

was amended by the American Competitiveness in the Twenty-first Century Act of 2000 (ACWIA 2000) Pub.L. 106-313.

High skill and specialty occupations require theoretical and practical application of a body of highly specialized knowledge and sometimes may even require full state licensure to practice in the occupation. These occupations require at least a bachelor's degree or higher and/or experience in the specific specialty. They also may require recognition of expertise in the specialty through progressively responsible positions relative to the specialty occupation.

ACWIA 1998 increased the annual limit on H-1B visas temporarily to 115,000 in fiscal years 1999 and 2000, and to 107,500 in 2001. In addition, a \$500 user fee was imposed on employers for H-1B applications. ACWIA 1998 authorized the use of 56.3% of the fee to finance the H-1B Technical Skills Training Grant Program. Grants funded under ACWIA 1998 had the long-term goal of raising the technical skill levels of American workers in order to fill specialty occupations presently being filled by temporary workers admitted to the United States under the provisions of the H-1B visa.

ACWIA 1998 described eligible grant applicants as local Workforce Investment Boards (local Boards) or a consortium of local Boards. Current grantees are local Boards, as established under section 117 of the Workforce Investment Act (WIA), that have been funded to carry out specifically designed high technology skill training programs or projects for employed and unemployed workers through one-stop delivery systems or a regional consortia of local boards, as established under section 121 of the WIA. Regional consortia may be interstate as well as intrastate.

ACWIA 2000, enacted on October 17, 2000, increased the temporary cap to 195,000 H-1B visas annually and extended this higher cap for two additional years, until the end of fiscal year 2003. Separate legislation raised the employer H-1B application fee from \$500 to \$1,000. ACWIA 2000 authorized the use of 55% of the funds generated by fees to continue the Department of Labor's H-1B Technical Skills Training Grant Program through September 30, 2003.

ACWIA 2000 created two-part eligibility and funding criteria for the new program. Local WIBs are eligible to receive 75% of total funds awarded. These grants provide funds to partnerships consisting of one or more

local WIBs, at least one business or business related non-profit (such as a trade association) and one community-based organization (which may be faith-based), higher education institution or labor union. The remaining 25% of funds are made available through grants to eligible partnerships that consist of at least two businesses or a business-related nonprofit organization that represents more than one business. Partnerships may include any educational, labor, community organization, or WIB, but funds may be used only to carry out a strategy that would otherwise not be eligible for funds under the 75% clause due to barriers in meeting partnership eligibility criteria.

The 75 percent funding stream requires a 50 percent match in cash or in kind; the 25 percent portion requires a 100 percent match in cash or in kind. The matching requirement is assessed for the entire Federal grant funding level. Partners cooperating in the proposed project may divide the responsibility for the match among themselves in any way they choose to do so. ACWIA 2000 requires that consideration be given to applicants that provide a specific commitment from other public or private sources, or both, to demonstrate the long-term sustainability of the training program or project after the grant expires.

Eighty percent of the grants are to be awarded to projects that train workers in high technology, information technology, and biotechnology skills. For example, this includes skills needed for software and communications services, telecommunications, systems installation and integration, computers and communications hardware, advanced manufacturing, health care technology, biotechnology and biomedical research and manufacturing, and innovation services. No more than 20 percent may be awarded to projects that train for skills related to any single specialty occupation. A specialty occupation is one that requires at a minimum a college degree or comparable experience. In accordance with ACWIA 2000, the Secretary of Labor must make every effort to fairly distribute grant funds among urban and rural areas and across the different geographic regions of the country.

The technical skills training portion of the law (Section 111) is designed to help both employed and unemployed American workers acquire the requisite technical capabilities in high skill occupations that have shortages. Training generally is aimed at occupations at the H-1B skill levels, which are defined as a bachelor's degree

or comparable experience. Under ACWIA 2000, training is not limited to skill levels commensurate with 4-year undergraduate degrees, but can include the preparation of workers for a broad range of positions along a career ladder leading to an H-1B skill level job.

To meet the legislative intent of training American workers to replace foreign workers under the H-1B visa program, technical skills training grants under this SGA must focus on a high level of training and on selected occupations. As shown on Table 1, foreign workers coming to the United States under the H-1B visa program are exceptionally well-educated, nearly 60 percent possess a Bachelor's degree, over 30 percent have a Master's degree, and 10 percent have a Doctorate or Professional degree. With respect to occupations, nearly 60 percent are computer/information technology related occupations, such as programmers, database administrators and systems analysts. The second largest occupational area is architecture, engineering and surveying related occupations. It should be noted that of the education-related area occupations, most are college and university level, not elementary or secondary level. Of the medicine and health related occupations, the largest grouping is physicians and surgeons rather than nurses or other healthcare workers.

ACWIA 2000 requires certain accountability factors. Specifically, the Secretary of Labor is to give consideration to applicants who commit to achieving certain outcome goals for individuals who complete training. These outcome goals are: (1) Hiring or causing the hiring of unemployed trainees; (2) increasing the wages or salary of incumbent workers; or (3) providing skill certifications to trainees or linking the training to industry accepted occupational skill standards, certificates, or licensing requirements. These accountability factors represent a list of possible, desired outcomes or goals rather than contractual requirements. (For example, an applicant may propose a specific goal by designing a technical skills training program that is expected to result in increased wages and the awarding of certifications that document skills acquisition). In accordance with ACWIA 2000, applicants must agree that the project will be subject to evaluation by the Department of Labor and agree to fully cooperate in evaluation studies.

ACWIA 2000 specified that consideration be given to the use of grant funds to demonstrate a significant ability to expand a training program or project through such means as training