

STEVE CASE
CHAIRMAN AND CEO, REVOLUTION LLC
CO-FOUNDER, AMERICA ONLINE
BEFORE THE U.S. SENATE COMMITTEE ON THE JUDICIARY
HEARING ON “COMPREHENSIVE IMMIGRATION REFORM”
216 HART SENATE OFFICE BUILDING
FEBRUARY 13, 2013

QUESTIONS FROM SENATOR LEE:

In your opinion, would bringing in foreign STEM workers oversaturate the job market?

To the contrary, attracting foreign STEM workers would grow jobs here in the United States, creating more economic opportunity for American workers. Forty percent of Fortune 500 companies were started by first or second generation immigrants, employing ten million people worldwide. In some years, half of Silicon Valley startups had an immigrant founder. Simply-put, high-skilled immigrants are job creators, not job takers. They contribute creativity, innovation, and diversity to our entrepreneurial economy. I understand the sensitivities of recruiting and retaining talented labor, but taken together these men and women will add jobs, not take away jobs, here in the United States.

In your written statement, you stated that “every 100 additional foreign-born workers in STEM fields created 262 additional employment positions for native U.S. workers.” Why do new foreign workers correlate with such growth in STEM industries?

My point here is not that foreign born workers in STEM fields generate more domestic jobs than U.S. born workers in those fields, but rather, that both foreign-born and U.S.-born workers in STEM fields generate substantial U.S. employment, so it is in our interest to have more of both. Simply put, we need more STEM workers – wherever they are born – to create jobs for Americans. We should try to prepare as many Americans as possible for these STEM positions. But because we have a severe shortfall, and because we always want to be the magnet of the world’s best talent, we should do more to get foreign-born STEM professionals to work here in America.

In your statement you argued that we must both “draw the best talent from across the globe and develop more talent in science, math, technology, and engineering here at home.” Why do you think our schools have not produced more STEM workers?

We are undermining our nation’s economic competitiveness when we fail to develop more talent in science, technology, engineering, and math here at home. We are not producing STEM graduates and workers at the rates we need because we are not training teachers as well as we can and we are not providing our kids with the tools they need to succeed in these subjects. Our competitors are making this a priority around the world, and we must do the same here at home. Just as we recruit and retain talented innovators from abroad, so too must we better equip our children here in the United States. With more focus and funding on producing more STEM workers here in the United States at the local, state, and federal level, I am confident we can up our game and improve our entrepreneurial economy.

What could our state and local governments do to encourage young people to consider entering STEM programs?

State and local government can encourage more young people to enter STEM programs in a number of ways. First, more targeted funding will enable the best teachers of science, technology, engineering, and math to continue teaching in primary and secondary education. Second, more focus at the university level, including through grants and scholarships, on keeping STEM majors in those majors will pay dividends in the long run. Third, more celebration of the important role innovative STEM fields play in driving our economy and changing the world will encourage more students from Kindergarten through senior year of college to pursue, and stick with, STEM subjects throughout their academic and professional careers.

QUESTIONS FROM SEN GRASSLEY:

Aside from increasing annual caps, what more can we do to ensure that companies get the highly skilled workers they need?

I see the solution to this challenge in the context of a continuum: some talented innovators begin here as graduate students dreaming of starting U.S. companies, some arrive as temporary workers at our big corporations and learn about a market inefficiency that they believe they can address by starting a business and hiring American workers, others are partners of U.S. firms abroad where they learn about American markets and understand what it takes to contribute here. As long as we make it easier to recruit and retain these innovators along this continuum, we will bolster our economic competitiveness by ensuring they create jobs here in the United States, not in competitor nations competing with our workers. Specifically, bipartisan legislation proposed in recent years addresses the talent issue effectively: from the Startup Act, to the I-Squared Act, to the SMART Jobs Act, to the Startup Visa Act, to a few other bills - we have smart legislation teed up.

Do you think we should revamp the way these visas are doled out, and prioritize them based on skills, whether the applicants were educated here, or whether the company is based in the United States?

I defer to members of congress on the particulars of the various high-skilled reform proposals, but I do believe we should make it easier to recruit and retain talented innovators who are educated here in the United States, work for American companies as temporary employees here in the country, or serve as partners of our businesses abroad. As long as we make it easier and attractive for the best and the brightest to start or contribute to businesses here, we will strengthen our economic competitiveness. As I alluded to in my written statement, forty percent of Fortune 500 companies were started by first or second generation immigrants, employing ten million people worldwide, and in some years, half of Silicon Valley startups had an immigrant founder. The choices we make today will determine where the next wave of great companies start-up tomorrow.

Under current law, only “H-1B dependent employers” have to prove that they have recruited American workers and haven’t displaced other workers before acquiring an H-1B visa holder. A bill sponsored by Senator Durbin and myself would apply protections for visa holders as well as American workers. Our bill would ensure that all employers that use the H-1B visa program attest that they have tried to find an American who can do the job. Do you believe that companies should try to find qualified Americans before they petition for a foreign worker? If not, why not?

Yes, I believe U.S. companies should make a serious effort to recruit qualified American workers to fill open positions. Indeed, as a country, we need to do a better job equipping teachers with the tools they need to educate American students in STEM fields. Just as we recruit global talent, so too should we improve our education system here at home. The mistake that some opponents of high-skilled immigration reform often make is believing we have to choose between fixing our education system so that more students go on to STEM careers, or recruiting innovators from abroad. We can, and must, do both: attract the top talent and develop more talent here at home.

H-1B Visas - Protections for American Workers: The Durbin-Grassley H-1B reform bill (s. 887 in the 110th Congress) included several provisions aimed at better protecting American workers who may be passed over for high-skilled, high-paying jobs. The bill would require that before an employer may submit an H-1B application, the employer must first advertise the job opening for 30 days on a Department of Labor (DOL) website. DOL would also be required to post summaries of all H-1B applications on its website. Do you support such an effort?

The bill would require that H-1B employers may not advertise a job as available only for H-1B visa holders or recruit only H-1B visa holders for a job. Do you support this provision?

The bill would prohibit employers from hiring H-1B employees who are then outsourced to other companies. This is a method that some companies use to evade restrictions on hiring H-1Bs. Do you support this effort?

The bill would prohibit companies from hiring H-1B employees if they employ more than 50 people and more than 50% of their employees are H-1B visa holders. Do you support this provision?

The bill would require H-1B and L-1 employers to pay employees the prevailing wage to ensure employers are not undercutting American workers by paying substandard wages to foreign workers. Do you support this effort?

I certainly believe that the needs of employers to staff their workforce by use of the H-1-B program needs to be balanced against the rights of American workers to have the opportunities they deserve. I am aware of reports of abuse or misuse of the program, and understand why Congress would want to look at reforms in exchange for a more permanent and stable extension of the program. I am not familiar with the specific reforms outlined in the Grassley-Durbin bill, and would defer to those with more familiarity in these questions.