

November 17, 2005

The Honorable F. James Sensenbrenner, Jr.
Chairman, House Committee on the Judiciary
2138 Rayburn House Office Building
Washington, DC 20515

I am writing, as Chairman of BritishAmerican Business Inc and on behalf of our 700 member companies in New York and London, to express our deep concern about proposals under consideration in the House of Representatives to impose a \$1500 training fee on the L-1 intra-company transferee visa.

In the view of immigration and business experts that we have consulted, this would have a serious negative impact on the effectiveness of this visa in encouraging international commerce and promoting job creation and business investment in the United States.

Foreign-based companies have used this visa extensively to facilitate their investment in the US economy by bringing key specialists and managers into their US operations: if they are discouraged from doing this by an additional fee, they are less likely to establish or expand their presence in the USA.

US companies have also used the visa extensively to enhance their US and international operations, by rotating qualified personnel from their international operations into the United States.

I am attaching a short paper for your information, which provides background on this visa and the likely impact of the additional restrictions now under consideration.

On behalf of our US and UK member companies, we would urge you to consider seriously the likely negative impact of these proposed restrictions on the conduct of international business between the US and other countries, and on investment and job creation in the United States.

BritishAmerican Business Inc is the leading transatlantic business organization, incorporating the American Chamber of Commerce (UK) and British-American Chamber of Commerce (New York/London) which merged in 2000 to create a single, truly transatlantic organization. We play an active role in the British-American Business Council, the largest transatlantic business network, which is separately expressing its concerns to you on this issue.

Do let me know if you would like further information about our organization or our concerns on this issue.

Sincerely,

Graham A.D. Broyd
Chairman, BABi

Why L-1 Visas Are Important

Since its creation in 1970, the L-1 visa for intra-company transferees has been an essential tool for job creation and business investment in the US. Through the L-1 visa, large and small American companies have brought in qualified personnel from their international operations to the United States. Foreign-based companies have also used the visa to invest in the American economy and create jobs. If foreign companies are unable to bring key specialists and managers to their American operations, they will be less likely to establish or expand their presence in the United States.

L-1 visa holders enter the US on a strictly temporary basis, either on an L-1A visa for executives or managers or on an L-1B visa that requires specialized or advanced knowledge that is not generally found in the particular industry or occupation. Such knowledge of a company's products, strategies, or services must be noteworthy or uncommon. The foreign national must have worked for the multi-national firm abroad for a full year before being eligible for this visa. Those who apply for the L-1B at a US Consulate must have a relevant university degree.

The limited number of L visa holders has been an invaluable tool for foreign investors whose infusion of investment capital has helped to finance US domestic prosperity. Such investment has contributed to creating and keeping alive more than 6.5 million jobs for US workers whose fate is linked to the global economy. The L-1 facilitates the creation of badly needed new products, promotes the transfer of cutting-edge technology, speeds up the transfer of knowledge, permits multi-national employers to expose key executives and knowledge professionals to the American business culture as part of their global rotational strategy, and helps US manufacturers upgrade and customize their product line for sale in foreign markets.

Current US law prohibits using an L visa to send a foreign worker to the USA to work alongside the workforce of a third party, under the control and direction of that third party, to perform the same kind of work done by the third party's employees and displacing Americans. Such tailored reform clarifies the proper usage of the L visa but does not hinder its ability to invigorate the American economy. All L-1 applicants must now have worked for the employer abroad for at least one year, not just six months as had sometimes been the case.

This reform was helpful in precluding use of the L visa for simple contract arrangements. It maintains the ability of US employers to use the L as a swift and sure mechanism for the seamless transfer of key international employees to the USA for a limited time; and continues to permit the American economy and American workers to benefit from the foreign investment that the L visa fosters.

Immigration policies, such as a flexible and adaptable L visa program, can help the United States maintain and sharpen its competitive edge in the global competition for talent and markets. Additional fees and further restrictions on the L would make it more costly and cumbersome to use. This only serves to discourage job creation in the USA and restrict the ability of foreign investors to establish a business presence here.