

Exceptional by Design: How to Fix High-Skilled Immigration to Maximize American Interests

America's high-skilled immigration system is deeply flawed in ways that both reduce its benefits to the United States and undermine trust in the immigration system at large. It does not prioritize the highest achievers for admission or provide a usable path for entrepreneurs, robbing the U.S. economy of potential startup founders and the talent necessary to compete with China in critical industries.

While proposals to “staple green cards to diplomas” are well-intentioned, they would incentivize the growth of degree mills and put universities in charge of our immigration system. **We believe instead that earnings should be the dominant factor in selecting immigration applicants.** Our recommendations, centered on prioritizing those with the highest earnings, would build a self-interested high-skilled immigration system that maximizes benefits to our workers, businesses, and struggling communities. High-skilled immigration policy done right is in a class of one; while many policies attempting to boost economic growth, accelerate innovation, and boost American leadership in science and technology are expensive, **our proposals below would reduce federal deficits by \$1 trillion over a decade.**

Policy Recommendations:

- 1. Replace the H-1B visa with a new, high-wage Skilled Worker Visa.** The H-1B visa program is broken. H-1B visas are allocated randomly, enabling outsourcing companies to game the system. The H-1B strictly limits which occupations visa holders can work in, driving down their pay and competing unfairly with American workers. This program should be replaced with a new Skilled Worker Visa that prioritizes higher-skilled, higher-paid applicants based on actual job offers, and enables workers to seamlessly switch jobs in search of higher pay. Unlike the H-1B, the Skilled Worker Visa would be easily used by startup founders. This program should be appropriately sized to meet U.S. economic challenges, with 250,000 visas available per year.
- 2. Give struggling communities the chance to opt-in to a high-wage, pro-startup Heartland Visa program.** High-skilled immigration can be a positive force for local economic development, bringing new entrepreneurship, consumer demand, tax revenue, and skilled workers that attract further investment. Yet the status quo immigration system leaves out most of the country. Just 100 out of 3,100 counties are home to 74 percent of high-skilled immigrants. The Heartland Visa would enable struggling communities to voluntarily opt-in to a visa program emphasizing high wages, entrepreneurship, and local community ties. The visa would select those with the highest salary offers or earnings histories, maximizing the economic benefits to participating communities. Heartland Visa holders who live and work (including starting a business) in participating places and who meet strict earnings criteria will have a pathway to a green card. Those who do not follow program rules will have to leave.

3. **Beat China in the race for semiconductor talent with a Chipmaker’s Visa.** The United States needs to win the race to dominate leading-edge semiconductor manufacturing. To scale up as quickly as possible, this sector requires the ability to attract and retain top chipmaking talent. For each of the next 10 years, 10,000 Chipmaker’s Visas should be auctioned off to firms in the industry and its supply chain, using the resulting revenue to bolster training programs for American workers.
4. **Retain high earners and successful founders with a self-sponsored EB-X visa.** America loses when successful workers and founders with proven track records of high earnings are forced to leave. Our proposed EB-X visa would provide a self-sponsored green card pathway for temporary visa holders with consistently high earnings, verified by tax records. This would be a radical departure from the cumbersome, uncertain, and self-defeating status quo, which undermines U.S. interests at every turn.
5. **Focus on merit, not nationality, by abolishing per-country green card caps.** The United States should attract and retain the best and brightest, regardless of where they were born. Antiquated green card caps mean some highly-skilled Indian workers will wait their entire lives for a green card. In the meantime, they face harsh restrictions on job-to-job mobility that lower their pay and cost taxpayers money. These caps should be scrapped.
6. **Allow H-4 visa holders to fully contribute to the U.S. economy.** The spouses of H-1B workers are three times more likely to have graduate degrees than native-born Americans, yet they are barred from working (and paying taxes on that work) until their spouse has a pending green card application. This pool of high-skilled talent should have work authorization from day one (“incident to status”).
7. **Guarantee the children of work visa holders don’t age out of their parents’ green card applications.** Long green card backlogs mean that children of applicants who came to the United States legally are removed from their parents’ petitions when they reach 21 years old. This sends away skilled workers just as they reach prime earning years and makes the U.S. a less attractive destination for the most highly-skilled parents.
8. **Convert the band-aid Optional Practical Training (OPT) system into a one-year Recent Graduate Visa.** The OPT program has exploded into a “waiting room” for skilled visa programs. Basing immigration policy on college degrees incentivizes “degree mills” to game the system. After expanding the skilled immigration system through pathways like the Skilled Worker Visa, OPT should be replaced with a one-year Recent Graduate Visa. Such a visa would let fresh graduates test the labor market but not allow them to work for years in low-wage jobs.

An overwhelming 78 percent of voters — and 71 percent of Trump voters — [support expanding](#) our high-skilled immigration system because they recognize its immense potential to advance American interests, if we get the policy right. Our recommendations will boost growth, innovation, and wages — as well as cut the deficit by \$1 trillion over 10 years even *before* adding in effects from faster economic growth.

Overhauling the immigration system shouldn’t stop at the border. Policymakers should also capitalize on a generational opportunity to finally fix the broken, outdated high-skilled system.