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LATEST PRODUCT FROM TECH FIRMS: AN IMMIGRATION BILL

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WASHINGTON — The television advertisement that hit the airwaves in Florida last month featured the Republican Party's rising star, Senator Marco Rubio, boasting about his get-tough plan for border security.

But most who watched the commercial, sponsored by a new group that calls itself Americans for a Conservative Direction, may be surprised to learn who bankrolled it: senior executives from Silicon Valley, like Mark Zuckerberg of Facebook and Reid Hoffman of LinkedIn, who run companies where the top employees donate mostly to Democrats.

The advertising blitz reflects the sophisticated lobbying campaign being waged by technology companies and their executives.

They have managed to secure much of what they want in the landmark immigration bill now pending in Congress, provisions that would allow them to fill thousands of vacant jobs with foreign engineers. At the same time, they have openly encouraged lawmakers to make it harder for consulting companies in India and elsewhere to provide foreign workers temporarily to this country.

Those deals were worked out through what Senate negotiators acknowledged was extraordinary access by American technology companies to staff members who drafted the bill. The companies often learned about detailed provisions even before all the members of the so-called Gang of Eight senators who worked out the package were informed.

"We are very pleased with the progress and happy with what's in the bill," said Peter J. Muller, a former House aide who now works as the director of government relations at Intel. "It addresses many of the issues we've been advocating for years."

Now, along with other industry heavyweights, including the U.S. Chamber of Commerce, the technology companies are trying to make sure the law gets passed — which explains the political-style television advertising campaign, sponsored by a group that has revealed no details about how much money it gets from its individual supporters.

The industry also hopes to get more from the deal by working to remove some regulatory restrictions in the proposal, including on hiring foreign workers and firing Americans.

Silicon Valley was once politically aloof before realizing in recent years that its future profits depended in part on battles here in Washington. Its effort to influence immigration legislation is one of its most sophisticated.

The technology industry "understands there's probably not a tremendous amount of resistance to their part of the bill," Mr. Rubio said in an interview last week, saying he welcomed the industry support. "But their future and getting the reform passed is tied to the overall bill."

The bill has a good chance of winning passage in the Senate. The hardest sell will come in the House, where many conservative Republicans see the deal as too generous to immigrants who came to this nation illegally.

Rob Jesmer, a former top Republican Senate strategist who helps run the new Zuckerberg-backed nonprofit group that sponsored the Rubio ad, insisted that his organization's push is based on the personal convictions of the executives who donated to the cause and who believe immigration laws need to be changed. Those convictions just happen to line up with what their corporations are lobbying for as well, he said.

"It will give a lot of people who are educated in this country who are already here a chance to remain in the United States," Mr. Jesmer said, "and encourage entrepreneurs from all over the world to come to the United States and create jobs."

The profound transition under way inside Silicon Valley companies is illustrated by their lobbying disclosure reports filed in Congress. Facebook's lobbying budget swelled from \$351,000 in 2010 to \$2.45 million in the first three months of this year, while Google spent a record \$18 million last year.

That boom in spending translates into hiring of top talent in the art of Washington deal-making. These companies have hired people like Joel D. Kaplan, a onetime deputy chief of staff in the Bush administration who now works for Facebook; Susan Molinari, a former House Republican from New York who is now a Google lobbyist; and outside lobbyists like Steven Elmendorf, a former chief of staff to Richard A. Gephardt, a former House majority leader, who works for Facebook.

The immigration fight, which has unified technology companies perhaps more than any other issue, has brought the lobbying effort to new heights. The industry sees it as a fix to a stubborn problem: job vacancies, particularly for engineers.

"We are not able to fill all the jobs that we are creating," Brad Smith, Microsoft's general counsel, told the Senate Judiciary Committee late last month.

Chief executives met with President Obama to discuss immigration. Venture capitalists testified in Congress. Their lobbyists roamed the Senate corridors to make sure their appeals were considered in the closed-door negotiations among the Gang of Eight, which included Mr. Rubio and Senator Charles E. Schumer, Democrat of New York, who have been particularly receptive.

In the many phone calls and hallway asides on Capitol Hill this year, those lobbyists realized that they had to give a little to get a lot of what they wanted. At the top of their wish list was an expansion of a temporary visa program called the H-1B, which allows companies to hire foreigners for jobs in the United States. There are a limited number of H-1Bs available each year, and competition for them is fierce.

Companies like Facebook and Intel use them largely to bring workers to their own offices. Consulting companies like Tata, based in India, use them to supply computer workers at American banks, oil companies and sometimes software firms.

Critics of H-1B visas point out that they mostly bring workers at the lowest pay scales. The technology industry's main rivals in these negotiations were lawmakers who have long been

critical of guest worker visa programs, chiefly Senator Richard J. Durbin, Democrat of Illinois, and groups that represent American engineers.

Silicon Valley lobbyists told Senate negotiators they agreed that the H1-B visa system had been subject to abuse. Go after the companies that take advantage of guest worker visas and give us the benefit of the doubt, they told the Senate staff members, according to interviews with several lobbyists.

"You know and we know there are some bad people in this system," is how Scott Corley, the president of Compete America, a technology industry coalition, recalled the conversation. "We are simply trying to make sure that as they are pursuing the rats they are not sinking the ship."

That acknowledgment, several lobbyists said privately, helped unlock an impasse in negotiations.

What emerged was a Senate measure that allows American technology companies to procure many more skilled guest worker visas, raising the limit to 110,000 a year from 65,000 under current law, along with a provision to expand it further based on market demand. The bill would also allow these companies to move workers on guest visas more easily to permanent resident visas, freeing up more temporary visas for these companies.

But it requires them to pay higher wages for guest workers and to post job openings on a Web site, so Americans can have a chance at them. And it draws a line in the sand between these technology firms and the mostly Indian companies that supply computer workers on H-1B visas for short-term jobs at companies in the United States.

"This provision accomplishes the goal of discouraging abuse of the program while providing an important incentive for companies to bring top talent to work in the United States for the long-term, where they will contribute to our economy," said Mr. Kaplan, the former Republican White House aide who is now the vice president for United States public policy at Facebook.

The bill is written in such a way that it penalizes companies that have a large share of foreign guest workers among their United States work forces, eventually making it impossible for them to bring in any more. It allows large American companies that have many more American workers to continue to import workers. And it includes a provision that exempts from the guest worker count those employees that companies sponsor for green cards, essentially a bonus to American businesses like Facebook whose work forces are growing fast.

Companies that provide temporary foreign workers say the move is intended to push them out of the American market.

These companies, mostly based in India, have far less good will on Capitol Hill. Their hope now rests with convincing lawmakers that it would be counterproductive to punish them.

"Why are we in the United States? We are there because American corporations want us," said Som Mittal, the president of the National Association of Software and Services Companies, which represents Indian companies. "We help them become competitive and serve their customers better."

In interviews, Mr. Rubio and an aide to Mr. Schumer said the draft bill takes a balanced approach to penalize those who do not hire American workers for jobs here. They say the proposal is good for the country, even as it may benefit American technology firms.

In March, some of the biggest figures in the technology industry, including Mr. Zuckerberg, the Microsoft founder Bill Gates and the venture capitalist John Doerr, unveiled a new nonprofit advocacy group, called Fwd.Us, with its first mission being to push Congress to overhaul immigration law. The group has hired lobbyists and a staff of veteran political operatives.

One of its first campaigns was to bankroll the television ad for Mr. Rubio. Two other ads backed Senator Lindsey Graham, Republican of South Carolina, and Senator Mark Begich, Democrat of Alaska, who is considered a critical swing vote, in a state where there are many critics of the legislation. Mr. Jesmer said the group spent "in the seven figures" on the ads.

Mr. Rubio has been a vocal ally. He says he understands the industry's need for talent and wants to prevent companies from having to ship work overseas.

To negotiate the details on the immigration bill, Mr. Rubio hired Enrique Gonzalez, who took a leave from a law firm that handles H-1B visa applications for many technology companies. Mr. Gonzalez said the assignment presented no conflict of interest because he works with universities handling visas, not technology companies.

The fact that technology lobbyists were given an unusual degree of access to the negotiators on the bill is entirely justified, he said. "Because of the unique needs of the technology industry, the newness of it, the novelty of a lot of the issues they are confronting, I think that was why there were more engaged than some of the other industries were," he said.