on agriculture for the last 6½ years?

When Congress passed the 1996 farm bill and sent it to President Clinton for signature into law, we joined American farmers in expecting more aggressive trade policies, reduced regulation, lower taxes and increased agriculture research funding. Well, what has President Clinton given the American farmer? No viable trade policy, increased regulations, resistance to tax relief and less funding for agricultural research. Furthermore, the President's travels