

High-Skilled Integrity and Fairness Act of 2017

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For those who don't understand certain terminologies in American Politics. There are 2 terms in you should understand, **House and Senate**.

Who is a Congressman or CongressWoman or CongressPerson ?

To be a congressperson, you can either run for the House of Representatives or the Senate. There are certain basic qualifications you must meet for both, including age qualifications.

- To run for the House of Representatives, you must be at least 25 years old. You must have been a United States citizen for at least seven years. You must also be a resident of the state and district you're representing at the time you file your petition. You will be elected by the general Public. You represent a DISTRICT and not a state.

<http://www.house.gov/representatives/>
<https://www.govtrack.us/congress/members/map>

- To run for Senate, you must be at least 30 years old. You must have been a citizen for at least nine years. You must also live in the state you want to represent in the Senate. You will be elected by the general Public. You represent the STATE.

https://en.wikipedia.org/wiki/List_of_current_United_States_Senators

Also you should be aligned to a party namely Democrats (D) or Republicans (R).

In order to distinguish who is a member of which house, a member of the Senate is typically referred to as Senator (Senator "name" from "state"), and a member of the House of Representatives is usually referred to as Congressman (Congressman "name" from the "number" district of "state"), or Representative

<http://www.wikihow.com/Become-a-Congressperson>

Who is Zoe Lofgren ?

Zoe Lofgren has been a Democratic member of the United States House of Representatives since 1995. She represents the 19th District of California, based in the “Capital of Silicon Valley,” San Jose. More about Zoe here

<https://lofgren.house.gov/biography/>

https://upload.wikimedia.org/wikipedia/commons/thumb/e/e0/California_Congressional_Districts%2C_113th_Congress.tif/lossless-page1-600px-California_Congressional_Districts%2C_113th_Congress.tif.png

What is a BILL ?

A piece of proposed legislation that either originated or was modified in the United States Senate. In order to become law, a senate bill must win majority approval in both the Senate and the House of Representatives and then be approved by the President of the United States.

What is **High-Skilled Integrity and Fairness Act of 2017** ?

It's a bill first of all. Not an EXECUTIVE order. There is a high possibility that the President is not aware of this bill or even Zoe. In simple terms to explain about the bill,

- 1) San Jose (19th District in CAL) is what Zoe represents. A city swarming with IT and Start Up companies
- 2) Prevailing Wage was set as 65,000 \$ for Software Developers in 1998. But still LCA decides the actually Prevailing Wage. A Software Architect must have higher base salary compared to Software Developer. Also H1B is just not for Software Engineers. Chefs, Doctors, Finance Experts, Attorneys and it keeps going.
- 3) Zoe has proposed 130,000\$ as the base salary (basically she has requested to double the number which was set previously) and this is just for H1B folks. An American working on the same job can be paid just the prevailing wage of the location which could even be 65,000\$. So amount applies only to H1B folks according to Zoe.
- 4) This is basically a reverse way of fixing the OUT SOURCING Issue that's going on. More about how Out Sourcing works to follow

- 5) This may or may not work out for various reasons like a you cannot pay 130,000 \$ for an person just because he has a skill that an American doesn't have. The employer will badly need a person with a skill set but hiring an H1B will only increase his expense rather than running his business.
- 6) The sole reason for such a bill is the malpractices that has curbed American jobs. The H1B which was meant to bring in people with specialized skill set has taken different path and it became a easy path to bringing in cheap labor. So the motive behind the bill is to actually good.

What is Out Sourcing and how it risked the whole H1B program ?

Imagine a company ABC Corp and it has 200 American workers. They want to build a software and all these 200 of them are software engineers with different expertise. The company needs an Architect and ABC Corp doesn't have one. So they look out for an American and unable to find in the given time and they look out for guys who can legally work here (H1B). They find them hire them. But if the ABC Corp needs 200 more workers but cannot afford to pay them, they reach out to consultancies who will take care of the whole placing with skilled workers. These companies mainly come in from mostly Asia. These companies send 25% of their workforce to the United States through H1B and the remaining 75 % workforce will be in working from a different country/continent. Being a software product al you need to deliver products are computers with Internet connection.

What is achieved here ?

ABC pays an average of 60,000\$ per year for their 200 employees, which is 12 Million \$ per year. But the remaining 200 they pay 60,000 only for those onsite (25% of the work force) which is 3 Million \$ per year and the 75% of workforce will be paid an average of 6000\$ per year (which is a very decent pay in Asian countries) which is just 900,000 \$. So in approximately in 4 million \$ per year they get the same work done. Which is the 8 million \$ saving for the company.

What went wrong ?

This strategy being so fruitful few Asian companies somehow lobbied and became the 100% workforce for certain American companies after firing the existing employees. Which could be a financial win for the employers but say in ABC Corp its 200 different families that got affected. In this H1B program was abused.

What Happens to this bill ?

The bill to become a law it should succeed these steps,

1. Pass the House of Rep
2. Pass the Senate
3. Then President should approve
4. Then it becomes law

You can follow the bill here : <https://www.congress.gov/bill/115th-congress/house-bill/670>

What to expect ?

There are many bills like this which has succeeded and many are still stagnant. So you can never predict. H1B workforce is still program that could save lot of money to American companies but not at the expense of their own workers. So we can expect more guidelines to channelize and establish H1B as a Skilled Work Force rather than a cheap work force. Asian companies are already devising strategies to manage their work with limited H1B so that the program is fruitful to everyone.

What is with the rumors and news from all forums ?

It's just marketing for most of the sites. Put a headline about H1B you can guarantee than at least a million views to your site and its huge business. <https://en.wikipedia.org/wiki/Pay-per-click> . Follow leading American channels like CNN or just the Senate news and senate sites.

This is my own research and perspective. - Vinodh Thiagarajan

