

TESTIMONY OF

**Katie Ralston Howe, Director, Workforce Development Division**

Chairman Warrey and members of the committee, I'm Katie Ralston Howe, Workforce Development Division Director for the ND Department of Commerce. I'm here in opposition to HB 1493. My goal today is to help you understand what our office does, the impact we're making, and why we need to continue serving the state.

I'm going to start by sharing what we don't do.

- We do not work directly with foreign-born jobseekers or assist with processing any part of an individual's Visa application or certification. In short, we do not work directly with any immigrants.
- We do not provide immigration or customs enforcement. This is a federal responsibility, and states are federally prohibited from acting in such capacity.
- We do not provide legal consultation.
- We do not certify employer jobs for Visa applications. Only the US Department of Labor can do this.

For these reasons and many others, we would like to change the name of the office to Global Talent Office to better reflect the work we're doing to help employers navigate the federal immigration process to address their workforce needs.

I want to stress that North Dakota companies who are utilizing the services provided by the Office of Legal Immigration and our partners must put American workers first. Only after they have demonstrated to the United States Department of Labor that they have exhausted all options to fill a position with an American worker, are they allowed to fill a job using a legal, work-based Visa employee.

The Office of Legal Immigration (OLI) was created by the 68<sup>th</sup> Legislative Assembly through SB 2142 and included the following as the office's main office objectives:

1. Develop and implement a statewide strategy to support recruitment and retention.
2. Advise and make recommendations to the governor, legislative assembly, and state agencies.
3. Implement a pilot program that supports businesses pursuing or employing work-authorized immigrants and supporting communities to develop integration plans and activities. (This is the OLI Grant Program that's open right now.)
4. Educate employers on labor mobility and connect them to resources, recruitment pipelines, and best practices.

Once the bill took effect on August 1, 2023, we immediately got to work by drafting and posting an RFP to contract a vendor to perform the statewide study required in the bill, reaching out to other states that have similar offices and national organizations to learn best practices, and gained entrance in the competitive Skilled Immigrant Integration Program through World Education Services. As we completed the review process and selected our vendor, it was revealed that the OMB bill would be taken up in the 2023 special legislative session. The operating dollars for the OLI were included in that bill, so we were advised to hold off on offering a contract to our vendor. This delay pushed the start of our work to early

December 2023. Once we had a contract in place, our partners at Dalberg Advisors and Labor and Mobility Partners (LaMP) started engaging with ND employers, community-based organizations (CBO), non-profits that serve immigrant communities, state agencies, colleges and universities, and more to identify the best way for OLI to serve the state. The final report, which shaped our strategies for activating the scope of work that was included in SB 2142, was published in May 2024. From there, we started engaging with national and international subject-matter experts to identify recruitment pipelines and programs that may be beneficial for ND employers, in addition to planning the first Global Talent Summit, held in August 2024. That event gave employers and CBOs opportunities to learn about visa programs and how to start the process, OPT pathways, recruiting work-authorized immigrants from other parts of the United States, and how to integrate foreign-born workers into their companies and communities. We have continued offering learning opportunities since the summit, and saw many employers start to formalize recruitment strategies with the recruiters they met through our work in October. Starting in December, foreign-born workers began working in the state using E3 Visas, secondary migration, and OPT pathways. When it comes to immigration processes, a four-month turnaround is incredibly fast.

Throughout the last 18-19 months, a big gap we've identified has been that employers haven't had the information or the awareness around how to hire from an international talent pool. OLI has and continues to provide education and resources to address this, while also building out strategies and pipelines to attract and retain each of the following populations:

- **International workers** are foreign-born workers who are currently abroad and may consider coming to the U.S. by way of an employment-based visa, some popular examples are H2A and H2B Visas for seasonal work, and H1B, EB3, L1 AND TN for advanced degree holders.
- **Secondary migrants** are foreign-born workers who have already settled elsewhere in the U.S. This includes refugees, long-term temporary protected status holders, and other immigrants who have proper work authorization from the federal government.
- **Recent arrivals** into the U.S. are foreign-born and hold a legal status, meaning have the legal right to work via an EAD or Employment Authorization Document.
- **Lastly, international students.** The goal is to not only retain the international graduates that come out of our North Dakota University System each year, but to also attract those graduates from other universities around the country. There are approximately 2,000 international students each year in North Dakota, but hundreds of thousands across the U.S. This is a group of educated and skilled professionals with the ability to fill some very critical roles. They also have a great desire to stay in the U.S. after graduation.

Although we're seeing growth in our workforce, we still have more jobs than people to fill them and the Office of Legal Immigration has become one of ND's biggest competitive advantages to recruiting workers. As I stated earlier, it's important to clarify that employers start recruiting internationally when they are unable to fill jobs with local talent. In order to get approval to fill a job with a work-based visa, employers must demonstrate to the US Department of Labor that they have been unsuccessful in filling the job with a North Dakota or U.S. based worker. To be clear, no jobs are being taken from local workers and being given to foreign workers. Employers are required to pay the prevailing wage in addition to covering any legal and visa related fees required to recruit a foreign-born worker. It is actually more expensive to recruit and hire internationally.

In closing, I want to highlight that North Dakota's office is incredibly unique not only in how it came to be, but in how we operate. Other states have offices, but none of them were created as an innovative workforce strategy like ours. In fact, last May, US immigration and citizenship office named us a "Best Practice" office, as we're essentially creating a playbook for how other states can support employers in utilizing legal immigration pathways to address their workforce needs. ND is shaping national conversations on immigration as a workforce solution.

I encourage a do not pass recommendation for HB 1493, as passing this bill would be detrimental to our state's workforce strategy and to employer recruitment efforts across the North Dakota.

Thank you.