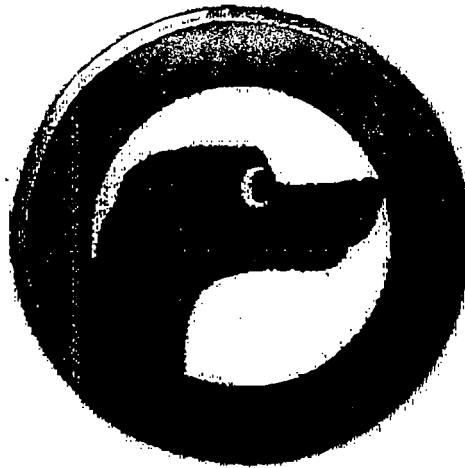


The 'Blue Dog' Roster

**The Blue Dog Roster:**

Rep. Scotty Baesler (D-KY)
Rep. Marion Berry (D-AR)
Rep. Sanford Bishop (D-GA)
Rep. Allen Boyd (D-FL)
Rep. Gary Condit (D-CA)

Rep. Robert E. "Bud" Cramer (D-AL)
Rep. Pat Danner (D-MO)
Rep. Virgil Goode (D-VA)
Rep. Ralph Hall (D-TX)
Rep. Tim Holden (D-PA)

Rep. Chris John (D-LA)
Rep. William Lipinski (D-IL)
Rep. Mike McIntyre (D-NC)
Rep. David Minge (D-MN)
Rep. Collin Peterson (D-MN)

Rep. Owen Pickett (D-VA)
Rep. Loretta Sanchez (D-CA)
Rep. Max Sandlin (D-TX)
Rep. Norman Sisisky (D-VA)
Rep. Charles Stenholm (D-TX)

Rep. Gene Taylor (D-MS)
Rep. John Tanner (D-TN)
Rep. Ellen Tauscher (D-CA)
Rep. Jim Turner (D-TX)

Sally/Peter met w/Smith (yest)

Rep. leadership wants to pre-conf. w/Abraham

(resolve all conflicts before Conference)

2. ~~Want~~ Abraham to come to Smith

G. is supportive of Smith's bill

DeLay: opposed (? whether likes Abraham's bill)

Armay: neutral

Smith wants us to shore up our side

(Proceeding as is set to House floor next week)

Smith wants: VP out There

WH to talk to Congress.

No miscommunication

Peter said Larry Stein can make calls.

Us get to Sen. Democrats.

told Smith that Gene (Wed.)
to meet w/ Blue Dogs. ~~to~~
Smith was happy.

We are sending another
copy of our proposal to Smith.

Smith was interested.

Smith: doesn't think training in the bill.

Largely b/c focused on tax.

Org. Lab: telling everyone they are a major player

Reps:
No (DOL
Org. Labor)

Discrimination

work/housing conditions

not allowed to work in certain inst

most corporations
banks

United
Jewish
Fed.

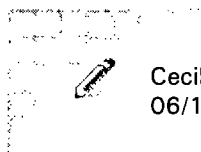
Weinstein

301/937-3854

Bethesda

College Park

Maryland



Cecilia E. Rouse
06/17/98 12:32:11 PM

Record Type: Record

To: Julie A. Fernandes/OPD/EOP
cc:
Subject: H1-B

----- Forwarded by Cecilia E. Rouse/OPD/EOP on 06/17/98 12:34 PM -----

Larry R. Matlack 06/17/98 09:19:00 AM

Record Type: Record

To: Cecilia E. Rouse/OPD/EOP
cc:
Subject: H1-B

----- Forwarded by Larry R. Matlack/OMB/EOP on 06/17/98 09:18 AM -----

BKA

Daily Report for Executives

No. 116
Wednesday June 17, 1998

Regulation, Law & Economics

Immigration

Business Leaders Push for Senate Version Of Bill Increasing Visas for Skilled Workers

A group of business leaders June 16 urged the House to act quickly to raise the annual cap on the number of skilled foreign workers allowed to work in the United States along the lines of a bill approved by the Senate.

Bruce Josten, executive vice president of the U.S. Chamber of Commerce, and Jerry Jasinowski, president of the National Association of Manufacturers, said the shortage of skilled workers has reached a critical state and time is running out for this Congress to resolve the problem. At a news conference on Capitol Hill, they pressed the House to adopt the Senate-passed bill (S. 1723), sponsored by Sen. Spencer Abraham (R-Mich.), rather than the bill (H.R. 3736) approved by the House Judiciary Committee and sponsored by Rep. Lamar Smith (R-Texas).

The business leaders complained that the House bill would burden employers with excessive red tape. Business specifically opposes provisions in the House bill that would protect American workers from being replaced by foreign workers and require companies to recruit U.S. workers before hiring foreign ones under the H-1B program.

Resolution of Differences

"We must resolve the differences in the bills before it is too late," said Josten. Lifting the current 65,000 annual cap on foreign workers employed in the United States under the temporary, H-1B visa program would allow companies to maintain their "edge in the global marketplace" until more American workers can be trained, he said. The cap was hit last month, effectively terminating employers' access to foreign skilled workers for the rest of the fiscal year absent enactment of new legislation.

Jasinowski said Congress should resist provisions in the House bill that he said would "open the door for the Department of Labor to dictate hiring practices at private firms and second-guess major business decisions. Let's not complicate an already complicated process," he said.

Jasinowski disputed critics of the H-1B visa program who maintain that it allows companies to bring in foreign workers to work in jobs that could be filled by Americans. H-1B workers are "filling vacancies that otherwise would remain unfilled," he said.

Smith Defends Safeguards

Smith, the sponsor of the House bill, issued a statement June 16 questioning employer opposition to the "safeguards" in his bill. "What is so wrong with asking companies to advertise jobs and hire qualified American workers first," he asked.

Smith released an analysis of layoffs showing that 21 well-known, high-tech companies dismissed 121,800 workers between December 1997 and June 1998. "Where have those 122,000 American workers gone after losing their jobs," he asked. "Have U.S. firms recruited those Americans as actively as they have sought foreign workers?"

Smith cited figures in the analysis showing layoffs of 19,000 workers by Kodak, 18,000 by AT&T, 16,500 by Motorola, 12,000 by Boeing, 10,000 by Seagate Technology, and 9,000 by Xerox. The analysis was conducted by Challenger, Grey and Christmas, a Chicago-based outplacement firm that tracks corporate workforce reductions.

Pressure on House Leaders

The fate of Smith's bill remains uncertain in light of the strong business opposition. While the measure was approved at the committee level by a 23-4 vote, business is exerting pressure on the House leadership to force changes in the bill.

Smith's bill "has flaws that would cause it to be broadly opposed by the high-tech community," a group of high-tech company executives said in a June 4 letter to House Speaker Newt Gingrich (R-Ga.) and House Majority Leader Dick Armey (R-Texas). While the bill nominally increases the number of H-1B visas, "it mandates unprecedented intervention of the U.S. Labor Department into the human resources function of corporations under the guise of 'protecting' workers (mandated hiring policies, etc.)."

The executives said the bill represents a small step forward in solving their existing hiring problems, but a huge step backwards in their freedom to run their companies. They also suggested that it runs counter to the House leaders' "philosophical principles on the size and power of government." Among the signatories were executives from Microsoft Corp., Texas Instruments, and Cypress Semiconductor.

A spokesman for Smith said the congressman continues to regularly meet with the principal parties interested in raising the cap. Smith is "still hopeful the differences between the House and Senate bills can be ironed out before the July 4 break," the spokesman said July 16.

Administration Support for House Bill

The Clinton administration supports the Smith bill because it links temporary increases in the H-1B visas

with what it sees as meaningful reforms of the program. The administration's view is that protections for American workers are necessary components of any bill allowing an increase in foreign workers under the program. Smith's bill would increase the 65,000 cap to 95,000 in fiscal 1998, 105,000 in fiscal 1999, and 115,000 in fiscal 2000.

The Senate bill would lift the cap to 95,000 in fiscal 1998. The limit would be set at 85,000 the following four fiscal years, but another 20,000 slots could be added if there are that many left over from the H-2B program from the previous year. In addition, the bill would set up a new H-2C category allowing the annual issuance of 10,000 visas for foreign health care professionals, such as physical therapists, who currently are eligible to work in the United States with H-1B visas. ❏

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UNITED STATES DEPARTMENT OF COMMERCE
ASSOCIATE DEPUTY SECRETARY
OFFICE OF GLOBAL COMPETITIVENESS

- 14th & Constitution Avenue, N.W., Rm. 5027

Washington, D.C. 20230

(202) 482-6315 - PHONE

(202) 482-3610 - FAX

FAX COVER SHEET

DATE:

July 10, 1998

TO:

FAX #:

Ms. Rose

456-2223

PHONE #:

TO:

FAX #:

Ms. Fernandez

456-5581

PHONE #:

TO:

FAX #:

PHONE #:

TO:

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FAX #:

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FROM: KENT HUGHES, ASSOCIATE DEPUTY SECRETARY

TOTAL # OF PAGES: _____

(Including this cover sheet)

COMMENTS:

8TH STORY of Level 1 printed in FULL format.

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Business Week

June 29, 1998

SECTION: THE WORKPLACE; EMPLOYMENT; Number 3584; Pg. 93

LENGTH: 948 words

HEADLINE: IS THERE REALLY A TECHIE SHORTAGE?

HIGHLIGHT:

Yes -- but it's not as dire as the computer industry says

BODY:

Don't tell Steve D. Schultz about Silicon Valley's labor crunch. The 48-year-old programmer spent five years designing software for a large drugmaker. Then last year the company brought in a junior programmer from Taiwan at half the \$ 160,000 Schultz earned as a contract employee.

In November, the drugmaker didn't renew Schultz's contract. For four months, he searched for a job but turned up nothing, even at far lower pay. Finally, in April, his former employer called him back -- still as a temp -- to train his replacement. "The computer industry isn't begging for workers," says Schultz. "It's looking for 20-year-olds who will put in 80-hour weeks or people from overseas who will be captives at one company." SHARPER PINCH. For several years, the computer industry has sounded dire warnings about labor shortages that could slow the high-tech juggernaut. In recent months, officials from Microsoft Corp., Intel Corp., and other high-tech giants have begged Congress to double the 65,000 visas for skilled foreign workers to help fill the 350,000 jobs now open. The Senate passed such a bill in mid-May, and the House seems likely to follow suit. High-tech "firms do not have the talent to develop new products and grow their businesses," says Harris N. Miller, president of the Information Technology Assn., a trade group.

But some analysts think that Schultz could be on to something: The high-tech labor crunch is bad, but it may not be worse than elsewhere. They point out that employment has jumped only for the highest-skilled computer scientists, not programmers or systems analysts -- jobs that often go to immigrants on high-skills visas. Nor are shortages driving pay into the stratosphere (charts, page 97). "There's no evidence that the computer industry has worse labor shortages than other high-skilled industries," says American University economics professor Robert I. Lerman.

High tech may feel the pinch more acutely, say Lerman and others, because it's structured differently and relies on temporary employees more heavily than other industries do. Microsoft, for example, employs 5,000 contract workers alongside its 17,000 permanent U.S. employees. But finding temps isn't easy when full-time positions are plentiful. A severe shortfall would push employers to offer permanent posts to keep temps from taking other jobs. Indeed, "if there really was a labor shortage, someone would hire me full-time," says Robert J. Wade, a systems analyst in Indianapolis with a masters in industrial

Business Week, June 29, 1998

engineering. Wade, 35, says he has sought permanent jobs around the country but only gets offers for half the \$ 60,000 he makes now.

But temps are a hallmark of high-tech culture, industry officials insist, and can earn up to 40% more than regular employees. "They feel like they have more control over their careers," says Richard Schwartz, a vice-president at Excell Data Corp., a Bellevue (Wash.) firm that supplies temps to Microsoft and others. So the heavy use of temps may not be a reliable economic indicator.

Even by the traditional measure of pay patterns, though, high tech isn't showing classic signs of a crunch. The ranks of computer scientists, for example, have tripled since 1988, but their weekly pay beat inflation by just 4.4% since then and by 1% in 1997, according to the Bureau of Labor Statistics (BLS). GRUELING PACE. Systems analysts and programmers have done better. Their real weekly pay climbed by 4.3% and 6.7%, respectively, in 1997. But that pales compared with other types of workers: Surveyors beat inflation by 20% and dietitians by 17%, according to the BLS. Programmers' pay has lagged inflation by 1.5% since 1988. "If employers were desperate, they'd be willing to pay more," says Norman Matloff, a computer science professor at the University of California at Davis.

Critics argue that age discrimination helps fuel the shortage. The industry's grueling work pace is difficult to maintain when families come along, tech workers say. Employers also prefer to hire programmers out of school who know the latest computer languages. "I thought it would be easy to get a job, but I'm not 20 anymore," says William L. Spence, 47. The physicist was laid off last year after 13 years at a national lab at Stanford University and has had no offers after applying to hundreds of Silicon Valley companies. Industry officials deny any age discrimination, but they admit they like recent grads. "They have good training and are open to new technologies," says Microsoft Recruiting Director David Pritchard.

Plenty of immigrant labor already helps mitigate shortages -- and holds down pay. The high-skills visa program, of which about 40% is high-tech workers, requires employers to pay foreigners the going U.S. wage for the same work. Yet three-quarters of employers couldn't produce evidence that visa workers' wages match U.S. ones, according to a 1996 Labor Dept. audit, and some 19% pay less than they had promised on the visa application. Pritchard counters that foreigners actually cost more than U.S. employees, since Microsoft, which has some 1,000 workers on visas, pays to relocate them.

Lerman and others worry that more visas could turn off students from high-tech fields and even feed future shortages. Enrollment in college computer science courses jumped 40% in both 1996 and 1997, according to surveys by Computing Research Assn. in Washington. But as students see jobs filled by immigrants at lower pay rates, their interest could wane. For now, there's no doubt high-tech companies are hustling to find workers. But their predicament may be no more severe than that of other sectors.

GRAPHIC: Photograph: HELP AVAILABLE Programmers like Schultz, 48, say they are passed over for grads who know the latest languages and can put in more hours
GERRY GROPP ; Illustration: Chart: WHERE'S THE CRUNCH? ERIC HOFFMANN/BW

LANGUAGE: ENGLISH

136TH STORY of Level 1 printed in FULL format.

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Business Week

May 25, 1998

SECTION: ENTERPRISE; SPECIAL REPORT: LABOR CRUNCH: Management; Number 2579; Pg. ENT4

LENGTH: 1287 words

HEADLINE: HELP WANTED -- DESPERATELY

BYLINE: By Kathleen Madigan and Robin D. Schatz, with Edith Updike in New York

HIGHLIGHT:

How little companies manage to reel in the big talent

BODY:

From a Milwaukee bakery to a medical-supply company in Phoenix to a software maker in Massachusetts, the lament is the same: Where are the workers to feed the economy's continuing growth? Prosperity, it turns out, has a downside. A survey released last month by Coopers & Lybrand found a staggering 80% of businesses with less than \$ 50 million in sales reporting a "very serious" or "somewhat serious" shortage of workers. And 69% considered the dearth of skilled employees a potential barrier to growth -- up from 59% a year ago. "We're hiring people today that we wouldn't have looked at twice before," says Darrell Tannett, president of Med-Assist, a Phoenix-based medical supplier.

Unless the forecasters are dreadfully wrong, there's no relief on the way. "Given the economy's strength, I don't see any letup in job growth," says James W. Coons, chief economist of Huntington National Bank in Columbus, Ohio. As the economy continues to add more new jobs than workers, April's jobless rate fell to 4.3% -- a hefty 0.4% drop from March. By yearend, Coons projects unemployment could dip a bit lower still, to about 4.2%.

Where has the crunch hit hardest? In the West and Midwest. Employment costs in those regions are rising fastest -- up 3.8% in the year ended in March, compared with 3.3% nationwide. Colorado, Iowa, Minnesota, and Nebraska have jobless rates hovering around 3%. Among the 51 metropolitan areas of 1 million or more residents, unemployment has dipped lowest in Minneapolis-St. Paul (2.3%), Phoenix (2.5%), and Denver (2.7%). Of the country's 325 metropolitan areas, 98 had unemployment rates below 3.5% in February. USE YOUR IMAGINATION. Small businesses, always hard-pressed to compete with major corporations on compensation, find themselves at a greater disadvantage in this environment. Companies with fewer than 100 employees in 1997 laid out, on average, \$ 15.37 per hour per worker, while those with 500 or more spent \$ 24.75 per hour, according to Labor Dept. data. The answer for many smaller companies has been to come up with imaginative strategies to find and retain workers. Sometimes, these efforts reap unexpected rewards. A Silicon Valley public-relations firm, for example, has been hiring career changers to fill its labor gap -- only to discover the mix of their diverse experiences yields a new, companywide creativity (page 8).

Business Week, May 25, 1998

In computers, software, and other cutting-edge industries, small employers are lucky to find anyone at all. About 190,000 high-tech jobs are vacant at small and midsize companies, according to Meta Group, a market research firm in Westport, Conn. Scott Sassone, director of business development at Unica Technologies Inc., a software firm in Lincoln, Mass., recalls how the firm used to have its pick of workers. Now, the people Unica wants most are hired by big companies and are "reluctant to take a risk on a startup," he says. Salaries for information technology personnel, meanwhile, are rising about 20% annually, according to Meta.

To save money and find recruits, Unica is reaching down further into the labor pool. The six-year-old firm now hires programmers just out of college -- a strategy that keeps salaries down but creates a big expense up front. New grads cost about \$ 10,000 each to train and need more supervision.

Technicians and professionals head the list of hard-to-find workers by a good stretch, with 54% of fast-growth companies reporting shortages in the Coopers & Lybrand survey. But 33% of these firms say they're having trouble finding sales and marketing executives, and 27% are scrounging for semi-skilled production workers.

In search of lower-skilled workers, employers are looking in even less traditional places -- hiring welfare recipients from government-sponsored workfare programs, recruiting and training recent high school grads, and tapping older workers.

Even non-English-speaking refugees have become prize hires. Four years ago in Fort Wayne, Ind., Simon D. Novosel, whose family comes from Croatia, wanted to help out Bosnian Moslems brought over by the city's Catholic Charities. As a partner at Midwest Custom Services Inc., a chemical powder processing plant, Novosel hired some. The refugees have turned out to be loyal and hardworking. Equally important, they have supplied a steady flow of relatives and friends, he says. With Fort Wayne's unemployment rate at 2.5%, they are his salvation. "Right now, we're almost exclusively using these refugees," says Novosel, who speaks fluent Serbo-Croatian. He has since added refugees from Iraq and Burma. TRAWLING THE WEB. Retraining is also hot. Even when making big changes in technology, some companies find it simpler to stay with those they know. A Massachusetts toy distributor converting its business to the web has decided to retool its entire existing workforce from manual systems to fully automated ones (box). So far, all but one have made the transition.

While small businesses still lag big ones in recruiting online, the labor crunch is pushing them onto the web. It's a logical place to look for Web-savvy workers, obviously, but the Net (in all its forms) is also becoming a good way to advertise positions and pick up resumes for all kinds of workers (page 12). In some regions, companies and communities are collaborating on the web to induce workers to relocate. The daVinci Project of Central New York (www.davincitimes.com), for example, provides a common Web site where a consortium of companies, many of them small employers, try to attract sought-after engineers to the Syracuse area.

Money still talks, of course, but companies are finding that the best way to use their scarce funds isn't always to offer recruits higher wages. Some spend

Business Week, May 25, 1998

on improved benefits or "targeted increases" aimed at raising the pay of -- and retaining -- key employees. Bonuses are a great crowd-pleaser, too. In Microsoft Corp.'s backyard, Bellevue (Wash.) software maker Interactive Objects Inc. attracts software developers with royalties on the tools they create. AccuData America, a database-marketing company in Fort Myers, Fla., pays a finder's fee of up to \$ 2,000 to employees who bring in new hires. "The quality of the applicants is better," says Human Resources Director Jill Corcoran. "Our employees do the weeding out for us."

Sometimes, flexibility and quick decision-making can give a small company an edge over larger, more layered corporations in offering creative lifestyle perks that win over prospective employees. Toronto-based ICE, a communications and marketing company with offices in New York and Ottawa, lets employees get 30-minute, on-site back rubs every two weeks. Reality Bytes Inc., a computer game developer in Cambridge, Mass., maintains a well-stocked refrigerator and lets employees roll in as late as 10:59 a.m.

But not every labor problem has an easy solution. Some small-business owners simply get crushed by the crunch. Until last fall, Eric Dobke ran Dobke Bakery in Milwaukee, which his father started in 1929. He grew so frustrated with the chronic shortage of qualified workers that he decided to sell the bakery. "We just didn't get any applications," says Dobke, 61.

The new owner, Ken Loges, 56, has solved some of his labor problems by employing his two grown daughters. But when he advertised for a baker, he got only one nibble. And that applicant never showed up for the interview.

Change the details and it's the tale of the butcher and candlestick maker, too. About all a small-business owner can do is keep tinkering with the ingredients, adding a pinch of creativity here, a dash of flexibility there -- and hope for a little bit of luck.

GRAPHIC: Illustration: Chart: Higher and Higher CHART BY ERIC HOFFMANN/BW

LANGUAGE: ENGLISH

LOAD-DATE: May 21, 1998

timing for our statement

Earl spoke to Bonoir's floor guy today.

If we are strong early on, we would be O.K.

→ If a straight training vote, more difficult
(good refs; no training)

Michael — easier to sustain a veto w/ no training.

78-20
in Senate

1723

7 voted
against us
twice

Other

(Dems. who voted

~~Barack Obama~~
Bachus 224-2651 (Montana) *
Cleland *
Landrieu *
Lautenberg 224-4744 *
Lieberman 224-4041 → Kohl 224-5653
Graham 224-3041
Murray 224-2621
Daschle * (Sally)
Bingaman (split) 224-5521
Feinstein (F) 224-3841
Hollings (F) * → 224-6121
Robb — 224-4024
Reed, * *
Reid, H — 224-3542 (Nevada)
Boxer — 224-3553
Breaux * — 224-4623
Ford — 224-4393 (Kentucky)
Johnson (SD)
Kerrey, B — 224-6551
Wyden * — 224-5244
Dodd * — 224-2823

Sec. 8 Special Rule for Employment-Based Immigrants

(a) SPECIAL RULE.—Section 202(a) (8 U.S.C. 1152(a)) is amended by adding at the end the following new paragraph:

"(5) RULE FOR EMPLOYMENT-BASED IMMIGRANTS.-

(A) EMPLOYMENT-BASED IMMIGRANTS NOT SUBJECT TO PER COUNTRY LIMITATION IF ADDITIONAL VISAS AVAILABLE.—If the total number of visas available under paragraphs (1), (2), (3), (4), or (5) of section 203(b) exceeds the number of qualified immigrants who were issued visas under the paragraphs during the same fiscal year, the number of visas remaining available shall be made available under paragraphs (1), (2), and (3)(I) and (ii) of section 203(b) the immediate succeeding fiscal year without regard to the numerical limitation under paragraph (d) of section 201 or paragraph (2) of this subsection.

(B) EFFECTIVE DATE OF RULE.—Paragraph (A) shall be effective 10/1/98 for visa numbers remaining available in fiscal year 1998. Paragraph (A) shall remain in effect until 10/1/01.

(b) CONFORMING AMENDMENT.—Section 201(c) is amended by repealing paragraph (3)(C).

CongressDailyAM

MONDAY

TUESDAY

WEDNESDAY

THURSDAY

FRIDAY

SEPT. 3, 1998

House GOP Leaders Schedule Vote On H-1B Visa Measure

JUDICIARY

HOUSE REPUBLICAN leaders plan to reschedule a vote on legislation to expand the number of H-1B visas — which companies use to hire highly skilled foreign workers — for the week of Sept. 14, aides and industry sources said Wednesday. Republican leaders abandoned an expected vote just prior to the recess when a whip check revealed a lack of support. An unusual coalition of anti-immigration Republicans and pro-labor Democrats oppose the bill. High tech industry supporters worked during the recess to change the minds of several members who last month would not commit to vote for the bill. An industry lobbyist said they now believe there are enough House votes for the H-1B visa bill,

which will be verified by a whip check when House members return next week.

"A lot of undecideds have been flushed out and things look pretty good," the lobbyist said. "Our biggest concern is getting it done in time." The new bill, which is a "pre-conferenced" compromise reached between House and Senate Republicans before the recess, must move through the Senate again — and awaits a threatened presidential veto. **Sen. Spencer Abraham**, R-Mich., the lead sponsor of the original Senate bill, has been negotiating with White House officials over a possible compromise. But little progress has been made, aides said.

While those negotiations may resume *continued on page 12*

Panel Won't Hike Labor-HHS Funds

APPROPRIATIONS

ALTHOUGH some senators already are looking for ways to spend additional monies in the Labor-HHS appropriations bill, **Subcommittee Chairman Arlen Specter**, R-Pa., said he does not expect to receive more funding until the measure reaches the floor.

Specter and **subcommittee ranking member Tom Harkin**, D-Iowa, said Wednesday they hope **Senate Budget Chairman Domenici** will go along with a plan to recalculate scoring of the bill.

They said such a move could provide as much as \$750 million more for Specter's subpanel.

Specter said he does not expect to have that money when the full Appropriations Committee marks up its bill today, since Domenici has been traveling abroad with President Clinton.

"We're still waiting," Harkin said, when asked about the money. "Nothing's happened."

Harkin noted that House and Senate Budget chairmen have used scorekeeping authority to increase

defense spending this year. "Unfortunately, no similar scorekeeping adjustment has been authorized on the nondefense discretionary side of the ledger and domestic spending continues to be constrained," Harkin said in a statement.

Specter told *CongressDaily* the additional \$750 million "would be a start," while adding there has been some discussion of finding even more money for the bill.

He would not elaborate on those efforts.

While the senators have been waiting for Domenici's verdict, Senate Budget Committee Staff Director William Hoagland recently told Domenici in a memo that budget aides have examined the Labor-HHS bill and have only come up with \$215 million more in outlays from re-scoring.

Meanwhile, President Clinton has signaled that while he still wants more money for the bill, he is far more pleased with the Senate Labor-HHS bill than he is with the House version.

In a statement *continued on page 11*

▼ TODAY'S HIGHLIGHTS

Floor Schedule

Senate

Convenes at 9:30 a.m. to consider any appropriations or other items that are cleared for action. Roll call votes are expected.

House

Not in session.

(Committee schedules begin on page 13.)

Inside Stories

House Race Hotline Extra

■ Shalala stumps on health policy for Dems in tight races, page 9.

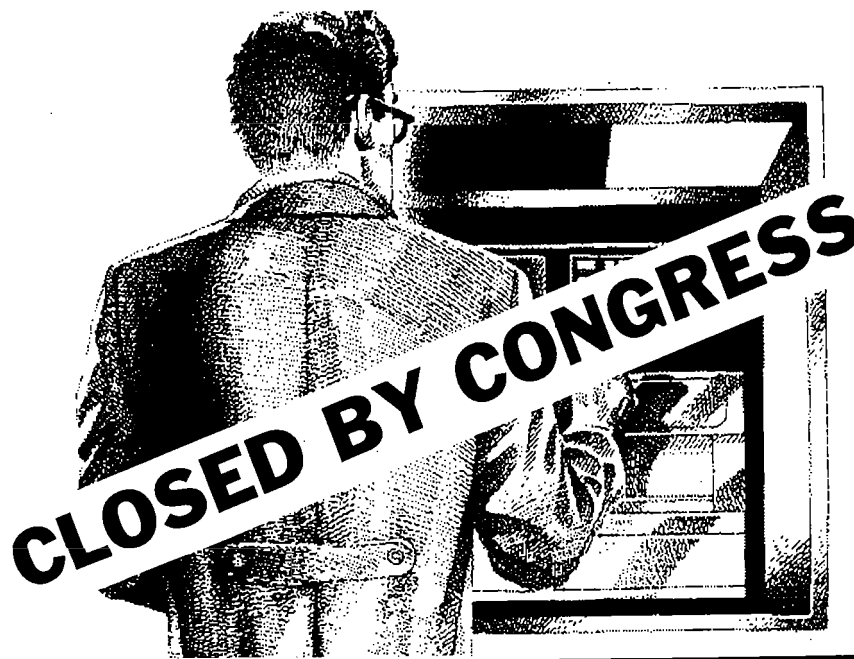
HealthMatters

■ Administration on the fence on patients' appeals? Page 5.

Banking

■ Banking panel marks up financial services modernization today, page 8.

Oh, No! Need cash?



It will be tougher to find that convenient, nearby ATM if Congress prohibits ATM access fees. Tens of thousands of ATMs will be closed immediately, and many future ATMs will not be installed. Consumers will be inconvenienced and denied choice.

ATMs give consumers access to their money wherever they shop, work, travel and live — 24 hours a day. Last year consumers used ATMs 11 billion times.

However, ATM owners cannot keep all these ATMs open — and will not install ATMs in new, convenient locations — if they cannot charge for the service. Price controls by Congress *WILL shut down many ATMs*, and that's a fact. If that happens, good luck finding cash when you need it most.

Keep ATMs Open Choice, Convenience & Access

American Bankers Association
Consumer Bankers Association
United States Chamber of Commerce
ATM Owners Association
National Licensed Beverage Association
National Retail Federation
NATSO (Representing the Travel Plaza and Truckstop Industry)

National Association of Convenience Stores
National Grocers Association
Society of Independent Gasoline Marketers of America
National Association of Beverage Retailers
Electronic Funds Transfer Association
Independent Bankers Association of America
The Bankers Roundtable



Hill Briefs

Reno Fails To Head Off Independent Counsel Push

■ ATTORNEY GENERAL Reno Wednesday likely averted a clash with the House over a proposed contempt citation against her — but she fueled the bid to force her to appoint an independent counsel on campaign finance allegations.

After Reno and her staff met with leaders of three congressional panels, **Senate Judiciary Chairman Hatch** said, "It appears that the contempt crisis may have been averted," but then denounced her for sticking to her guns on the issue of appointing an independent counsel.

House Government Reform Chairman Burton, who orchestrated his panel's vote to recommend Reno be cited for contempt, issued a statement implying his plans to press for House ratification of the citation were temporarily on hold — but still in place.

In a tough floor statement, Hatch accused a "stubborn" Reno of giving "vague, insufficient or unconvincing" answers to questions at the meeting in his office.

FBI Director Louis Freeh and federal prosecutor Charles LaBella "advanced strong, convincing arguments in support of a broad-based independent counsel," Hatch said.

Lott, Northeasterners Press For New Navy Program ...

■ **SENATE MAJORITY Leader Lott** and senators from Northeastern states are urging colleagues to stick with a plan that gives full funding to construction of the Navy's new generation of destroyers, the *Associated Press* reported.

Lott, **Sen. Olympia Snowe**, R-Maine, and other senators were joined by the Defense Department earlier this week in a letter to appropriations conferees.

In June, the Navy announced

that Ingalls Shipbuilding in Pascagoula, Miss. — Lott's home state — and Bath Iron Works in Bath, Maine, would produce the 32 new destroyers, designated DD-21. The Senate voted to appropriate the Navy's \$84.9 million request, but the House set aside only \$16 million.

Lott and the others urged the senators on the appropriations conference to stick with the Senate figures. The Pentagon said if full funding is not received, the destroyer program would be delayed for a year to 2005.

In August, the Navy awarded a \$68.5 million contract to Ingalls and BIW for the first phase of design work on the destroyers. The contract will be split between the two.

Ingalls has teamed with Raytheon Systems Company for its share of the work, while BIW has established a partnership with Lockheed Martin. Construction of the destroyers, the Navy has said, would virtually assure continued work for both yards until 2015. BIW, with 7,300 employees, and Ingalls, with more than 10,000, are the largest private employers in their respective states.

... As Doubt Is Cast On Early Missile Defense Deployment

■ AS CONGRESSIONAL Republicans prepare to force a confrontation with the White House that could make national missile defense an issue in the fall congressional elections, the director of the Ballistic Missile Defense Organization said Wednesday there is little hope of accelerating the goal of deployment by 2003.

In accepting a three-year program to develop a national defense system that could be deployable three years later "we have bought into a high risk schedule," Air Force Lt. Gen. Lester Lyles said.

"In all honesty, I don't think we can accelerate the first three years of that program," Lyles told a Defense Writers breakfast.

Adding money to the program might influence the second three-year deployment stage if the threat in 2000 warrants fielding a national defense, he said.

But, Lyles added, "2003 is the date that we would be marking towards, and we think that is probably the best we could do, based on what we know today. ... That's a pretty hefty schedule to adhere to."

Senate Majority Leader Lott is expected to make another attempt at breaking a filibuster over legislation to mandate a national defense as soon as possible. And **House Speaker Gingrich** has said he will bring up a different proposal to make deployment of a national missile defense a firm commitment.

Thurmond Casts Vote No. 15,000

■ **SEN. STROM Thurmond**, R-S.C., already the longest serving senator in history, cast his 15,000th vote Wednesday.

Sen. Robert Byrd, D-W.Va., while serving a shorter time, is the only other senator to vote 15,000 times.

Senate Majority Leader Lott said Thurmond's vote exemplified the "consistency and stability that the framers of the Constitution sought to establish in the Senate. I'm sure the founders had Sen. Strom Thurmond in mind."

■ **Correction:** A story in Wednesday's *CongressDaily/A.M.* inaccurately reported the funding provided for the summer jobs program in the Senate Labor-HHS appropriations bill, as approved by subcommittee. The correct figure is \$871 million.

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HealthMATTERS

Administration Goes Both Ways On Patients' Appeals

By Julie Rovner

■ IN THE COURT OF PUBLIC OPINION, the Clinton administration has pretty much stayed on message this year in the managed care debate — health maintenance organizations and other managed care plans must give patients broader appeal rights, even if it costs more. But in a court of law — a federal court in California — the administration argued essentially the opposite.

On Aug. 12, a three-judge panel of the 9th Circuit Court of Appeals ruled for a group of Medicare beneficiaries from Arizona — and against the administration. The panel unanimously upheld a lower court ruling ordering HHS to make substantial changes in the appeals process for Medicare beneficiaries in managed care plans.

The decision was scathing. "An HMO's denial of coverage is an initial refusal to provide any medical services," wrote Judge Charles Wiggins for the panel. "The mere fact that the enrollee may be able to go elsewhere and pay for the services herself is of little comfort to an elderly, poor patient — particularly one who is ill and whose skilled nursing care has been terminated without a specific reason or description of how to appeal. In many, if not most, cases, the denial of coverage may result in total failure to receive the services."

The name plaintiff in the case — now a national class action — is Grigoria Grijalva, and her story could have been used by President Clinton or other administration officials this year to press for their legislation. Grijalva, who suffered from chronic conditions, had a foot amputated after, she alleged, her complaints of pain went unheeded by her physician in her Medicare HMO.

In finding for the plaintiffs, U.S. District Judge Alfredo Marquez in March 1997 laid down requirements for health plans serving Medicare patients. Among them were requirements that all denials of service be delivered within five working days, that the denials be printed in type legible to a senior citizen (at least 12 point, ruled the judge), and that beneficiaries be provided explicit reasons for denial with understandable information about their right to appeal and how to go about it.

The Health Care Financing Administration, which runs Medicare, made some changes in response. A month after Marquez's ruling, for example, it required plans to respond to appeals of claims denials in "urgent" cases within 72 hours, down from the previous 60 days. It made other changes in the regulations to implement the "Medicare+Choice" program that were published in June.

But Medicare advocates note that HCFA still has not

implemented critical aspects of the Marquez ruling. Vicki Gottlich, a senior staff attorney with the National Senior Citizen Law Center, said the agency has yet to require that plans continue care during the appeals process, that beneficiaries be informed how to appeal (not just that they have the right to do so), and that plans which fail to meet existing appeals requirements be terminated from the Medicare program.

■ IT IS NOT HARD TO SEE what is going on here. In its appeal of the Marquez ruling, HCFA argued that "the procedures sought by plaintiffs would impose a large burden on HMOs, which would accordingly affect the benefits received by enrollees." In other words, the more money that managed care plans have to spend on things like due process and appeals of claims denials, the less they will spend on the "extra benefits" like prescription drug coverage that have made managed care so popular with the Medicare population.

Since the case was originally decided, the stakes have gotten higher for HCFA. The Republican Congress has made clear that private plans are Medicare's future, and that HCFA ought to do everything it can to facilitate the movement away from Medicare's traditional fee-for-service program. But in the same Balanced Budget Act that Congress created Medicare+Choice, it also whacked payments to those plans, which has prompted some to drop out of the Medicare market. Since joining the private plans remains voluntary, HCFA is caught between the proverbial rock and hard place — trying to ensure beneficiaries are provided needed protections, but not at the risk of making the plans so unattractive from a benefits point of view that people will not join them.

The irony is that even if it never implements the requirements laid out by Judge Marquez (HCFA has not said whether it will appeal the appeals court ruling), Medicare's managed care appeals process is already considered one of the nation's best. It includes rapid decisions for life-threatening situations, and has a highly regarded external review mechanism, the Center for Health Dispute Resolution. "On balance, we give the Medicare managed care appeal process high marks," Jim Parkel, a member of the board of the American Association of Retired Persons, told a House Ways and Means subcommittee in April. "Compared to what is available in private sector managed care, the Medicare appeal process remains the gold standard, despite its shortcomings."

— HEALTHMATTERS CAN BE REACHED BY E-MAIL AT: JROVNER@NJDC.COM



Political Roundup

Rep. Smith To Clinton: Thanks But No Thanks

■ FRESHMAN Rep. Adam Smith, D-Wash., told the *Seattle Times* he is disgusted by President Clinton's behavior in the Monica Lewinsky matter and would not welcome the president's help on the campaign trail.

"I am just incredibly repulsed by what I've seen the president do over the last year," said Smith, who represents a district just south of Seattle. "It goes beyond betrayal. Anybody who knew about this [Lewinsky affair] had blackmail power. He jeopardized his ability to do his job. He has done serious damage to his ability to lead our country and our party. It disgusted me on a level I can't adequately describe."

But Smith stopped short of calling for Clinton's impeachment. "I'll wait to see the report" by Whitewater independent counsel Kenneth Starr, Smith said. "But if it goes beyond what we know now, I'll have to seriously consider [impeachment]. For now, we all have to twist in the wind."

A spokeswoman for former Democratic Rep. Jay Inslee, who is challenging second-term GOP Rep. Rick White in another suburban Seattle district, said, "We're not inviting Bill any time soon. We're trying to talk about issues and we feel his presence would be a distraction. We really don't want to talk about Lewinsky."

A state Democratic official said no visit has been arranged, although the president does have some open dates for campaigning between now and Election Day. "If he were to come I think he'd be welcomed with open arms," the official said.

Both Vice President Gore and First Lady Hillary Clinton have

scheduled campaign visits to Washington this month.

Green Candidate Rejects Gephardt Request To Quit

■ GREEN PARTY nominee Robert Anderson was in the middle of a bath Sunday night when he got an unexpected call: **House Minority Leader Gephardt** seeking to convince him to drop out of the race in New Mexico's 1st District.

"He wanted to work out some arrangements with us where we would withdraw," Anderson told the *Albuquerque Journal*. "I told him that was nice, but I didn't think there was time to do that." Anderson added that he has no plans to abandon the race. "We're committed," he said.

Democrats fear Anderson will siphon votes away from the Democratic nominee, state Sen. Phil Maloof, and help re-elect GOP Rep. **Heather Wilson** — who won a close vote over Maloof in this past June's special election to replace the late GOP Rep. **Steven Schiff**.

A Democratic Congressional Campaign Committee spokesman confirmed Gephardt made the call. "[Gephardt] wanted to talk to Bob Anderson about some of the issues they have in common and discuss with him the importance of having somebody representing the 1st District who supported the agenda they both believe in," he said.

Same Name Contenders Face Financial Questions In Okla.

■ BOTH DEMOCRATIC candidates — each with the surname of Roberts — who are running to take on GOP Rep. **Wes Watkins** in Oklahoma's 3rd District are now facing questions about their own conduct, the *Tulsa World* reported.

Former state Rep. Walt Roberts

and state Sen. Darryl Roberts, who are not related to each other, will meet in a Sept. 15 runoff to decide who will take on Watkins in the general election.

Darryl Roberts has been sued by Dusty Martin, a former aide to former Sen. **David Boren**, D-Okla. Martin claims Roberts owes him for consulting fees, signs and other campaign materials dating from Roberts' unsuccessful 1996 challenge to Watkins — which Watkins won by a 51-45 percent margin.

But Roberts denied he owes Martin any money for consulting and said that he had already paid him for signs and campaign materials.

Darryl Roberts attributed the lawsuit to politics, since the attorney who filed the lawsuit for Martin works with the law firm headed by state Sen. Gene Stipe — who is helping raise money and advise Walt Roberts in his campaign.

Walt Roberts has problems of his own. Not only is he still trying to explain where he got \$12,000 in cash he put into his own campaign earlier this year, but the leaders of a Texas cattlemen's association now say he was forced to quit as their group's executive vice president in 1993.

Lytle Tom, who was president of the Texas Simmental/Simbrah Cattle Association at the time, said Roberts "was given an option — quit or be fired," according to the *World*. Tom Ford, an association board member, said when Roberts offered to resign the board accepted it immediately. "He was going through our money like it was going out of style," Ford said.

Neither Walt Roberts nor his campaign manager returned calls from the *World* asking for comment on the story.

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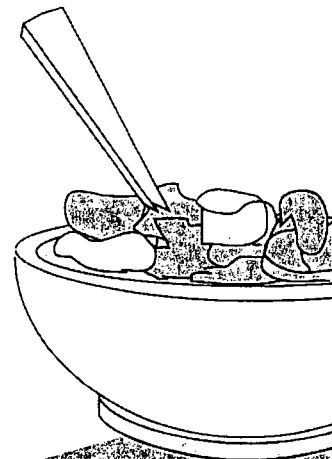
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Markup Of Financial Services Modernization To Begin

BANKING

THE SENATE Banking Committee heads toward a markup of the financial services modernization bill this morning as negotiations continued on two major issues.

The committee spent Wednesday afternoon and evening trying to whittle a list of 77 amendments.

Several sources said committee members were working on a new approach to the operating subsidiaries issue, but it was not clear if a final deal was struck.

One source said the proposal calls for a combination of amendments by **Sens. Jack Reed**, D-R.I., and **Lauch Faircloth**, R-N.C. The new plan would limit both the types of activities and percentage of business that banks could conduct through operating subsidiaries.

Also, some form of regulatory parity would be instituted to allow the Treasury Department and the Federal

Reserve to share power. The source said Treasury considers the combination plan redundant.

New proposals also were floated Wednesday on bank insurance sales.

One would use the "Barnett" standard to determine if a current state law discriminates against banks and to maintain the deference given to the Office of the Comptroller of the Currency in court disputes about bank insurance sales.

A more stringent non-discriminatory standard would be imposed on future state laws, while the OCC would lose its deference.

Meanwhile, the American Bankers Association told the committee Wednesday it wants seven issues addressed.

In addition to wanting no discrimination on bank insurance sales and asking for all financial services to be permitted in operating subsidiaries, the ABA said it would op-

pose any bill that does not prohibit commercial firms from acquiring existing thrifts.

The memo also called for treating title insurance the same as other sectors, voiced support for the amendment by **Sen. Chuck Hagel**, R-Neb., on expanding access to the Federal Home Loan Bank's assets, and proposed deleting House-passed language requiring banks to provide basic lifeline services.

But a spokesman for the Consumers Union said banks seem to be getting everything they want, which is endangering the group's support of the bill.

In particular, the spokesman pointed to the potential elimination of the lifeline banking provisions and the possible preemption of state insurance sales laws as the biggest problems.

Committee members were to meet at 8:30 this morning on final details.

— BY ADAM RAPPAPORT

Democrats Poised To Add Managed Care To Other Bills

HEALTH

IF SENATE Republicans and Democrats cannot agree on how to bring to the floor a managed care bill, Democrats will offer their measure as an amendment to another bill as early as next week, **Sen. Edward Kennedy**, D-Mass., said Wednesday.

"I expect next week is the time," Kennedy told a news conference. "This will either be done as [Senate Minority Leader] Daschle has suggested ... or it will get done the only other way possible, by amending another piece of legislation."

Kennedy did not specify what legislation would be targeted, but noted the Senate still has several appropriations bills to consider.

Senate Republicans and Democrats have been at an impasse for weeks over terms of a managed care debate.

Democrats want a lengthy debate and the opportunity to offer a long list of amendments, since they do not have

the 60 votes required to break a filibuster.

Republican leaders, who have been less than enthusiastic about managed care legislation all year, continue to offer a debate with only three amendments per side.

Meanwhile, even as prospects for any bill to be signed into law appear dim, the Democrats' "Patients' Bill of Rights" picked up new supporters Wednesday.

The steering committee of the Patient Access to Responsible Care Alliance, which represents such groups as the American Chiropractic Association, American Physical Therapy Association, and the Center for Patient Advocacy, endorsed the bill at the news conference.

The organization originally was formed to push for passage of the Republican-sponsored Patient Access to Responsible Care Act.

Because PARCA "is simply no longer an active vehicle for consider-

ation, the members of the PARCA alliance believe the Patients' Bill of Rights is the best alternative to PARCA that offers meaningful reform," the organization said in a statement.

The key House PARCA sponsor, **Rep. Charles Norwood**, R-Ga., shelved the bill, which had more than 230 cosponsors from both parties, in order to support the House Republican leadership bill that passed in July.

But opponents of all bills continue to insist that any mandates on managed care would be a mistake.

"No amount of support from special interest groups is going to convince the American people that now is the time for Congress to pass a bill like Sen. Kennedy's that will increase health care costs for American families," Dan Danner, chairman of the Health Benefits Coalition, said in a statement. The coalition represents employer and insurance groups.

— BY JULIE ROVNER



Shalala Milks Votes In Competitive Districts

By Charles Todd and Matthew Reed

■ HHS SECRETARY SHALALA does not just campaign for greater calcium intake. Besides appearing in the well-known "got milk?" ads (she graces this month's back cover of *Capital Style* with a smiling milk moustache), Shalala has also appeared at recent events for Democratic candidates Robert Burch and Gail Riecken. Last Sunday, the secretary graced a fundraiser in Ohio for Burch, who is challenging GOP Rep. **Bob Ney**. The next day, Shalala and Riecken, who hopes to topple Rep. **John Hostettler**, R-Ind., promoted HMO reform and childcare legislation.

Additionally, Shalala will visit Oregon to do a Children's Health Summit with Rep. **Darlene Hooley**, D-Ore., later this month, and requests for either political or official events have come in from Rep. **Ellen Tauscher**, D-Calif., and former Rep. **Jay Inslee**, D-Wash. Plans to travel to her home state of Wisconsin for 1st District Democratic candidate Lydia Spottswood, and for whoever wins next week's Democratic primary in the 2nd District, are also in the works.

Every one of the above incumbents or challengers is running in a competitive race, and since polls consistently have shown health care is one of the top public concerns, what better way to get positive press than to bring in Shalala? Incidentally, education is also a top issue for voters, and Education Secretary Riley has also been out on the campaign trail. Rep. **Loretta Sanchez**, D-Calif., and former Rep. **Richard Stallings**, D-Idaho, are among those whom Riley visited over the summer.

■ EARLIER THIS WEEK, Democrat Phil Maloof, who is running again against now-GOP Rep. **Heather Wilson** for the New Mexico seat he failed to capture in a special election last June, weighed in on the steep stock market downfall. Congressional candidates do not usually issue press releases on the stock market, but Maloof had a relevant point to make on an issue that is important to voters: Social Security. "Today's dramatic decline on Wall Street," said Maloof in a statement, "points out the risks in putting money from the Social Security Trust Fund into the stock markets."

But Maloof indicated a different position earlier this year during the special election campaign. "Malooof proposed putting the other half of this year's budget surplus into Social Security," reported the *Albuquerque Journal* last June. "He also advocated investing 5 percent of the Social Security Trust

Fund in blue chip stocks." However, the *Journal* reported earlier this week that Maloof is simply "reconsidering" his position because of the recent swings in the market.

Other congressional candidates are not being shy about letting their opinion be known publicly about the news of the day — even if that news is only somewhat related to the race they are running. Republican Brian Palmer, who is challenging **House Minority Whip Bonior** in Michigan, faxed out a statement earlier this week on the Northwest Airlines pilot strike. Because of the strike, Northwest may lay off 10,000 workers, and Palmer made a valiant attempt in the release to lay much of the blame on Bonior. As many local TV news broadcasts are turning away from covering political campaigns, perhaps we can look for more and more candidates to start weighing in on peripheral issues to get attention?

■ REP. CAROLYN MALONEY, D-N.Y., faces an unusual challenge from "independent Republican" Stephanie Kupferman, who the *New York Post* proclaims as "our kind of candidate." Kupferman, instead of going to debates, community meetings and editorial boards, is "working her local watering holes" in her quest for votes. Kupferman has been spotted at such Manhattan bars as Mulligan's Irish Pub, Bar and Books and Au Bar, and she has a fundraiser scheduled at the legendary CBGB's.

"I have no ties to any special interest groups," said Kupferman. "My loyalties are with my constituents, and this is one way to meet people. Besides, no one should take themselves too seriously." However, she will also do some mainstream campaigning and does have serious positions on issues such as education and gun control.

■ BEFORE CONGRESS LEFT FOR the August recess, this column listed Democrats who are both members of the Progressive Caucus and are in competitive races. Since the web site that lists the members of the Progressive Caucus is also linked

to a web site about socialism, we put this question into play: Is it wise for members who do not represent overwhelmingly Democratic districts to flaunt that brand of liberalism?

An aide to the Progressive Caucus called to inform us that not one member of the group lost in 1994 or 1996, so we note that here. But can socialism play in swing districts in 1998? Only the returns on Nov. 4 can tell us for sure.

■ **House Race Hotline EXTRA** appears exclusively each Thursday in *CongressDaily/A.M.* This insider's look at the races shaping the 1998 elections is prepared by the editors of **House Race Hotline**, which is available daily to subscribers at <http://www.cloakroom.com>.

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SPORTS HIGHLIGHT
A Red-Mond Flag?
Bill Redmond's (R) upset victory of Dem Eric Serna in NM 03 is leading some to compare the GOP's win with Ron Lewis's KY 02 special win in '94. But there may be less nat'l significance.

Politics Is Local: From the get-go, NM Dems were not united around Serna. There was grping about his candidacy even before he was named the nominee by the party. Some of those disgruntled Dems went on to support Green nominee Carol Miller. NM Dems have seen this before. In '94, Gov. Johnson (R) won election over Dem Bruce King due to a strong Green showing.

Nat'l Credit: Because some GOPers took a while to jump on Redmond's ship, it is worth noting that he did have solid help from organized conservatives and AZ neighbor Dan Quayle. (E)

QUOTE OF THE DAY
"This is a very sad day for the Democratic Party."
— NM AG Tom Udall (D) on Rep.-elect Bill Redmond's (R) victory over Dem Eric Serna in NM 03. Santa Fe New Mexican, 1/14. (E)

TOP NEWS
■ **The Abortion Report**
Pres. Clinton may support 'partial-birth' abortion bill crafted by Senate Min. Leader Tom Daschle. (E) And, will IL Gov. Edgar (R) sign let state's bill? (E) (E)

■ **Branstad's Budget Blast**
RGA slow mps budget deal as "no pain and all gain." (E)

■ **A Little Daub'll Do Ya**
Omaha Mayor (R) wins re-election (E) And Jersey City's Schundler may be first re-elected in 30 years. (E)

■ **Life With Fife**
AZ Gov. Symington's courtroom draws brags: Legislature to a standstill, and gov. candidates wait for outcome. (E)

■ **All's Well Than Boswell**
Congressman's name appears potential candidate for the gov. race. (E)

■ **Suddenly Susan**
San Diego Mayor Gov. nominees for the seat of Barbara Boxer (D). (E)

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Minimum Wage Amendment May Kill Bankruptcy Bill

JUDICIARY

SENATE Democratic efforts to attach a minimum wage increase may present an insurmountable obstacle for the bankruptcy bill.

Senate Labor and Human Resources ranking member **Edward Kennedy**, D-Mass., will offer the minimum wage amendment when the legislation comes to the floor, probably Friday.

Democrats — including **Minority Leader Daschle** and **Sen. Richard Durbin**, D-Ill. — are expected to oppose cloture for the legislation.

A GOP leadership aide said Monday that if Kennedy wins over Daschle, "then we won't do bankruptcy this year."

Majority Leader Lott has indicated he hopes some Democrats want a bankruptcy bill enough to vote for cloture, but it appears they will stand united.

The bill's leading sponsor, **Sen. Charles Grassley**, R-Iowa, acknowledged that the legislation is in trouble on "party discipline" votes. But Grassley said there may be enough votes to defeat extraneous amendments, and pledged to keep fighting for the bill.

Durbin said Wednesday he has problems with the legislation, wants to support the Democrats' ability to offer amendments and supports a raise in the minimum wage.

Durbin said he has three major

problems with the bankruptcy bill. First, he said GOP language making a priority of repayment of child support and alimony debts would have little effect.

The debts would be treated the same, as would credit card debts accrued up to 90 days before a person declared bankruptcy, he said. Durbin said he has an amendment to push that back to the current 60-day limit.

In addition, Durbin complained that the bill does not penalize the abuses of credit card companies, and gives creditors too much power to pressure debtors into reaffirmations.

— BY ADAM RAPPAPORT

Abortion Drug Stance Clouds Prospects For FDA Nominee

HEALTH

THERE WERE NO fireworks at the confirmation hearing Wednesday for Jane Henney, President Clinton's nominee to head the FDA.

In fact, members of the Senate Labor and Human Resources Committee were largely complimentary towards the former FDA deputy and current vice president for health sciences at the University of New Mexico.

But her nomination appears to be in some trouble nevertheless.

"There's a lot of things that have to fall into place" to get Henney confirmed before Congress leaves for the year, **Senate Labor and Human Resources Chairman Jeffords** told reporters after the hearing. "It doesn't look very good."

Henney's only apparent substantive problem involves the abortion drug RU486.

Although she was not involved in agency deliberations over the controversial pill — which the FDA has deemed "approvable" pending final information about its manufacturing — Henney was repeatedly questioned about her views on the subject at the hearing by anti-abortion members of the committee.

Henney attempted to play down the issue, saying at one point, "I realize this issue is one in which all of us have very

deeply held beliefs and there is much emotion and concern."

But she defended the agency's decision not to take into account the drug's effect on the developing fetus, since "its intended use is the termination of an early pregnancy."

Henney's comments apparently were not enough to satisfy some members of the committee. "I felt some evasion in the answers," said **Sen. Michael Enzi**, R-Wyo., who said he is prepared to hold up the nomination "until I get some answers."

But other anti-abortion members were more circumspect. "In general there's a good feeling about her," said **Sen. Tim Hutchinson**, R-Ark., who added that "disagreement over whether RU486 should be available should not deny her confirmation."

Hutchinson, however, said he still wants more information about how the FDA would prevent the drug from being used inappropriately and whether it was unfairly rushed through the approval process.

Separately, committee aides took exception to a Congressional Research Service analysis commissioned by **ranking member Edward Kennedy**, D-Mass., detailing the increasing length of time the Senate takes to approve health officials.

The aides noted that while Henney has had to wait 71 days for her confirmation hearing, the time included both the July 4 and August recesses.

Similarly, the 151 days it took to confirm Surgeon General David Satcher included the end-of-session recess from 1997 to 1998.

The committee actually considered and reported out his nomination in about a month.

Also, they noted that Nancy-Ann Min DeParle, whose nomination to head the Health Care Financing Administration took 136 days to approve, was considered by the Senate Finance Committee — not Labor and Human Resources.

— BY JULIE ROVNER

Appropriations

Continued from page 1

this week, Clinton applauded the Senate for restoring funding for summer jobs and low-income heating programs and for investing in education programs.

Clinton added, however, that the Senate bill does not provide enough education funding.

"The Senate bill is a good first step, but there is still more work to do," Clinton said.

— BY DAVID BAUMANN

H-1B Visas

Continued from page 1

next week, Republicans still plan to move the visa bill through the House and Senate in its current form to place it on President Clinton's desk, forcing him to act.

The political stakes for Democrats are rising as Gray Davis, the Democratic nominee for governor in California, asked Clinton during an August meeting to sign the visa bill, which would benefit the high tech firms concentrated in the state's "Silicon Valley."

Winning the California governorship is one of the Democratic Party's top priorities in 1998.

Business groups, especially high tech companies, want to increase the current annual allotment of 65,000 H-1B visas to address what they claim is a shortage of high tech workers.

The GOP bill would raise the annual allotment of H-1B visas to more than 100,000 per year through FY2002. But White House officials threatened to veto the legislation unless it forces more companies to "attest" they are not displacing American workers with H-1B visa holders, and raises the visa allotment only through FY2000.

Davis told the *San Jose Mercury News* the bill should not "mandate companies to do anything." Instead, Davis

said he would use his "powers of persuasion, Judeo-Christian guilt-tripping and other forms of persuasion to encourage companies to do the right thing."

Supporters said the start of the new fiscal year in four weeks, at which time 60,000 H-1B visas under current law will become available, will not reduce the need for legislation.

"Because of the demand, it's very likely that before the end of the calendar year they will be all gone," said an Abraham spokesman. "No one has been able to hire [H-1B workers] since May."

— BY MATTHEW MORRISSEY

Business, Ag Groups Talk Up Fast Track During Recess

TRADE

BUSINESS and agricultural leaders said this week their efforts to rally grassroots support for fast track trade negotiating authority back home during the August recess were successful, at least among Republicans.

Jim Christy, who heads the pro-fast track business coalition called America Leads on Trade, said reports from the field indicate that up to 30 members of Congress might have moved a "notch or two toward" supporting fast track.

"There is growing interest on the GOP side," even among members who were not so keen about it.

Christy said ALOT has reactivated its 1-800 number and letter writing organization so that employees around the country can contact their senators and representatives.

Meanwhile, the U.S. Chamber of Commerce moved ahead with dozens of tasks that included placing op-ed pieces in newspapers, mobilizing local chambers to activate business owners in their communities and bringing the issue front and center when members of Congress attended chamber functions.

Bill Morley, a government affairs representative at the U.S. Chamber, said one result is that it is no longer an "inside the Beltway" issue.

"In meetings with our people

around the country, it is clear that people are beginning to understand that," he said.

Morley said a Colorado meeting with state and local chamber leaders "energized" attendees and many have met with local business owners and placed articles in local newspapers in the last week.

Finally, Scott Shearer, who is coordinating efforts of the AG for Fast Track Coalition, reported that dozens of representatives and senators heard from farmers at town meetings the legislators set up and at meetings the farmers sought.

Farmers have spearheaded the effort for fast track renewal, funding for the International Monetary Fund, trade sanctions reform and initiatives they say are needed this year to open badly needed markets for their crops.

Voters in America's heartland heard from producers on radio talk shows about fast track's role in opening new markets and a speech from Illinois Gov. Jim Edgar about trade at the state fair.

"A lot of members now recognize how these things are affecting farmers," Shearer said, adding that the effort would continue with Washington visits this month by farmers even though it is "harvest time."

Christy and the others said the impact of the grassroots activity on mem-

bers of Congress will be gauged next week when members return and talk with each other.

He underscored, however, that ALOT and other pro-fast track groups are looking less for the volume of calls and more for the content of the message — the United States must provide leadership to the world on economic matters.

Christy and others acknowledge the growing instability in U.S. financial markets and the chaos gripping other parts of the world help their cause.

Morley said the U.S. Chamber is not exploiting the tumult in Russia, Asia and other countries but the uncertainty reinforces the sense for many business people that "we have to do something."

Republican Conference Chairman John Boehner of Ohio, on the stump for GOP candidates in the Midwest, has raised the issue often. Boehner has repeatedly assured that a vote will take place the week of Sept. 21 and that fast track can pass this time on its merits.

Christy said the success so far has been limited to Republicans and expressed regret about reports that the Clinton administration may be actively working to oppose the bill at this point, after having supported it all year.

"They view this as a political initiative and I am sorry about that," Christy said.

— BY STEPHEN NORTON

Call for your free trial to *American Health Line* today! 202-739-8528, 800-424-2921 ext. 3

House Committees

None.

Hill Events Today

Campaign Reform

Public Campaign briefing on statewide polls showing overwhelming support for campaign finance reform. **Participants:** Ellen Miller, Public Campaign; Doug Berman, Campaign for America; Ann McBride, Common Cause; Carolyn Jefferson-Jenkins, League of Women Voters; Joan Claybrook, Public Citizen; Gene Karpinski, U.S. PIRG; and Mark Mellman, Mellman Group. 385 RSOB. 1 p.m. **Contact:** Jodie Silverman, 202-293-0222.

Health

Kaiser Family Foundation and Alliance for Health Reform discussion on patient protection legislation and the three leading patient protection plans before Congress. **Participants:** Sens. Jay Rockefeller, D-W.Va., and Bill Frist, R-Tenn.; and Larry Levitt, Kaiser Family Foundation. SC-5 Capitol. 12:15 p.m. **Contact:** Bill Erwin, 202-466-5626.

Off The Hill Today

Economy

Institute for International Economics briefing on restoring Japan's economic growth. 11 Dupont Circle, NW. 10:30 a.m. **Contact:** Adam Posen, 202-328-9000.

Energy

Energy Information Administration news conference to releasing a report on energy trends since the first major U.S. energy crisis. Energy Department, 1000 Independence Ave., SW, Room GJ-015. 10 a.m. **Contact:** Karen Freedman, 202-586-9254.

Finance

Cato Institute forum on rating the fiscal policy of the states. **Participant:** Conn. Gov. John Rowland. Cato Institute, 1000 Massachusetts Ave., NW, F.A. Hayek Auditorium. 1 p.m. **Contact:** Robin Hulse, 202-789-5293.

Health

American Institute For Cancer Research research conference on colon cancer prevention. Hilton and Towers Hotel, 1919 Connecticut Ave., NW. 7:30 a.m. **Contact:** 703-683-6334.

Science/Technology

NASA and the European Space Agency panel taking questions and answers by audio link regarding the recovery of the solar and heliospheric observatory and the mishap that led to loss of communications with SOHO. NASA Headquarters, 300 E St., SW. 10 a.m. **Contact:** 202-358-1717.

Economic Strategy Institute advanced telecommunications information technology program panel discussion regarding 1996 Telecommunications Act provisions to remove regulatory barriers to investment and promote advanced telephone and Internet services competition. **Participants:** Heather Gold, president, Assoc. for Local Telecommunications Services; Ava Kleinman, attorney general, AT&T; Bruce Posey, vice president, U.S. West; and Rory O'Connor, editor, *National Journal's Technology Daily*. ESI, 1401 H St., NW, Suite 750. Noon. **Contact:** 202-289-1288.

Social Issues

National Press Club morning newsmaker program on the connection between school violence and the self-esteem movement. **Participant:** Martin Seligman, president, American Psychological Assoc. National Press Club, 9 a.m. **Contact:** 202-662-7593.

Nuestra Gente and MAYA Advertising and Communications news conference unveil the new agenda and speakers for the third annual U.S. Latinos awareness conference. National Press Club. 10 a.m. **Contact:** Pablo Izquierdo, 202-393-3370.

Georgetown University Center for Contemporary Arab Studies and Center for Muslim-Christian Understanding discussion on the war on terrorism and its impact on U.S.-Arab and U.S.-Muslim relations. Georgetown University, 37th and O Sts., NW, ICC Auditorium, Bunn Intercultural Center. 1 p.m. **Contact:** 202-687-4328.

Council of Latino Agencies forum on issues important to the Hispanic community. Festival Center, 1640 Columbia Road, NW. 7 p.m. **Contact:** 202-328-9451.

FRIDAY A.M. EVENTS

Health

American Institute For Cancer Research research conference on colon cancer prevention. Hilton and Towers Hotel, 1919 Connecticut Ave., NW. 7:30 a.m. **Contact:** 703-683-6334.

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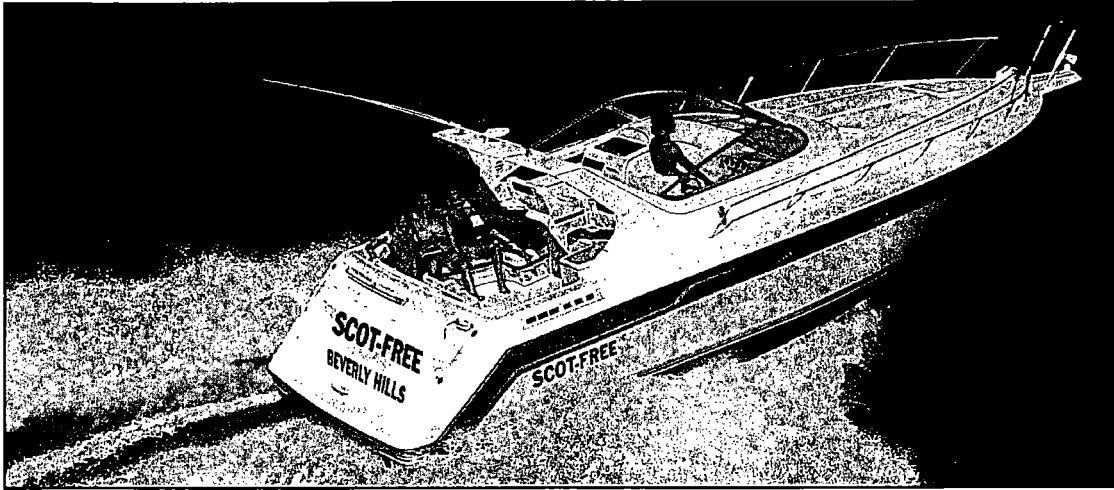
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**"Meant to protect individuals from hardships,
Chapter 7 is now protecting some
from having to change their life-styles."**

- Readers Digest, September 1998



More and more people who can pay down their debt are using bankruptcy as a financial planning tool, sheltering substantial wealth while sticking other consumers and responsible borrowers with the cost of their "bankruptcies of convenience."

It's time to restore personal responsibility to our flawed bankruptcy laws. And, reforming our flawed bankruptcy code and strengthening child support enforcement go hand-in-hand in reinforcing personal responsibility. S.1301 preserves and strengthens the bankruptcy code's protections for child support and alimony payments.

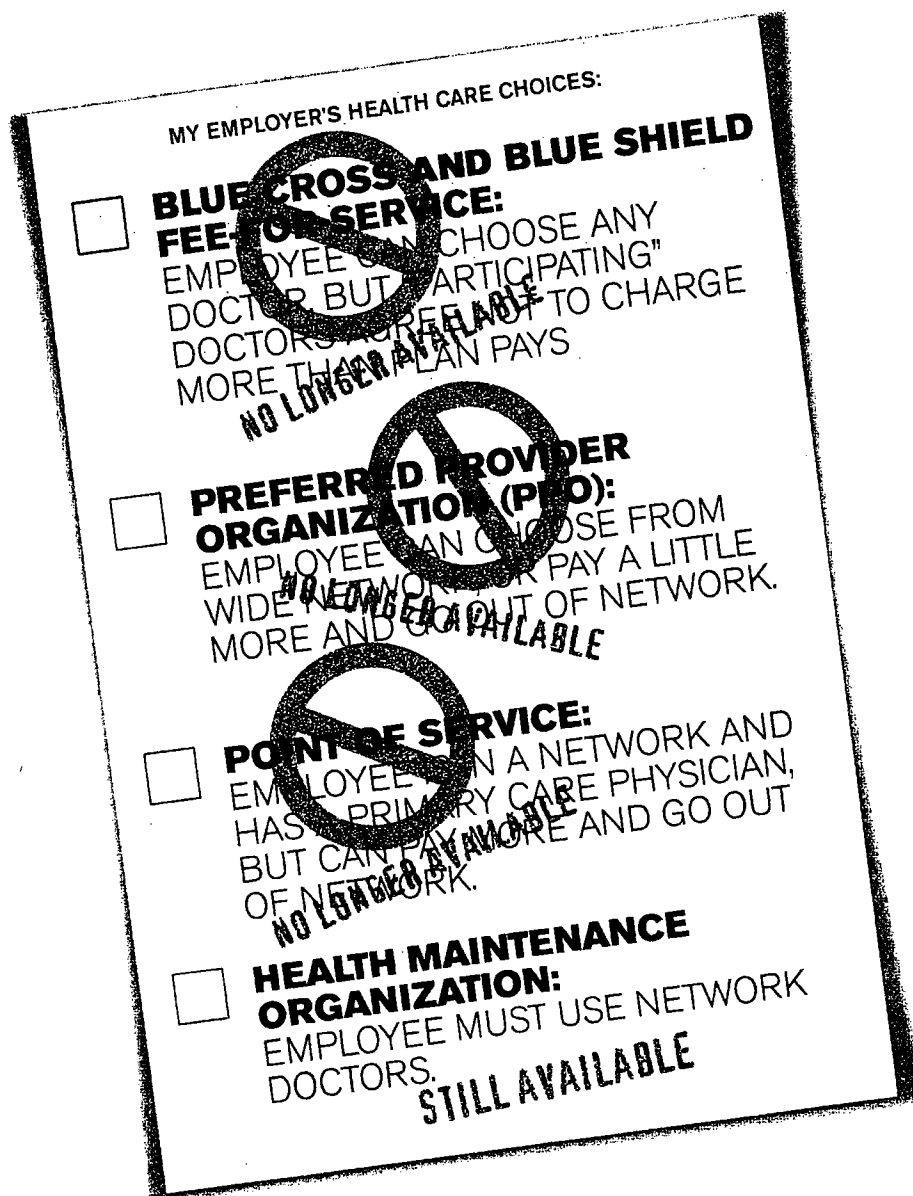
"Proposed amendments would give child support creditors an enormous advantage over other creditors during bankruptcy and greatly aid us in the discharge of our support enforcement responsibilities." - Jonathan Burris, President, California Family Support Council

Don't let people who can afford to pay down their debt stick others with the tab.

VOTE FOR S. 1301

THE CONSUMER BANKRUPTCY REFORM ACT

The Future of America's Health Care— Choice... What Choice?



Blue Cross and Blue Shield

plans currently offer a broad range of health plans, including fee-for-service (with participating doctors), Preferred Provider Organizations (PPO), Point of Service (POS) and HMOs.

However, we're alarmed that Congress could soon end our ability to offer any product but an HMO.

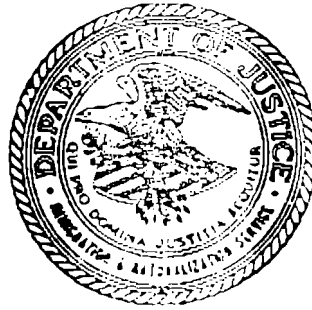
It's an election year and Congress is rushing to regulate all private health plans by enacting requirements that reflect the way we do business in our HMO products. But we cannot meet these requirements in our other products unless we change them dramatically.

Blue Cross and Blue Shield fears these requirements will make it very difficult, probably impossible, to continue to offer health plans with a large number of physicians to choose from... or health plans that allow our members to go outside our network — for example, PPOs.

These congressional proposals are a far-reaching blueprint for just one kind of health plan and one kind of health care choice. HMOs are an excellent choice for many Americans. Over 12 million Blue Cross and Blue Shield HMO members agree. But we don't think Congress should take away choice in health plans.



BlueCross BlueShield Association
An Association of Independent
Blue Cross and Blue Shield Plans



*United States Department of Justice
Immigration & Naturalization Service
Office of the Executive Associate Commissioner
Policy and Planning*

425 I Street, NW
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Phone: 202-514-3242 / Fax: 202-305-0134

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• Comments: _____

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Immigration and Naturalization Service, Justice

§ 214.2

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—(A) Grounds
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(1) The beneficiary is no longer em-
ployed by the petitioner in the capac-
ity specified in the petition, or if the
beneficiary is no longer receiving
training as specified in the petition; or

(2) The statement of facts contained
in the petition was not true and cor-
rect; or

(3) The petitioner violated terms and
conditions of the approved petition; or

(4) The petitioner violated require-
ments of section 101(a)(15)(H) of the Act
or paragraph (h) of this section; or

(5) The approval of the petition vi-
olated paragraph (h) of this section or in-
volved gross error.

(B) *Notice and decision.* The notice of
intent to revoke shall contain a de-
tailed statement of the grounds for the
revocation and the time period allowed
for the petitioner's rebuttal. The peti-
tioner may submit evidence in rebuttal
within 30 days of receipt of the notice.
The director shall consider all relevant
evidence presented in deciding whether
to revoke the petition in whole or in
part. If the petition is revoked in part,
the remainder of the petition shall re-
main approved and a revised approval
notice shall be sent to the petitioner
with the revocation notice.

(12) *Appeal of a denial or a revocation
of a petition.*—(i) *Denial.* A petition de-
nied in whole or in part may be ap-
pealed under part 103 of this chapter.

(ii) *Revocation.* A petition that has
been revoked on notice in whole or in
part may be appealed under part 103 of
this chapter. Automatic revocations
may not be appealed.

(13) *Admission.*—(i) *General.* (A) A ben-
eficiary shall be admitted to the
United States for the validity period of
the petition, plus a period of up to 10
days before the validity period begins
and 10 days after the validity period
ends. The beneficiary may not work ex-
cept during the validity period of the
petition.

(B) When an alien in an H classifica-
tion has spent the maximum allowable
period of stay in the United States, a
new petition under sections 101(a)(15)
(H) or (L) of the Act may not be ap-
proved unless that alien has resided
and been physically present outside the
United States, except for brief trips for
business or pleasure, for the time limit
imposed on the particular H classifica-

tion. Brief trips to the United States
for business or pleasure during the re-
quired time abroad are not
interruptive, but do not count towards
fulfillment of the required time abroad.
The petitioner shall provide informa-
tion about the alien's status, place of
residence, and the purpose and
purposes of any trips to the United
States during the period that the alien
was required to spend time abroad.

(ii) *H-1A limitation on admission.* An
alien who was previously accorded H-
1A nonimmigrant status, which expired
on or before October 11, 1976, may not
be admitted to the United States after
October 11, 1976, in order to apply for
an extension of authorized stay as pre-
vided in Public Law 94-352. Except as
provided in paragraph (i)(ii)(A) of this
subsection, and H-1A status was
spent 5 years in the United States
under section 101(a)(15)(H) of the Act,
the alien may not change status to H-1B
status to the United States, except for
education unless the alien has resided
and been physically present outside the
United States, except for brief trips for
business or pleasure, for the time limit
prior year.

(iii) *H-1B limitation on admission.* (A)
Alien in a specialty occupation or an
alien of distinguished merit and ability in
the field of fashion modeling. An alien
in a specialty occupation or an
alien of distinguished merit and ability
who has spent six years in the United
States under section 101(a)(15)(H) or
(L) of the Act may not change status
to H-1B status to the United States, except
if the alien has resided and been physi-
cally present outside the United States,
except for brief trips for business or
pleasure, for the time limit prior year.

(B) *Alien involved in a DOD research and
development or information project.*
An H-1B alien involved in a DOD re-
search and development or information
project who has spent six years in the
United States under section 101(a)(15)
(H) or (L) of the Act may not seek
extension of stay or be readmitted to
the United States under section 101(a)(15)
of the Act to perform services in a
DOD research and development project.

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8 CFR Ch. I (1-1-97) E

or coproduction project. A new petition or change of status under section 101(a)(15) (H) or (L) of the Act may not be approved for such an alien unless the alien has resided and been physically present outside the United States, except for brief trips for business or pleasure, for the immediate prior year.

(iv) *H-2B and H-3 limitation on admission.* An H-2B alien who has spent 3 years in the United States under section 101(a)(15)(H) and/or (L) of the Act; an H-3 alien participant in a special education program who has spent 18 months in the United States under section 101(a)(15)(H) and/or (L) of the Act; and an H-3 alien trainee who has spent 24 months in the United States under section 101(a)(15)(H) and/or (L) of the Act may not seek extension, change status, or be readmitted to the United States under section 101(a)(15)(H) and/or (L) of the Act unless the alien has resided and been physically present outside the United States for the immediate prior 6 months.

(v) *Exceptions.* The limitations in paragraph (h)(13)(ii) through (h)(13)(iv) of this section shall not apply to H-1A, H-1B, H-2B, and H-3 aliens who did not reside continually in the United States and whose employment in the United States was seasonal or intermittent or was for an aggregate of six months or less per year. In addition, the limitations shall not apply to aliens who reside abroad and regularly commute to the United States to engage in part-time employment. To qualify for this exception, the petitioner and the alien must provide clear and convincing proof that the alien qualifies for such an exception. Such proof shall consist of evidence such as arrival and departure records, copies of tax returns, and records of employment abroad.

(14) *Extension of visa petition validity.* The petitioner shall file a request for a petition extension on Form I-129 to extend the validity of the original petition under section 101(a)(15)(H) of the Act. Supporting evidence is not required unless requested by the director. A request for a petition extension may be filed only if the validity of the original petition has not expired.

(15) *Extension of stay—(1) General.* The petitioner shall apply for extension of

an alien's stay in the United States by filing a petition extension on Form I-129 accompanied by the documents described for the particular status in paragraph (h)(13)(ii) of this section. The petitioner must also request a petition extension. The date of extension shall be the same for the petitioner and the beneficiary's extension of stay. The beneficiary must be physically present in the United States at the time of the filing of the extension of stay. Even though the requests to extend the petition and the alien's stay are combined on the petition, the director shall make a separate determination on each. If the alien is required to leave the United States for business or personal reasons, the extension requests are pending, and the petitioner may request the director's notification of any pending petition extension to the consular office abroad where the alien will apply for a visa. When the total period of stay in an H classification has been reached, no further extensions may be granted.

(ii) *Extension permits—(a) H-1A extension of stay.* An alien who previously entered the United States as an H-1A visa may receive an extension of H-1A temporary stay until September 30, 1997, provided that the alien was within the United States as an H-1A classification on or after September 8, 1993, regardless of whether the alien continued to work as a registered nurse after September 1, 1993, and the alien's period of H-1A temporary stay has expired or would expire before September 30, 1997; and, if the alien was not in valid H-1A nonimmigrant status on October 11, 1993, that the alien was within the United States on October 11, 1993. An extension of stay may not be granted to an H-1A nonimmigrant alien beyond September 30, 1997. An H-1A alien granted an extension of stay and his spouse and child, if such alien is an immigrant, shall be considered to have maintained nonimmigrant status through September 30, 1997, for purposes under the Immigration and Nationality Act, as amended, and section 106-02 does not apply to an H-1A alien who otherwise failed to maintain his or her valid H-1A nonimmigrant status.

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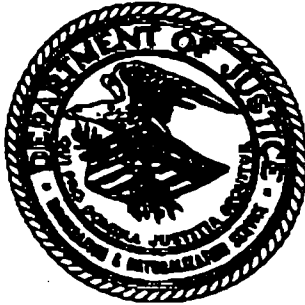
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Immigration and Naturalization Service
425 I Street, N.W., Washington, D.C. 20536

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Office of the Executive Associate Commissioner,
Policy and Planning

Room - 6038

Phone No.: (202) 514-3242

Fax No.: (202) 305-0134

No. of Pages: Cover + 1

SUBJECT: _____

DISCUSSION:

**H-1B Beneficiaries Approved, Visas Issued, and Admission Statistics
Fiscal Years 1992-97, Fiscal Year 1998 (Incomplete)**

Fiscal Year		Beneficiaries Approved	Visas Issued	Admissions
1992		48,645	44,290	110,223
1993		61,591	35,818	92,795
1994		60,279	42,843	105,899
1995		54,178	51,832	117,574
1996		55,141	58,327	144,458
1997	[10/1/96-9/1/97]	65,000 ¹	80,547	NA
1998	[9/2/97-9/30/97]	5,099 ¹	NA	NA
	[10/1/97-4/15/98]	51,994		
	Total	57,093		

Notes:

¹ The 65,000 annual limit was reached on 9/1/97. A total of 5,099 beneficiaries approved during the rest of the fiscal year (9/2/97 to 9/30/97) were held in abeyance until 10/1/97 and will be applied to the Fiscal Year 1998 limit.

Beneficiaries approved - Number of H-1B beneficiaries approved by the INS on I-129 Petitions.

Visas issued - Number of H-1B visas issued by the U.S. Department of State.

Admissions - Number of H-1B nonimmigrants admitted during the year. May include multiple arrivals of the same individual and persons issued visas in previous years.

NA - Not available.



United States Department of State

Bureau of Consular Affairs

Office of Public Affairs

Washington, D.C. 20520-4818

FAX COVER SHEET

Date: 9/17/98

Pages to Follow: 1

Fax Number: 456-5581

To: DPC - Julie Fernandez

From: CA/PA -- John Caulfield

Phone: (202) 647-1488

Fax: (202) 647-6074

Transmission: The S.692 was added to the Senate HIB bill and went with it as an amendment to CJS. It should not be included in any HIB compromise legislation.

S. 692**A bill to require that applications of passports for minors have both parental signatures**

This bill will **not** prevent the removal of children from the United States by one parent without the agreement of the other parent.

Most parental child abductions involve a foreign parent who is able to obtain a foreign passport for the child to leave the U.S.

Parents can now request the Department of State to notify them before issuing a passport to their children, even if the parents are not separated or divorced.

Parents who have sole or joint custody can prevent the issuance of a U.S. passport to their child by notifying the Department of State and providing a copy of the custody decree.

S. 692 would inconvenience one million couples a year by requiring both parents to make special arrangements or take time off from work in order to apply for passports for their children under 16.

Ironically, American parents living overseas, especially those married to foreign nationals, could be prevented from returning to the U.S. with their children if this bill were enacted.

The Department of State is prepared to work with the sponsors of this bill to develop a better approach. S. 692 will not have the intended effect.

Page
S 8936

CONGRESSIONAL RECORD—SENATE

July 23, 1998

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101(a)(15)(N) of such Act
N) is amended—
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graph (27)(L))" after
2) (8 U.S.C. 1182(n)(2)), as
5 of this Act, is further

(2) IN GENERAL.—Section 1 of title IX of the
Act of June 15, 1917 (22 U.S.C. 213) is amend-
ed—

(1) by striking "Before" and inserting "(a)
IN GENERAL.—Before"; and

(2) by adding at the end the following new
subsection:

"(b) PASSPORTS ISSUED FOR CHILDREN
UNDER 16.—

"(1) SIGNATURES REQUIRED.—In the case of
a child under the age of 16, the written appli-
cation required as a prerequisite to the
issuance of a passport for such child shall be
signed by—

"(A) both parents of the child if the child
lives with both parents;

"(B) the parent of the child having primary
custody of the child if the child does not live
with both parents; or

"(C) the surviving parent (or legal guard-
ian) of the child, if 1 or both parents are de-
ceased.

"(2) WAIVER.—The Secretary of State may
waive the requirements of paragraph (1)(A) if
the Secretary determines that cir-
cumstances do not permit obtaining the sig-
natures of both parents."

(aa) EFFECTIVE DATE.—The amendments
made by this section shall apply to applica-
tions for passports filed on or after the date
of the enactment of this Act.

(bb) IN GENERAL.—Subject to subsection
(dd), in establishing demonstration programs
under section 452(c) of the Job Training
Partnership Act (29 U.S.C. 1732(c)), as in ef-
fect on the date of enactment of this Act, or
a successor Federal law, the Secretary of
Labor shall establish demonstration pro-
grams to provide technical skills training for
workers, including incumbent workers.

(cc) GRANTS.—Subject to subsection (dd),
the Secretary of Labor shall award grants to
carry out the programs to—

(1) private industry councils established
under section 102 of the Job Training Part-
nership Act (29 U.S.C. 1512), as in effect on
the date of enactment of this Act, or succes-
sor entities established under a successor
Federal law; or

(2) regional consortia of councils or enti-
ties described in paragraph (1).

(dd) LIMITATION.—The Secretary of Labor
shall establish programs under subsection
(bb), including awarding grants to carry out
such programs under subsection (cc), only
with funds made available to carry out such
programs under subsection (a) and not with
funds made available under the Job Training
Partnership Act or a successor Federal law.

KOHL AMENDMENT NO. 3295

Mr. GREGG (for Mr. KOHL) proposed
an amendment to the bill, S. 2260,
supra; as follows:

At the appropriate place in the bill, I
the following:

exchange of records, and any other identi-
fication information not more than 7 days
(excluding Saturdays, Sundays, and legal
public holidays under section 6103(a) of title
5, United States Code) after acquiring the
fingerprints, signed statement, and informa-
tion.

(b) SEARCH AND EXCHANGE OF RECORDS.—
Pursuant to any submission that complies
with the requirements of subsection (a), the
Attorney General shall search the records of
the Criminal Justice Information Services
Division of the Federal Bureau of Investiga-
tion for any criminal history records cor-
responding to the fingerprints or other iden-
tification information submitted. The Attor-
ney General shall provide any corresponding
information resulting from the search to the
appropriate State or local governmental
agency authorized to receive such informa-
tion.

(c) USE OF INFORMATION.—Information re-
garding an applicant for employment in a
nursing facility or home health care agency
obtained pursuant to this section may be
used only by the facility or agency request-
ing the information and only for the purpose
of determining the suitability of the appli-
cant for employment by the facility or agen-
cy in a position involved in direct patient
care.

(d) FEES.—The Attorney General may
charge a reasonable fee, not to exceed \$50 per
request, to any nursing facility or home
health care agency requesting a search and
exchange of records pursuant to this section
to cover the cost of conducting the search
and providing the records.

(e) REPORT.—Not later than 2 years after
the date of enactment of this Act, the Attor-
ney General shall submit a report to Con-
gress on the number of requests for searches
and exchanges of records made under this
section by nursing facilities and home health
care agencies and the disposition of such re-
quests.

(f) CRIMINAL PENALTY.—Whoever know-
ingly uses any information obtained pursu-
ant to this section for a purpose other than
as authorized under subsection (c) shall be
fined in accordance with title 18, United
States Code, imprisoned for not more than 2
years, or both.

(g) IMMUNITY FROM LIABILITY.—A nursing
facility or home health care agency that, in
denying employment for an applicant, rea-
sonably relies upon information provided by
the Attorney General pursuant to this sec-
tion shall not be liable in any action brought
by the applicant based on the employment
determination resulting from the incom-
pleteness or inaccuracy of the information.

(h) REGULATIONS.—The Attorney General
may promulgate such regulations as are nec-
essary to carry out this section, including
regulations regarding the security, confiden-
tiality, accuracy, destruction, and dis-
semination of information, audits and rec-

**H-1B Beneficiaries Approved, Visas Issued, and Admission Statistics
Fiscal Years 1992-97, Fiscal Year 1998 (Incomplete)**

Fiscal Year	Beneficiaries Approved	Visas Issued	Admissions
1992	48,645	44,290	110,223
1993	61,591	35,818	92,795
1994	60,279	42,843	105,899
1995	54,178	51,832	117,574
1996	55,141	58,327	144,458
1997	(10/1/97-9/1/97) 65,000 ¹	80,547	NA
1998	(9/2/97-9/30/97) 5,099 ¹	NA	NA
	(10/1/97-3/31/98) 44,755 ²		
	Total	49,854²	

Notes:

¹ The 65,000 annual limit was reached on 9/1/97. A total of 5,099 beneficiaries approved during the rest of the fiscal year (9/2/97 to 9/30/97) were held in abeyance until 10/1/97 and will be applied to the Fiscal Year 1998 limit.

² Totals include all petitions approved and entered into the CLAIMS (Computer Linked Applicant Information Management System) system as of 3/31/98. Up to 6,000 additional petitions may have been approved at the California Service Center and not entered into CLAIMS system due to technical problems. These petitions will be included in the next update of this report scheduled for release on April 30, 1998.

Beneficiaries approved - Number of H-1B beneficiaries approved by the INS on I-129 Petitions.

Visas issued - Number of H-1B visas issued by the U.S. Department of State.

Admissions - Number of H-1B nonimmigrants admitted during the year. May include multiple arrivals of the same individual and persons issued visas in previous years.

NA - Not available.

H-1B for 10/1/97-3/31/98
Number of Petitioners Approved by Company
TOP 100 COMPANIES

<u>No. of</u> <u>Applicants</u>	<u>Company</u>	<u>Street Address</u>	<u>City</u>	<u>State</u>	<u>Zipcode</u>
672	MASTECH	1104 MCKEE ROAD	OAKDALE	PA	15071
382	TATA CONSULTANCY SERV	1700 ROCKVILLE PIKE 535	ROCKVILLE	MD	20852
224	SAI SOFTWARE CONSULTANTS INC	2313 TIMBER SHADOWS SUITE 200	KINGWOOD	TX	77339
199	TATA INFOTECH	8701 GEORGIA AVENUE SUITE 805	SILVER SPRING	MD	20910
144	INTEL CORP	22000 MISSION COLLEGE BLVD	SANTA CLARA	CA	950528119
132	COMPUTERPEOPLE	4400 CAMPBELLS RUN ROAD	PITTSBURGH	PA	15205
131	SYNTEL	2800 LIVERNOIS STE 400	TROY	MI	48083
124	QUALITY INF SYSTEMS	25300 TELEGRAPH RD #590	SOUTHFIELD	MI	48034
116	INTELLIGROUP	517 US HWY 1 SOUTH 5TH FLOOR	ISELIN	NJ	08830
110	LUCENT TECHNOLOGIES	283 KING GEORGE ROAD B1D22	WARREN	NJ	07059
109	KPMG PEAT MARWICK LLP	3 CHESTNUT RIDGE ROAD	MONTVALE	NJ	07645
108	TATA CONSULTANCY SERV	8701 GEORGIA AVENUE SUITE 805	SILVER SPRING	MD	20910
98	PRICE WATERHOUSE LLP	1251 AVENUE OF THE AMERICAS	NEW YORK	NY	10020
98	SYNTEL INC	2800 LIVERNOIS SUITE 400	TROY	MI	48083
89	COMPUTER CONSULTING SERVICES C	200 ASHFORD CENTER NORTH, #200	ATLANTA	GA	30338
82	TEXAS INSTRUMENTS INCORPORATED	7939 CHURCHILL WAY	DALLAS	TX	75251
81	COGNIZANT TECHNOLOGY SOLUTIONS	200 NYALA FRAMS RD	WESTPORT	CT	06880
81	FRONTIER SYSTEMS	10 PARSONAGE ROAD SUITE 406	EDISON	NJ	08837

H-1B for 10/1/97-3/31/98
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<u>No. of</u> <u>Applicants</u>	<u>Company</u>	<u>Street Address</u>	<u>City</u>	<u>State</u>	<u>Zipcode</u>
80	BATON ROUGE INTL	4354S SHERWOOD FOREST BLVD STE 175	BATON ROUGE	LA	70816
79	ALLIED INFORMATICS INC	7001 PEACHTREE INDUSTRIAL BLVD 406	NORCROSS	GA	30092
79	APAR INFOTECH	2581 WASHINGTON ROAD SUITE 232	PITTSBURGH	PA	15241
77	ERNST YOUNG LLP	1285 SIXTH AVE	NEW YORK	NY	10019
75	HPS AMERICA INC	1201 WEST 15TH STREET	PLANO	TX	75075
72	COMPUTECH	2 KLIMER RD	EDISON	NJ	08817
72	SYSTEMS AMERICA	244 AIRPORT PARKWAY STE 300	SAN JOSE	CA	95110
71	DATA CORE SYSTEMS	3700 SCIENCE CTR	PHILADELPHIA	PA	19104
70	DELOITTE TOUCHE LLP	10 WESTPORT ROAD	WILTON	CT	68970820
69	ORACLE CORP	500 ORALCE PARKWAY BOX 659951	REDWOOD SHORES	CA	94065
68	ACE TECHNOLOGIES INC	205 CHURCH ST	MATAWAN	NJ	07747
68	DATA CONVERSION	238 MAINS TREET	CAMBRIDGE	MA	02142
67	COMSYS TECHNICAL SERV	4000 MCEWEN ROAD SOUTH SUITE 200	DALLAS	TX	75244
67	DATAMATICS CONSULTANTS INC	2400 PLEASANT HILL ROAD 215	DULUTH	GA	30096
67	RCG INF TECHNOLOGY	379 THORNALL STREET 14TH FLOOR	EDISON	NJ	08837
65	BIRLA HORIZONS INTL	100 WOOD AVENUE SOUTH SUITE 106	ISELIN	NJ	08830
65	KEANE	TEN CITY SQUARE	CHARLESTOWN	MA	02129

H-1B for 10/1/97-3/31/98
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<u>No. of</u> <u>Applicants</u>	<u>Company</u>	<u>Street Address</u>	<u>City</u>	<u>State</u>	<u>Zipcode</u>
65	POLARIS SOFTWARE LAB	200 MIDDLESEX TURNPIKE SUITE 108	ISELIN	NJ	08830
64	COMSYS TECHNICAL SERVICES INC	4000 MCEWEN ROAD SOUTH 200	DALLAS	TX	75244
64	IMI SYSTEMS	290 BROADHOLLOW ROAD 3RD FLOOR	MELVILLE	NY	11747
63	INDOTRONIX INTL	331 MAIN MALL SUITE 109	POUGHKEEPSIE	NY	12601
63	TEKEDGE CORP	333 WEST EL CAMINO REAL #270	SUNNYVALE	CA	94087
63	WIPRO LTD	10670 N TAUTAU AVE #201	CUPERTINO	CA	95014
61	HCL AMERICA INC	330 POTRERO AVE	SUNNYVALE	CA	94086
59	INFORMATION MANAGEMENT RESOURC	26750 US HWY 19 NORTH 500	CLEARWATER	FL	33761
58	MILLENNIUM COMPUTER SYSTEM	54 WEST 21ST STREET #406	NEW YORK	NY	10010
57	MOTOROLA INC	1303 E ALGONQUIN RD	SCHAUMBURG	IL	60196
56	COMPLETE BUSINESS SOLUTIONS IN	32605 W 12TH MILE RD STE 250	FARMINGTON HILLS	MI	483343339
54	COOK AND ASSOCIATES INC	1770 KIRBY PARKWAY SUITE 206	MEMPHIS WN	TN	38138
54	GULF COMPUTERS	239 LITTLETON ROAD 8G	WESTFORD	MA	01886
54	HARVARD UNIV	864 HOLYOKE CTR 1350 MASS AVENUE	CAMBRIDGE	MA	02138
54	QUALCOMM INC	6455 LUSK BLVD	SAN DIEGO	CA	921212779
53	BEECHWOOD COMPUTING LTD	4655 OLD IRONSIDES DR #375	SANTA CLARA	CA	95054
52	COMPUTER HORIZONS	49 OLD BLOOMFIELD AVE	MT LAKES	NJ	70461495
52	COMPUTERPEOPLE INC	4400 CAMPBELLS RUN ROAD	PITTSBURGH	PA	15205

H-1B for 10/1/97-3/31/98
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52	DIGITAL EQUIPMENT	111 POWDERMILL ROAD MS02-1/E12	MAYNARD	MA	01754
52	GRI INC DBA GLOBAL RESOURCES	2610 CROWN CANYON RD #300	SAN RAMON	CA	94583
52	HI TECH SOFTWARE SERVICES INC	8620 CROWN CRESCENT CT	CHARLOTTE	NC	28227
50	COMPUTER ENTERPRISES	1910 COCHRAN ROAD SUITE 230	PITTSBURGH	PA	15220
49	WIPRO	16070 N TANTAU AVE #201	CUPERTINO	CA	95014
47	KAY SOFTWARE INC	2685 MARINE WAY #1209	MOUNTAIN VIEW	CA	94043
46	CYBERTECH INTERNATIONAL CORP	EIGHT NESHAMINY INTERPLEX STE 209	TREVOSE ILLE TREVOSE	PA	19053
46	NORTHERN TELECOM INC	200 ATHENS WAY 8402	NASHVILLE	TN	372281397
46	UB INF CONSULTANCY SERV	1121 BOYCE ROAD APT 100	PITTSBURGH	PA	15241
45	DSQ SOFTWARE	399 THORNALL STREET	EDISON	NJ	08837
45	HI TECH CONSULTANTS INC	26877 NOTHWESTERN HWY STE 208	SOUTHFIELD	MI	480346281
45	WEBSCI TECHNOLOGIES	4214 RT 1 NORTH	SOUTH BRUNSWICK	NJ	08852
44	ALPHABYTE CORP	5700 STONERIDGE MALL RD #370	PLEASANTON	CA	94588
44	PATNI COMPUTER SYSTEMS	238 MAIN STREET	CAMBRIDGE	MA	02142
44	YALE UNIV	246 CHURCH ST SUITE 201	NEW HAVEN	CT	06510
43	APPLIED MATERIALS INC	2841 SCOTT BLVD MS 1824	SANTA CLARA	CA	95050
42	ACE TECHNOLOGIES	205 CHURCH STREET	MATAWAN	NJ	07747

H-1B for 10/1/97-3/31/98
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41	BUTLER INTERNATIONAL INC	2463 152ND AVE NE	REDMOND	WA	98052
41	DATASOFT TECHNOLOGIES INC	1625 SPECTRUM DRIVE SUITE 201	LAWRENCEVILLE	GA	30043
41	PENTAFOUR SOFTWARE & EXPORTS L	12750 CENTER COURT DR #410	CERRITOS	CA	90703
41	SAHANA ENTERPRISES INC	5228 VILLAGE CREEK DRIVE SUITE 101	PLANO	TX	75093
41	SIGMA SYSTEMS	810 BOSTON TURNPIKE SUITE 1B	SHREWSBURY	MA	01545
40	COMPUTER INTL	ONE COMPUTER ASSOCIATES PLAZA	ISLANDIA	NY	117887000
40	INTL BUSINESS SOFTWARE	200 MIDDLESEX TPK #301	ISELIN	NJ	08830
39	ORACLE	500 ORACLE PKWY	REDWOOD SHORES	CA	94065
39	VOLT INFORMATION SCIENCES INC	2401 N GLASSELL STREET	ORANGE	CA	92865
38	INTERNATIONAL SOFTWARE SERVICE	7928 WOODLYN DR 108	WOODRIDGE	IL	60517
38	MOTOROLA INC	505 BARTON SPRINGS ROAD STE 400	AUSTIN	TX	78704
37	COMPUTEC INTL RESOURCES INC	801 NORTH BRAND BLVD 650	GLENDALE	CA	91203
37	MORGAN STANLEY	1221 AVENUE OF THE AMERICAS	NEW YORK	NY	10020
37	SPECIALIZED SOFTWARE INTL	120 STAFORD STREET #201	WORCESTER	MA	01603
36	MICROSTRATEGY	8000 TOWERS CRESCENT DRIVE #1400	VIENNA	VA	22182
36	PROFESSIONAL ACCESS	14 WALL STREET #808	NEW YORK	NY	10005
36	SOFTBYTE INTL	1700 OAKE TREE ROAD	EDISON	NJ	08820
36	UNIV OF MINNESOTA	420 DELAWARE ST SE MAYO BLDG	MINNEAPOLIS	MN	55455

H-1B for 10/1/97-3/31/98
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35	AMERICAN MGT SYSTEMS	4050 LEGATO ROAD	FAIRFAX	VA	22033
35	CYBERTECH INTL	8 NESHAMINY INTERPLEX SUITE 209	TREVOSE	PA	19053
35	GOLDMAN SACHS	85 BROAD STREET	NEW YORK	NY	10004
35	HEWLETT PACKARD CO	1266 KIFER ROAD BLDG 101 NS 101V	SUNNYVALE	CA	94086
34	INFOSYS TECHNOLOGIES LIMITED	42840 CHRISTY STREET 102	FREMONT	CA	94538
34	LARSEN TOUBRO	400 KELBY STREET #1500	FORT LEE	NJ	07024
34	UNIV OF PA	3340 WALNUT STREET	PHILADELPHIA	PA	19104
33	INTL SOFTWARE GR	37 STATION DRIVE 2ND FLOOR	PRINCETON JUNCTION	NJ	08550
33	THE SABRE GROUP INCORPORATED	4255 AMON CARTER BOULEVARD MD 4128	FORT WORTH	TX	76155
32	ACS INTL RESOURCES	5700 KIRKWOOD HIGHWAY SUITE 203	WILMINGTON	DE	19808
32	ATLANTIC DUNCANS INTL	4455 BROOKFIELD CORPORATE DR 200	CHANTILLY	VA	20151
32	CGN & ASSOCIATES INC	415 SW WASHINGTON STREET	PEORIA	IL	61602
7127	TOTAL OF TOP 100				

H-1B for FY97
Number of Petitioners Approved by Company
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580	TATA CONSULTANCY SERV	1700 ROCKVILLE PIKE #535	ROCKVILLE ING	MD	20852
396	HCL AMERICA INC	330 POTRETO AVE	SUNNYVALE	CA	94086
393	TATA CONSULTANCY SERV	8701 GOERGIA AVENUE SUITE 805	SILVER SPRING	MD	20910
389	MASTECH	1004 MCKEE ROAD	OAKDALE	PA	15071
384	MASTECH CORPORATION	1004 NCKEE ROAD	OAKDALE	PA	15071
340	SYNTEL INC	2800 LIVERNOIS SUTIE 400	TROY	MI	48083
309	MASTECH CORP	1004 MCKEE RD	OAKDALE	PA	15071
276	MASTECH SYSTEMS CORPORATION	1004 SINHA	OAKDALE	PA	15071
267	COMPUTERPEOPLE INC	4400 COMPBELLS RUN ROAD	PITTSBURGH	PA	15205
265	MASTECH SYSTEMS CORP	1004 MCKEE RD	OAKDALE	PA	15071
254	INDOTRONIX INTL	333 MAIN MALL SUITE 108	POUGHKEEPSIE	NY	12601
239	SYNTEL	2800 LIVERNOIS SUITE 400	TROY	MI	48083
221	LUCENT TECHNOLOGIES	283 KING GORGE ROAD #B1D07	WARREN	NJ	07059
194	ORACLE CORP	500 ORACLE PKWY BOX 659951	REDWOOD SHORES	CA	94065
190	INTELLIGROUP	517 US HWY 1 SOUTH 5TH ST	ISELIN	NJ	08830
179	TATA INFOTECH	8701 GEROGIA AVENUE SUITE 805	SILVER SPRING	MD	20910
175	ATLANTIC DUNCANS INTL	585 GROVE STREET 140A	HERNDON	VA	20171
172	SAI SOFTWARE CONSULTANTS INC	2313 5IMBER SHADOWS STE 200	KINGWOOD	TX	77339

H-1B for FY97
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167	BEECHWOOD COMPUTING LTD	4655 OLD IRONSIDES DR 375	SANTA CLARA	CA	95054
148	KPMG PEAT MARWICK LLP	3 CHESTNUT RODGE ROAD	MONTVALE	NJ	07645
147	PRICE WATERHOUSE LLP	1251 AVENUE OF THE AVERICAS	NEW YORK	NY	10020
146	TEKEDGE CORP	333 W EL CAMINO REAL STE 270	SUNNYVALE	CA	94087
144	INTEL CORP	2200 MISSION COLLEGE M/S SC4 117	SANTA CLARA	CA	950528119
135	HI TECH CONSULTANTS INC	26877 NOTHWESTERN HWY #208	SOUTHFIELD	MI	480346281
133	TATA UNISYS	8701 GEORGIA AVENUE SUITE 805	SILVER SPRING	MD	20910
130	WIPRO LTD	10670 N TANTAU ROAD 201	CUPERTINO	CA	95014
129	COGNIZANT TECHNOLOGY SOLUTIONS	200 NYALA FARMSRD	WESTPORT	CT	06880
122	DELOITTE TOUCHE LLP	10 WESTPORT ROAD	WILTON	CT	68970820
122	QUALCOMM INC	6455 LUSK BLVD	SAN DIEGO	CA	921212779
122	RCG INF TECHNOLOGY	379 THORNALL STREET 14TH FLOOR	EDISON	NJ	08837
120	COMPUTER ENTERPRISES INC	2465 FE BAYSHORE RD STE 301	PALO ALTO	CA	94303
115	COMPLETE BUSINESS SOLUTIONS IN	32605 WEST 12 MILE RD 250	FARMINGTON HILLS	MI	483343339
115	SATYAM COMPUTER SERV	8500 LEESBURG PIKE SUITE 3041	VIENNA	VA	22182
114	DATA CONVERSION	238 MAIN STREET	CAMBRIDGE	MA	02142
114	PENTAFOUR SOFTWARE & EXPORTS L	12750 CENTER COURT DR STE 290	CERRITOS	CA	90703

H-1B for FY97
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113	COMPUTERPEOPLE	4400 CAMPBELLS RUN ROAD	PITTSBURGH	PA	15205
111	R SYSTEMS INC	5000 WINPLAY DR STE 5	EL DORADO HILLS	CA	95762
108	GOLDMAN SACHS	89 BROAD STREET	NEW YORK	NY	10004
106	COMSYS TECHNICAL SERVICES INC	4000 MCWEEN ROAD SOUTH 200	DALLAS	TX	75244
106	DATAMATICS CONSULTANTS INC	2400 PLEASANT RD STE 215	DULUTH	GA	30136
104	UNIV OF PA	3340 WALNUT STREET	PHILADELPHIA	PA	19104
103	FRONTIER SYSTEMS	10 PARSONAGE ROAD SUITE 406	EDISON	NJ	08837
102	CISCO SYSTEMS INC	170 WEST TASMAN DRIVE	SAN JOSE	CA	95134
102	INFORMATION MANAGEMENT RESOURC	26750 US HWY 19 N APT 500	CLEARWATER	FL	34621
102	PATNI COMPUTER SYSTEMS	238 MAIN STREET	CAMBRIDGE	MA	02142
101	UB INF CONSULTANCY SERV	1121BOYCE ROAD #100	PITTSBURGH	PA	15241
97	COMPUTER ENTERPRISES	1920 COCHRAN RD STE 385	PITTSBURGH	PA	15220
94	D SQUARE SOFTWARE	399 THRONHALL STREET	EDISON	NJ	08818
94	DATASOFT TECHNOLOGIES INC	1625 SPECTRUM DR STE 201	LAWRENCEVILLE GS	GA	30243
94	ERNST YOUNG LLP	1285 AVENUE OF THE AMERICAS	NEW YORK	NY	10019
91	BIRLA HORIZONS INTL	100 WOOD AVENUE SOUTH SUITE 106	ISELIN	NJ	08830
91	TEXAS INSTRUMENTS INCORPORATED	8505 FOREST LN MS 8682	DALLAS	TX	75243
91	WIPRO	16070 N TANTAU AVE #201	CUPERTINO	CA	95014

H-1B for FY97
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90	CMOS SOFT	3032 CORONADO DRIVE	SANTA CLARA	CA	95054
90	SOFTECH CONSULTING INC	8303 SW FWY STE 455	HOUSTON	TX	770741606
89	MOTOROLA INC	1303 EAST ALGONQUIN ROAD.	SCHAUMBURG	IL	60196
88	INTL BUSINESS SOFTWARE	200 MIDDLESEX TURNPIKE #301	ISELIN	NJ	08830
87	INTEL CORP	2200 MISSION COLLEGE BLVD SC4 117	SANTA CLARA	CA	95052
84	INTL BUSINESS	4155 CHIAN BRIDGE ROAD	FAIRFAX	VA	22030
84	WIPRO LIMITED	10670N TANTAU AVE 201	CUPERTINO	CA	95014
83	CHELSEA COMPUTER CONSULTANTS	156TH FIFTH AVENUE #1218	NEW YORK	NY	10010
82	KEANE	10 CITY SQUARE	CHARLESTOWN	MA	02129
82	MORGAN STANLEY	1585 BROADWAY 11TH FLOOR	NEW YORK	NY	10036
81	COMPUNNEL SOFTWARE GR	894 GREEN STREET	ISELIN	NJ	08830
80	INFOGAIN INC	16070 N TANTAU AVE	CUPERTINO	CA	95014
80	TECHNA INTL CORP	3951 S PLAZA DR #220	SANTA ANA	CA	92704
79	DATA CORE SYSTEMS	3700 SCIENCE CTR	PHILADELPHIA	PA	19104
76	SUN MICROSYSTEMS INC SMI	2550 GARCIA AVE MS UPAL01 445	MOUNTAIN VIEW	CA	940431100
75	ALLIED INFORMATICS INC	7001 PEACHTREE INDUSTRIAL BLVD 406	NORCROSS	GA	30092
74	METROPOLITAN LIFE INSURANCE	ONE MADISON AVENUE	NEW YORK	NY	10010

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73	HARVARD UNIV	864 HOLYOKE CTR 1350 MASS AVENUE	CAMBRIDGE	MA	02138
73	THE SABRE GROUP INC	4255 AMON CARTER BLVD STE MD4128	FORT WORTH	TX	76155
73	UNIV OF MINNESOTA	420 DELAWARE ST SE 263 MAYO BLDG	MINNEAPOLIS	MN	55455
72	GLOBAL RESOURCES	2610 CROWN CYN RD #300	SAN RAMON	CA	94583
72	INTL SOFTWARE CONSULTING	475 WALL STREET	PRINCETON	NJ	08540
71	JOHNS HOPKINS UNIV MEDICAL	1620 MCELDERRY ST REED HALL 4TH FL	BALTIMORE	MD	21205
71	SYNTEL INC	5700 CROOKS ROAD SUITE 301	TROY	MI	48098
70	HPS AMERICA INC	1201 WEST 15TH STREET	PLANO	TX	75075
69	BATON ROUGE INTL	4354S SHERWOOD FOREST BLVD STE 175	BATON ROUGE	LA	70816
67	DCM DATA SYSTEMS	1200 QUAIL STREET 280	NEWPORT BEACH	CA	92660
67	SILVERLINE INDUSTRIES	3605 W 22ND STREET STE 38	OAKBROOK	IL	60521
67	YALE UNIV	246 CHURCH STREET SUITE 201	NEW HAVEN	CT	06510
66	APPLIED MATERIALS INC	2841 SCOTT BOULEVARD M S 1824	SANTA CLARA	CA	95050
66	DB CONCEPTS	14 SUMMER STREET	MALDEN	MA	02148
66	GE	3003 SUMMER STREET 2ND FLOOR	STAMFORD	CT	06927
66	MASTECH SYSTEMS	1004MCKEE RD	OAKDALE	PA	15071
66	UNIV OF WASHINGTON	INTL SVCS BOX 355832	SEATTLE	WA	98195
65	UNIV OF WISCONSIN MADISON	500 LINCOLN DRIVE 174 BASCOM HALL	MADISON	WI	53706

H-1B for FY97
Number of Petitioners Approved by Company
TOP 100 COMPANIES

<u>No. of</u> <u>Applicants</u>	<u>Company</u>	<u>Street Address</u>	<u>City</u>	<u>State</u>	<u>Zipcode</u>
64	CAPRICORN SYSTEMS INCORPORATED	7 DUNWOODY PARK 109	ATLANTA	GA	30338
64	COMSYS TECHNICAL SERV	4000 MCWEWN ROAD SOUTH #200	DALLAS	TX	75244
64	CYBERTECH INTERNATIONAL CORP	301 OXFORD VALLEY RD STE 101	YARKLEY	PA	19067
64	MEGASOFT CONSULTANTS	8500 LEESGBURG PIKE STE 211	VIENNA	VA	22182
64	MICROSOFT CORPORATION	ONE MICROSOFT WAY	REDMOND	WA	980526399
63	APPLISOFT INC	14510A BIG BASIN WAY STE 210	SARATOGA	CA	95070
63	BATON ROUGE INTERNATIONAL INC	4354S SHERWOOD FOREST BLVD STE 175	BATON ROUGE	LA	70816
63	DELISOFT CONSULTING INC	555 SUN VALLEY DRIVE STE J2	ROSWELL	GA	30076
63	FORTUNA TECHNOLOGIES INC	1270 LAWRENCE STATION RD #A	SUNNYVALE	CA	94089
63	HEWLETT PACKARD CO	3000 HANVOER ST	PALO ALTO	CA	94304
63	SILICON GRAPHICS INC	2011 N SHORELINE BLVD MS25 742	MOUNTAIN VIEW	CA	940431389
63	WIPRO LIMITED	333 COLBALT WAY 107	SUNNYVALE	CA	94086
12661	TOTAL OF TOP 100				

Question 1: How many legal permanent residents adjust from H-1B nonimmigrant status annually?

Answer 1: A total of 12,413 persons who adjusted to legal permanent resident status in Fiscal Year 1995 last entered the United States on an H-1B visa. The comparable number of adjustments from H-1B nonimmigrant status in Fiscal Year 1996 was 18,441. These figures should not be compared to the number of visas issued in Fiscal Year 1995 or 1996 because the time periods are not comparable. For example, an H-1B who first entered the United States in Fiscal Year 1992 may adjust to legal permanent resident status in Fiscal Year 1995, while an H-1B who enters the United States in Fiscal Year 1996 may adjust to legal permanent resident status in a future year. The increase in the number of H-1B adjustments between 1995 and 1996 partially reflects increases in administrative processing by INS.

Question 2: What are the leading countries of birth of H-1B petitioners?

Answer 2: The ten leading countries of birth of petitioners approved in Fiscal Year 1998 (through 3/31) are: India (44 %), Peoples Republic of China (9%), the United Kingdom (5%), the Philippines (3%), Canada (3%), Taiwan (2%), Japan (2%), Germany (2%), Pakistan (2%), and France (2%). All other countries account for 27 percent of the total.

Question 3: What percentage of employment-based 2nd and 3rd preference principals admitted as legal permanent residents in Fiscal Years 1994-96 adjusted from H-1A or H-1B status?

Answer 3: More than 40 percent of the Employment-based 2nd and 3rd preference principals admitted as legal permanent residents in Fiscal Years 1994-96 (excluding those admitted under the Chinese Student Protection Act (CSPA)) adjusted from H-1A or H-1B status.

and unskilled workers

H-1B Questions

4/17/98

Q. What is the denial rate for H-1B petitions and how does that compare to the denial rate for other INS petitions?

A. The denial rate for H-1B petitions is 7%. In comparison, the denial rate for all nonimmigrant worker petitions (including H-1B) is about 9%; the denial rate for immigrant worker petitions is about 14%.

Q. How many H-1B petitioners last entered the U.S. in another nonimmigrant visa category and changed status to H-1B in the U.S.?

A. About 40% of H-1Bs last entered the U.S. in another nonimmigrant visa category and converted status in the U.S. (The INS data do not capture the breakdown between different types of nonimmigrants who switch to H-1B.)

Q. INS previously stated that more than 40% of the employment-based 2nd and 3rd preference principals admitted as legal permanent residents in FY94-96 (excluding those admitted under the Chinese Student Protection Act (CSPA) and unskilled workers) adjusted from H-1A or H-1B status. What are the actual figures behind this percentage?

A.	<u>Fiscal Year</u>	<u>2nd and 3rd less CSPA and unskilled</u>	<u>H-1A and H-1B Adjustments</u>	<u>%</u>
	1996	30,378	13,748	45.3
	1995	19,838	10,180	51.3
	1994	24,678	10,359	42.0

How many nonimmigrants convert to H-1B status?

Approximately 40% of the petitioners approved for H-1B status during Fiscal Year 1998 through March 31 converted from another nonimmigrant status. In other words, aliens who intend to pick up their visa abroad and enter the United States account for 60%, and nonimmigrants already in the United States intending to stay and convert to H-1B status account for 40%. Some of the 60% coming from abroad could include aliens who had previously been the U.S., either at the time their petition was filed, or at some other time.

There is no automated information available to determine the nonimmigrant classification of those persons who converted to H-1B status. (Adjudications feels that most would be here as B-1 Business visitors, F-1 students, and J-1 Exchange visitors. We will attempt to collect information on their status before conversion in the upcoming H,O,P,Q sample)

Carrier Affairs Office News

April 2 1998

H1B Fraud, 3M Laminates & More

March to the Millennium--The U.S. Consulate in Melbourne, Australia has noted that a large number of Indian students in Australia have been applying for H1B visas purportedly to work on the "year 2000 bug" (Y2K). The Consul reports that many of these applicants have had little actual programming study, and are in Australia pursuing "graduate diplomas". They further claim to have located the companies and job offers on the internet. DOS has found that few have work experience or clear idea of what their jobs in the U.S. will consist of. Clearly, the demand and attention in the media to the problem for specialists to redress the Y2K problem has been picked up on by would-be immigrants. **Source: American Consulate, Melbourne**

3M Laminate & Ecuadorian Passports--From Guayaquil, details of a highly successful smuggling ring with clientele destined to Queens, NY which has exploited 3M laminates in conjunction with lost/stolen passports/blanks. Utilizing Burroughs variety NIVs, this ring has enjoyed continuing successes and the 3M laminate has not reduced, but ironically may have contributed (as it can hinder detection of alterations) to the rings ability to enter, often recycling the same passports repeatedly. Minimal cutting and pasting of bio information, along with indirect routing and careful matching of impostor-to-document have enabled the ring to maximize use of documents and fees. Escorts are used to shepherd the smugglees and to recover the documents. Magnification less than 8X is insufficient to view the alterations and more magnification is nullified by the reflective laminate. This ever-increasing sophistication is evident in the following paragraph as well. **Source: INS & American Consul, Guayaquil**

Japanese Passport Numbers--A recent interception of the ever-popular counterfeit photo/bio-page Japanese passport at SFO Airport uncovered a potential new variation designed specially to counteract computer lookouts. In a recent case it was noted that the Japanese passport number, which is supposed to consist of a two letter prefix and a seven digit number, contained the two letter prefix and a nine digit number. It is speculated that because of success in tracing passport numbers to malafide entries and recycling, the expanded passport number is an attempt to eliminate one of the only linkages between the incidents of entries. This interpretation works well with the consistent rise in escorted smuggling cases at POE's--the value of the documents justifies the expense and risk of an escort. Retrieval of the documents, whether the smugglees manage to get admitted or even if returned abroad, has clearly become an important consideration of smugglers. This scenario also fits with the widely held belief that impostors represent a significant portion of unlawful entries and are probably among the most successful of malafide entrants who apply for entry at POE's. **Source: Inspections, San Francisco Airport Airport, HQINS Intelligence**

questions, comments to Timothy Goyer, 202-305-7131 or ccmall

Carrier Affairs News April 2nd 1998



United States Department of Justice
Immigration and Naturalization Service
425 I Street, N.W., Washington, D.C. 20536

Facsimile Transmission Cover Sheet

TO: Julie Fernandez **Date:** 3/16

OFFICE: _____ **Room:** _____

Phone No.: _____

Fax No.: _____

FROM: B. Strack
Office of the Executive Associate Commissioner,
Policy and Planning

Room - 6038

Phone No.: (202) 514-3242

Fax No.: (202) 305-0134

No. of Pages: Cover + 5

SUBJECT: _____

DISCUSSION:

**H-1B Beneficiaries Approved, Visas Issued, and Admission Statistics
Fiscal Years 1992-97, Fiscal Year 1998 (Incomplete)**

Fiscal Year	Beneficiaries Approved	Visas Issued	Admissions
1992	48,645	44,290	110,223
1993	61,591	35,818	92,795
1994	60,279	42,843	105,899
1995	54,178	51,832	117,574
1996	55,141	58,327	144,458
1997 (10/1/97-9/1/97)	65,000	80,547	NA
1998 (9/2/97-9/30/97)	5,099	NA	NA
(10/1/97-2/28/98)	37,874		
Total	42,973		

Note: The 65,000 limit was reached on 9/1/97. A total of 5,099 beneficiaries approved during the rest of the fiscal year (9/2/97 to 9/30/97) were held in abeyance until 10/1/97 and will be applied to the Fiscal Year 1998 limit.

Beneficiaries approved - Number of H-1B beneficiaries approved by the INS on I-129 Petitions.

Visas issued - Number of H-1B visas issued by the U.S. Department of State.

Admissions - Number of H-1B nonimmigrants admitted during the year. May include multiple arrivals of the same individual and persons issued visas in previous years.

NA - Not available.

**H-2B Beneficiaries Approved, Visas Issued, and Admission Statistics
Fiscal Years 1992-97, Fiscal Year 1998 (Incomplete)**

Fiscal Year	Beneficiaries Approved	Visas Issued	Admissions
1992	10,788	12,552	18,052
1993	11,359	9,691	14,847
1994	13,716	10,400	15,687
1995	12,913	11,737	14,193
1996	15,917	12,200	14,345
1997	23,103	15,706	NA
1998 (10/1/97-2/28/98)	12,634	NA	NA

Beneficiaries approved - Number of H-2B beneficiaries approved by the INS on I-129 Petitions.

Visas issued - Number of H-2B visas issued by the U.S. Department of State.

Admissions - Number of H-2B nonimmigrants admitted during the year. May include multiple arrivals of the same individual and persons issued visas in previous years.

NA - Not available.

INS Staff Routing Sheet

TO: Robert L. Bach	THRU:	SUSPENSE DATE:		
SUBJECT: Immigrants Adjusting from H-1 Status				
EXECUTIVE SUMMARY:				
1. <u>Purpose.</u> As requested, the attached table shows the number of persons who adjusted from H-1A or H-1B status in FY 1996 by major categories of admission 2. <u>Discussion.</u> More than 84% of the the 21,208 persons who adjusted from H-1 status did so under Employment preference 1, 2, and 3. The only other category with a substantial number of H-1s were spouses of U.S. citizens (2,318) 3. <u>Recommendation.</u>				
CONCURRENCES				
NAME	OFFICE	SIGNATURE	DATE	COMMENTS
ACTION OFFICER/OFFICE/EXTENSION: Michael D Hoefer			DATE: March 16, 1998	

1996 IMMIGRANTS BY CLASS OF ADMISSION
AND NEW ARRIVAL / ADJUSTMENT CLASSIFICATION

12:45 Friday, March 13, 1998 1

TABLE OF CL BY CASE

CL	CASE				
Frequency Row Pct Col Pct	Adjustme nt other than H- 1	H-1 Adju stment	New Arri val	Total	
Fam 1st pref.	5736 27.43 1.21	73 0.35 0.34	15100 72.22 3.50	20909	
Fam 2nd pref.	78749 43.07 16.44	290 0.14 1.37	103795 56.77 24.43	182034	
Fam 3rd pref.	2153 8.46 0.45	46 0.18 0.22	23253 91.36 5.52	25452	
Fam 4th pref.	3501 5.39 0.74	47 0.07 0.22	61431 94.54 14.58	64979	
Emp 1st pref.	20481 75.20 4.37	2774 10.09 13.08	4046 14.71 0.94	27501	
Emp 2nd pref.	10808 58.54 2.28	4457 34.97 30.45	1197 6.48 0.28	18462	
Emp 3rd pref.	38927 42.03 8.22	8598 13.70 40.54	15231 24.27 3.61	62756	
Emp 4th pref.	5196 46.24 1.10	92 1.17 0.43	2556 32.59 0.61	7844	
Emp 5th pref.	346 36.97 0.07	9 0.96 0.04	501 62.07 0.14	936	
Total (Continued)	473287	21208	421405	915900	

1996 IMMIGRANTS BY CLASS OF ADMISSION
AND NEW ARRIVAL / ADJUSTMENT CLASSIFICATION

12:45 Friday, March 13, 1998 2

TABLE OF CL BY CASE

CL	CASE			Total
Frequency Row Pct Col Pct	Adjustme nt other than H- 1	H-1 Adju stment	New Arri val	
Diversity	10366 17.80 2.19	420 0.72 1.98	47459 81.48 11.26	58245
Spouses	116200 68.45 24.55	2318 1.37 10.93	51242 30.18 12.16	169740
Children	19066 36.21 4.03	3 0.01 0.01	33586 63.79 7.97	52655
Orphans	43 0.38 0.01	0 0.00 0.00	11273 99.42 2.48	11316
Parents	19642 29.45 4.15	52 0.09 0.25	47005 70.47 11.15	66699
Children of LPRs	0 0.00 0.00	0 0.00 0.00	1640 100.00 0.39	1640
Refugees	118520 99.99 25.04	8 0.01 0.04	0 0.00 0.00	118528
Asylees	10028 99.91 2.12	9 0.09 0.04	0 0.00 0.00	10037
Amerasians	1 0.10 0.00	0 0.00 0.00	955 99.90 0.23	956
Total (Continued)	473287	21208	421405	915900

**1994 IMMIGRANTS BY CLASS OF ADMISSION
AND NEW ARRIVAL / ADJUSTMENT CLASSIFICATION**

12:45 Friday, March 13, 1998 3

TABLE OF CL BY CASE

CL	CASE			Total
Frequency Row Pct Col Pct	Adjustme nt other than H- 1	H-1 Adju stment	New Arri val	
Legalization Dep	177 96.20 0.04	0 0.00 0.00	7 3.80 0.00	184
Diversity Trans.	13 2.39 0.00	0 0.00 0.00	532 97.61 0.13	545
Lautenburg Parol eas	2269 100.00 0.48	0 0.00 0.00	0 0.00 0.00	2269
Suspension, Depor tation	5806 99.91 1.23	5 0.09 0.02	0 0.00 0.00	5811
Pre-82 Legalizat ion	3285 99.97 0.69	1 0.03 0.00	0 0.00 0.00	3286
SAW Legalization	1349 100.00 0.29	0 0.00 0.00	0 0.00 0.00	1349
Other	425 45.85 0.09	4 0.65 0.03	496 53.51 0.12	927
Total	473287	21208	421405	915900



SHIMABUKUR_L @ A1
05/20/98 05:32:00 PM

Record Type: Record

To: Julie A. Fernandes

cc:

Subject: The medical assistant and computer programmer act of 1998

Date: 05/20/98 Time: 17:20

SHouse panel agrees to expand visas for foreign skilled workers

WASHINGTON (AP) A measure to let thousands of skilled foreign workers fill U.S. job vacancies cleared a House committee Wednesday, two days after the Senate approved a similar bill.

Voting 23-4, the House Judiciary Committee approved a bill by Rep. Lamar Smith, R-Texas, that would create an extra 30,000 temporary visas for foreign computer programmers, health care workers and other professionals needed by U.S. businesses.

The measure responds to pleas from Microsoft Corp., Intel Corp. and other high-technology companies for foreign workers to fill what they call labor shortages.

Current law provides 65,000 temporary visas a year to let skilled foreign workers work in the United States. The Immigration and Naturalization Service announced May 11 that the 65,000 visas under the so-called H-1B program for 1998 had been depleted, partly due to demand in the high-technology sector.

Smith's bill would raise that ceiling to 115,000 through the year 2000.

The bill enjoyed bipartisan support, chiefly because it contains stronger protections for U.S. workers than a similar measure, sponsored by Sen. Spencer Abraham, R-Mich., that the Senate approved Monday.

The Clinton administration opposes the Abraham bill because it lacks the worker protections sought by the secretary of labor. The House measure's labor protections, by contrast, were drafted in consultation with the Clinton administration, a Smith spokesman said.

Smith's bill would require employers to attest that they didn't lay off an American worker and hire a foreign worker under the program. And it would require companies to attempt to recruit qualified American workers before hiring a foreign worker.

"The program needs to be tightened up to prevent these abuses from going forward," said Rep. Melvin Watt, D-N.C.

The committee defeated, 24-7, an attempt to eliminate the layoff and recruitment protections sponsored by Rep. James Rogan, R-Calif.

Several other amendments were approved, such as one that would exempt colleges and universities from the layoff prohibitions for workers hired by grants. Another would shorten the maximum duration of H-1B workers above the 65,000 limit to four years, down from six years. Another would restrict the number of physical therapists

from 7,500 a year to 5,000 a year.
APNP-05-20-98 1722EDT

From: Ingrid M. Schroeder on 05/21/98 10:24:11 AM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: James J. Jukes/OMB/EOP

Subject: HR 3736 Markup - - H1B Visas

34 of 84 items

CQ's WASHINGTON ALERT 05/21/98

LAW/JUDICIARY: PANEL OKS EXPANSION OF HIGH-TECH VISA PROGRAM

Hill News Highlights

(NEWS 05/21/98; 49 lines)

Item Key: 12624

LAW/JUDICIARY: PANEL OKS EXPANSION OF HIGH-TECH VISA PROGRAM

By Dan Carney, CQ Staff Writer

The House Judiciary Committee yesterday approved a bill (HR3736) that would increase the maximum annual allotment of visas for highly skilled workers from the current 65,000 to 115,000 by fiscal 2000.

The measure, sponsored by Rep. Lamar Smith, R-Texas, and approved 23-4, would increase the annual number of H-1B visas while setting new criteria for businesses who want to hire those workers.

While the Smith legislation is similar to a bill (S1723) passed by the Senate May 18, it contains two provisions designed to protect American workers. One would require that companies attest that they had launched a major domestic recruitment effort before hiring a foreign worker through the H-1B program. The other would prohibit them from sponsoring H-1B workers if they had laid off American workers with similar skills.

While high-tech firms have lobbied strenuously for expansion of the H-1B program, citing a shortage of skilled workers, they oppose the hiring requirements in the Smith bill. They fear the layoff provisions, for example, could be so broadly applied that they would prevent the company from hiring H-1B workers for a plant in one part of the country if it had laid off workers in unrelated operations in another region.

In yesterday's markup, the commit defeated, 7-24, an amendment by Rep. James E. Rogan, R-Calif., that would have removed the labor provisions, with the panel's more senior Republicans joining all Democrats in voting no. Rogan and his supporters argued the provisions would greatly increase the Labor Department's regulation of American businesses.

Industry officials contend they would rather have no bill at all

than one with the labor provisions. But they held out hope that the labor provisions might be softened or even eliminated by the House leadership before the bill goes to the floor. If not, committee action could be the precursor of a bruising floor fight and possibly a difficult House-Senate conference.

The Clinton administration has threatened to veto the Senate measure, sponsored by Spencer Abraham, R-Mich., saying it emphasizes providing opportunities for foreign workers rather than providing opportunities for and protecting U.S. workers.

Allen Kay, a spokesman for Smith, said the administration supported the House measure because of the labor provisions, which were drafted in consultation with administration officials.

Message Sent To:

Steven M. Mertens/OMB/EOP
Debra J. Bond/OMB/EOP
Larry R. Matlack/OMB/EOP
Julie A. Fernandes/OPD/EOP
Cecilia E. Rouse/OPD/EOP

U.S. Department of Justice
IMMIGRATION AND NATURALIZATION SERVICE
Washington, DC 20536



Contact: Media Services
Office of Public Affairs
(202) 514-2648 Fax: (202) 514-1776
Internet: www.ins.usdoj.gov

NEWS RELEASE

May 8, 1998

INS Implements New H-1B Procedures As H-1B Visas Reach Cap for Fiscal Year 1998

WASHINGTON – The Immigration and Naturalization Service (INS) announced today that it will stop accepting H-1B visa petitions for Fiscal Year (FY) 1998 employment of H-1B workers beginning Monday, May 11, 1998. INS has determined that the 65,000 annual cap on the H-1B visa category, which was established by the Immigration Act of 1990 (IMMACT), will be reached for FY 1998 based on petitions already filed.

Petitions for Initial Employment

INS will implement the following procedures, which will be published in the Federal Register on Monday, May 11, 1998, for the remainder of FY 1998 (through September 30, 1998), unless legislation is enacted to raise the numerical limit prior to the end of FY 1998.

- All initial employment petitions for H-1B workers for FY 1998 that are received on or after May 11 will be returned along with the accompanying fees to petitioners. INS will advise petitioners that they may resubmit their petitions, at any time, and request employment beginning on or after October 1, 1998, when H-1B visas for FY 1999 become available.
- For initial employment petitions for H-1B workers for FY 1998 that are received before May 11 but are not decided before the cap is reached, INS will advise petitioners that the limit has been reached and that they may either withdraw their petitions and forfeit the fees, or delay employment until October 1, 1998, when H-1B visas for FY 1999 become available.
- H-1B petitions requesting initial employment for H-1B workers beginning on or after October 1, 1998 (FY 1999) will be processed as received by INS, and counted against the 65,000 cap for FY 1999.

Exceptions — Petitions for Current H-1B Workers

INS will continue to process petitions filed for current H-1B workers, since they are not affected by the visa cap. Such applications include petitions to either extend the stay or amend the terms of employment for current H-1B workers, as well as petitions for current H-1B workers to change employers, or to work concurrently in a second H-1B position.

(more)

INS Implements New H-1B Procedures As H-1B Visas Reach Cap for Fiscal Year 1998

Page 2

Background

The H-1B is a temporary visa category for nonimmigrant workers that includes specialty occupations which require a bachelor's degree or higher and fashion models of distinguished merit and ability. Typical H-1B occupations include architects, engineers, computer programmers, accountants, doctors and college professors. Initially, the maximum period of admission is three years, which may be extended for an additional three years.

Questions and Answers

Q. Have H-1B visas reached the 65,000 annual cap in the past?

A. Yes. The 65,000 annual limit was reached in FY 1997 on September 1, 1997. A total of 5,099 beneficiaries approved during the rest of the fiscal year (September 2, 1997 to September 30, 1997) were held in abeyance until the beginning of the new fiscal year, October 1, 1998, and were applied to the FY 1998 limit.

Q. How many H-1B visas have been approved in past years?

FY 1997 = 65,000

FY 1996 = 55,141

FY 1995 = 54,178

FY 1994 = 60,279

FY 1993 = 61,591

FY 1992 = 48,645

Q. What is the Administration's view on increasing the annual cap?

A. The Administration believes that any short-term increases in H-1B visas must be coupled with substantial industry efforts to increase the skill level of U.S. workers as well as needed reforms of the H-1B visa program. These reforms include requiring employers to make bona fide efforts to recruit and retain U.S. workers before hiring temporary foreign workers, and prohibiting lay-offs of U.S. workers to replace them with temporary foreign workers.

Q. What will happen if the numerical limitation is raised by Congress?

A. Congress is currently debating whether to raise the numerical limit for FY 1998. If legislation is enacted to increase the annual cap, INS will modify the procedures specified in the May 11th Federal Register notice and outlined above by publishing a notice of the change in the Federal Register, and conducting a similar outreach effort to inform H-1B petitioners.

- INS -

C O V E R

S H E E T

FAX

To: Julie Fernandez

Fax #: 456-5581

Subject:

Date: 3/25/98

Pages: 1

COMMENTS:

This is the list of top 10
H1-B users I promised you
today.

~~REDACTED~~

From the desk of...

Seth D. Harris
Deputy Assistant Secretary for Policy
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

(202) 218-6181
Fax: (202) 219-9216 or (202) 219-6924

COMPANIES WITH THE MOST HIB FOR FISCAL YEAR 1997

COMPANY NAME	STREET ADDRESS	CITY	STATE	ZIP	NUM OF CASES
1. MASTECH SYSTEMS CORP	1004 MCKEE ROAD	OAKDALE	PA	15071	1733
2. TATA CONSULTANCY SERVICES	1700 ROCKVILLE PIKE # 535	ROCKVILLE	MD	20852	1110
3. SYNTEL INC	2800 LIVERNOIS #400	STOCKERTOWN	PA	18083	675
	2800 LIVERNOIS #400	TROY	MI	48043	
4. COMPUTER PEOPLE INC	4400 CAMPBELLS RUN ROAD	PITTSBURGH	PA	15205	447
5. WIPRO LIMITED	333 COHALT WAY #107	SUNNYVALE	CA	94086	446
6. TATA INFOTECH or TATA UNISYS	8701 GEORGIA AVENUE #805	SILVER SPRING	MD	20910	421
7. HCL AMERICA INC	330 PORTRERO AVENUE	SUNNYVALE	CA	94086	401
8. INDOTRONIX INTERNATIONAL	331 MAIN MALL ROAD #108	POUGHKEEPSIE	NY	12601	253
9. RCG INFORMATION TECHNOLOGY INC	379 THORNHALL STREET 14 TH FL	EDISON	NJ	08837	233
10. CYBERTECH INTERNATIONAL CORP	8 NESHAMINEY INTERPLEX #209	TREVOSE	PA	19053	227
11. COMSYS TECHNICAL SERVICES INC	675 THIRD AVENUE 21 ST FL	NEW YORK	NY	10017	206

3pm

Securities @ 12:30

↓
2:30pm

Center for Strategic & International Studies

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Policy
Research

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specialists
80 support staff
70 interns

Middle East Program

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subscribe pcupdate

ACLU
Amnesty International
CDF
Common Cause
LCCR
LDF
United Negro College Fund
PFAW
National Immigration Forum
Amer. for Democratic Act.
NAACP
Urban Institute

As of last night
@ 8pm - no
time
agreement

UN
DOJ

Held by Reed
b/c defendant
to his
death
SSIG

Jeffords
~~that~~
up + that
not consulted
on training

~~Call~~ spoke to
Sandy — thought
no time
agreement yet

MM - didn't have a sense
that would go to plan today

Di Iulio
Asst. of his

Early Term

Long. conv. w/ MM last night

then w/ Peter

MM →

his bill deals w/ every actual
example of lay-offs that he has
ever seen.

→ Kennedy's judgment
we're going w/ it.

Fall-out in the House (?)

I willing to go to Mass. guys on the
House side.

Clear that wants more
Not a sign.

Need veto Threat

→ hold Dems.

⊕ no back down from reforms

George thinks we have 4 Reps ←
on Committee

Jud. Comm.

15 ~~Rep~~ Dems.

20 Reps

35 total

need 18 votes

Tues/
Wed.
mark-up

Bumpers Amend. → repeals investor
Program.

No time agreement yet.

Some amendments are falling away.
Hold up over Reid

MM — Accept whistle blower language
something on training
(see is colloquy)

~~Repealing~~

on House letter

Peter was supposed to talk to DOT

John talked to Bach:

put lang. about continued support
for legal immigration.

W/leash
Ward

Veto language O.K.

MM
feeling
good about
his amendment
Boxer said
could support
K amendments

H-1B



Hyde
Spoke in
favor of
the attestations

House Judiciary committee voted against motion to
~~table~~ strike reforms from the bill.

22-7 (w/11 Republicans)
(Zoe didn't vote)

Amendments

(1) ~~4th~~ University exemption for lay-offs

(2) Watt amendment That workforce can't be
> 25% H1B

(3) Whistleblowers + studies

(4) Limits new visas to 4 yrs. (Gallagher)

(5) Jenkins: reduced cap on physical therapists
from 7500 to 5000
Done w/ attacks. Zoe has not handed out her
amendment. Told Smith yesterday that she
wasn't going to do it.

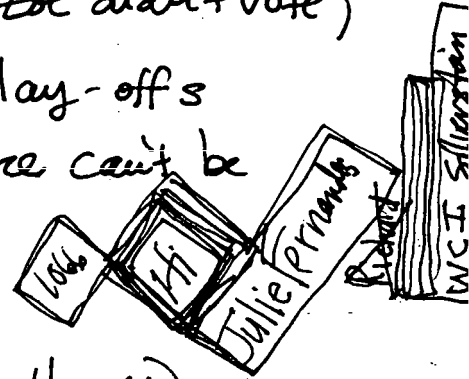
Will talk about training, but won't put it in.

Loftgren will introduce training amendment (JTPA

+ NSF) on the floor.

Other Amendments ?

Watt: clarification that increase will go back to
65 K after 3 yrs.



Emil

224-9184

224-4041

Sally Chief of Staff
Lorraine Daley
~~Bob~~ Bonvilligen
Bill

Lieberman situation

To fool around w/ Lofgren (eg is a problem).

(1) she has beauty to sell her language.

To make it more like Lieberman makes it
look more like a new program.

~~Be~~ Changes don't make the bill more attractive (2)

Lofgren called Labor to ask:
what do you want us to do (3)

Do we want to enter a new idea into this debate?
(RSA)

Sponsors of Moran / Lieberman bills (4)

✓
4 Reps.

Abraham — SSIG
JTPA (fee)

Lofgren — Fee
MESA 60%
JTPA 40%

Are we asking here to put anything in her bill
(from

Can we get a fee in conference w/out

Katie McCain
Amer. Society for Training & Dev.

RSA

Have been talking to Moran
Lieberman >

Would do what they could to promote RSA.

Prepared to do a lot

~~for~~ Lieberman/Moran

trying to get cosponsors @
this juncture.

They could gin up

Business groups have tinkered around
this issue in the past

Any to Labor to Lofgren:

we don't have a strong view

we like RSA

you decide attachments in the House.

you judge

House politics

Key for us is to get a fee w/ training

She should judge