

done nothing to develop alternative fuel sources. We could do that. We have not done that. Now that there is the spike in oil prices, we are looking back and saying: Gee, I wish we would have done something. Tax policy does not do anything to favor alternative fuels.

There are a lot of things that are facing this country that we need to get ahold of while we have the opportunity. This economy is looked upon as the greatest of all time. But as good as our economy is, it can falter just as it has gone up. It does not take a lot of things to start going wrong before we have a problem with our economy.

So, again, before my friend leaves the floor, he could not talk about two issues that are any more important to this thriving economy than the trade deficit—that is pronounced and we are not doing anything about it—and, of course, energy, about which we are doing very little.

Mr. DORGAN. If I might respond, Mr. President, the folks in this country who are now worried sick about what is happening to energy prices are people such as senior citizens who know they are going to pay a home heating fuel bill that is multiples of what they paid last year. They are living on fixed incomes and do not have the money. They are saying: How do I do this? These are people who are living on fixed incomes, who drive up to the gas pump and now discover it costs a significant amount of money to fill their gas tank. Or small truckers—I just make this final point.

Mike and Jenny Mellick from Fargo, ND, called me. They operate seven trucks. It is a small company, a man and wife trying to run an operation with seven tractor-trailer rigs that haul loads across the country. They said the increase in fuel costs is devastating to them and they are worried about losing their business.

This is having repercussions all across this country. This could tip the economy. We have to get ahead of this and say we need more production and more conservation and we need to care about these folks who are being dislocated by the significant energy crisis we face.

I yield the floor.

Mr. REID. Mr. President, the one thing I am appreciative of is the Vice President has a plan; that is, he has recommended that if these prices stay where they are, we should start drawing down our reserves. This is one alternative. I am glad he is doing this rather than just complaining.

We have to have an energy policy. This is not a problem of Democrats or Republicans; it has been a problem of administrations for the last 30 years. They simply will not get involved and work with Congress to come up with a long-term energy policy, and we need one.

Mr. DORGAN. Mr. President, I mentioned earlier about the Vice President's proposal. I have not been a big cheerleader to move to SPR. By the

same token, SPR is 570 million barrels of stored reserves. If we take half a million barrels a day, we could for 90 or 120 days, which is what we need at this point to get back into a supply equilibrium, provide some significant stability in energy prices just by taking a very small portion. So we take a very small fraction of the SPR and with it provide stability to oil prices.

We need to work on the longer issues as well. There is merit in having this debate and discussion. The Vice President has raised a very important issue. Good for him. We have a short-term issue, intermediate issues, and long-term issues. In the short term, we ought to take a look at this issue. Maybe half a million barrels a day will be the catalyst to provide the stability we want in oil prices at this moment in order to get to the next intersection, which I think after the first of the year is an intersection of much more production.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. WARNER). The Chair recognizes the Senator from Nebraska.

THE NEED FOR AN AMERICAN ENERGY POLICY

Mr. HAGEL. Mr. President, the one driving factor in the advancement of mankind has been energy. Fire, oil for heat and lamps, water mills, coal, electricity, refined oil, hydro power, nuclear power. Advancements in energy have fueled the great advancements of civilization.

Today, energy touches every facet of our lives. It heats, cools, powers, and lights our homes, our places of business, our schools, and our hospitals. It fuels our modes of transportation whether on road, rail, sea, or air. It powers up our computers, the Internet and the information superhighway. It goes into the production of food, medicine, clothing, and every consumer product ranging from household appliances to health and beauty products. It allows the stock markets to open each morning around the world. It powers the transactions of commerce and business. It fuels the planes, ships, tanks, submarines, and weapons that protect America.

Energy is the great connector. It fuels the productive capacity of the world. It affects world stability.

Energy is serious business. America must have a national energy policy that ensures we have reliable, stable, and affordable sources of energy. This cannot be neglected. To do so leaves our Nation vulnerable on all fronts.

Energy policy ties together America's economy, standard of living, national security, and our geopolitical strategic interests around the world—and our future.

Perhaps the area where energy has the most immediate and visible effect is on the pocketbooks of individual Americans and the economic growth of our Nation.

Oil prices have more than tripled in less than 2 years, to nearly \$37 a barrel this week—the highest price since the buildup to the Persian Gulf war in November of 1990. The President of the Organization of Petroleum Exporting Countries, OPEC, said last Friday that the price of oil may temporarily hit \$40 a barrel this winter. I suspect we might see \$50 a barrel in the next few months.

American consumers have felt this most immediately at the gas pump.

This winter, consumers are likely to feel an even stronger bite when they heat their homes. Natural gas and home heating oil prices are also on the rise. The prices for natural gas, which is used to heat 58 million homes, have doubled since the beginning of the year. Customers of heating oil, including more than one-third of the homeowners in the Northeastern part of the United States may pay more than \$2 a gallon—or twice the current price—to heat their homes this winter.

As energy prices rise this winter, Americans will again be reminded of the lessons we learned in the 1970s about the volatility of energy prices and the impact on our economy. The forecasts are not optimistic. Said Leo Drollas, chief economist at the Center for Global Energy Studies, "I think the only thing we can do is pray for a very warm winter." Praying for a warm winter is not an energy policy.

The concern over natural gas prices is so great that on Wednesday, several of our Nation's Governors met in Columbus, Ohio, to discuss the "natural gas crisis."

And it is not just gasoline, natural gas and heating oil prices that are affected by the current energy predicament. It is all energy. Over the past 12 months, costs paid by consumers for all forms of energy have increased by 13 percent.

High energy costs ripple through the economy. They drive up inflation. Then deflation. The Consumer Price Index has risen 3.4 percent in the last year, with energy price increases responsible for nearly one-quarter of that increase.

It also saps the strength of our economy. Energy fuels economic growth. "Oil shocks" send a shock through the economy, increasing prices for everything that uses energy. It is a draining force on our society and economy. When consumers are forced to spend more on energy, they spend less on other items.

Higher energy prices increase the cost of doing business, of moving goods, of manufacturing, and of farming.

We are seeing the beginning of the consequences of higher fuel costs in Europe. Protests virtually shut down Great Britain last week, at one point more than 90 percent of their petrol stations were dry. These protests blocked transportation and caused disruption in medical services, postal delivery, education, and food supply. As a matter of fact, for the first time since the years after World War II, Great

Britain had to ration food. Great Britain, one of the great powers of our time had to ration food at the supermarkets last week, and they introduced a policy of one loaf of bread per customer. The British Chambers of Commerce estimated that the protests cost Britain's economy \$351 million per day. These protests erupted throughout Europe. In almost every country in Europe there were protests.

High energy prices will dramatically affect the United States, Europe, Japan, and other industrialized nations. But these industrialized nations' economies are better prepared to cushion the heavy blow than the recovering economies in Asia, developing countries, and emerging market economies. These nations, including South Korea and Taiwan, still depend on such heavy industries as steel production for their economic growth. Studies have shown that if oil prices do not fall quickly, these economies could lose at least 2 percent of their gross national product this year.

One of Europe's central bankers has predicted that the current spike in oil prices could cut a full percentage point off the GDP growth expected around the world during the next 12 months. This is an awesome number when you step back and understand what that means. And what that means is catastrophe. The President of the World Bank, James Wolfensohn, echoed these fears in an interview in the International Herald Tribune. He predicted a \$10 shift in oil prices could decrease global economic growth by at least one-half of a percentage point.

In the United States, a slowdown in economic growth due to higher energy prices will have a negative impact on our Federal budget. The assumptions for projected Federal budget surpluses over the next 10 years do not take into account what would happen if high energy prices or energy shortages stalled our economy.

Where then would be our proposals to finance new prescription drug plans for Medicare recipients, provide more funding for education, grapple with the restructuring of our entitlement programs, and much-needed funds to improve our Nation's military? Where then would the money come from? The money needed to fund these areas of the Federal budget and pay down our national debt would have gone up in smoke—literally.

Other countries would be affected in the same way. High energy prices affect nations the same way they affect individual households—the more money spent on energy, the less there is available for other priorities.

But this has broader implications than budgetary issues. Increasing energy prices will affect efforts to improve the environment. In recent years, we have made great strides in working with developing nations to help them use responsible measures to grow their economies. But they will do what they must do to survive. If their

national self-interests are at stake, they will clear cut forests to grow food, and they will not consider environmental measures. They will draw natural resources from wherever they can get them. They will abandon efforts to upgrade to cleaner technologies and stay with their dirty smokestacks and other energy-producing methods that damage the environment, if energy costs go too high.

The price of oil also has broad national security implications, as you know so well. These broad national security implications to the United States are there because we are so reliant on foreign sources for our supply of crude oil.

During 1973, at the peak of the energy crisis, we relied on foreign sources of oil for 35 percent of our domestic supply. Since that time, we have become more—not less—dependent on foreign oil. Today, we import almost 60 percent of the oil used in the United States. The Department of Energy estimates that we will at least be 65-percent reliant on foreign oil by 2020.

The response to the current high oil prices by the Clinton administration has been to try and cajole oil-exporting nations to increase production in an effort to lower prices. U.S. Secretary of Energy Bill Richardson has said, regarding the pressure on OPEC nations: "Our quiet diplomacy is working." I ask, what diplomacy?

Crude oil is at a record high. We import more oil than we did during the energy crisis in the 1970s, spending more than \$300 million a day. Petroleum accounts for one-third of the U.S. total trade deficit.

Who are we kidding? This has bigger implications than high gas prices. In February 1995, President Clinton issued the following statement:

... the nation's growing reliance on imports of crude oil and refined petroleum products threatens the nation's security because they increase U.S. vulnerability to oil supply interruptions . . . I concur with the Department's recommendation that the Administration continue its present efforts to improve U.S. energy security.

Yet through the Clinton-Gore administration policies, this administration has discouraged, and in many cases blocked, American oil and gas producers from increasing domestic production. Since that time, we have increased our use of oil and turned more and more to foreign countries to supply the oil we use. We import 1.5 million barrels of oil more per day than we did 5 years ago. That is an increase of nearly 22 percent in the last 5 years. Therefore, it should not be surprising that President Clinton issued a nearly identical ruling on March 24 of this year, stating again that oil imports threaten U.S. national security.

High energy prices also impact the security of other nations and threaten global stability. Energy fuels the productive capacity of national economies. The adverse effect of high energy prices can cause instability in emerg-

ing democracies and in market economies, which then can quickly erupt into regional turmoil, conflict, and war, devastating all prospects for growth, prosperity, and for eliminating hunger and poverty.

The contributing factors to the current high oil prices demonstrate the geopolitical consequences of energy, and the leverage granted to oil-exporting nations. Prices have increased for oil and natural gas because supply has not kept pace with demand. From 1994 to 1999, global oil consumption grew by almost 10 percent, while production rose only at about 7 percent.

Do we have a supply problem? Of course we have a supply problem. When demand stretches supply to the breaking point, the result is rationing. What a dangerous, dangerous development—the rationing of energy.

When the price of oil fell dramatically a few years ago, drilling companies cut back on their exploration of both oil and natural gas. They reduced their spending. There was a drastic decline in global drilling during 1998, 1999, and early this year. Astonishingly, there are only about 40 percent as many drilling rigs working today as there were in the early 1980s. Even OPEC nations must constantly drill to offset depletion. Low levels of drilling reflect a capital shortage, and the result is that oil production has been falling continuously in the United States; it is stable or falling in the North Sea; it is falling in most of Latin America; and it is not growing hardly anywhere else in the world. Capital not invested in energy production a few years ago is now reflected in lower supplies and product.

During this time, global demand for oil has increased, fueled by a strong U.S. economy—which we all applaud, which we all take advantage of, and which we based projected surpluses on—economic growth in Europe, and a stronger than expected economic recovery in Asia, which are all responsible for this demand.

The economic growth of developing nations is a very energy-intensive exercise, we must know. China and India show oil demand growing at nearly 8 percent a year on a sustained basis. This increased demand, coupled with low supplies, has pushed oil reserves near their limits worldwide. Inventories are at low levels. In most industrialized nations, it will take many years to correct the imbalance between supply and demand.

In addition to current inventories, the oil industry normally has another cushion to use to meet increased demand. This is called "spare capacity" or unused wells that can be called on to produce additional supplies when necessary.

Turning on these spigots can help correct the imbalance between supply and demand. However, except for the days of the gulf war, the world's spare capacity is at its lowest point since the days leading up to the 1973 energy crisis—less than 3 million barrels per day.

Therefore, the world oil market is very tight and very vulnerable to supply disruptions and price fluctuations. A further tightening of the market could lead to the kind of energy rationing we saw in the 1970s.

The situation is even worse in the natural gas market, especially for North America.

But correcting imbalances of supply and demand in oil markets is very different from traditional economic models. Oil does not move on a free market. The demand is given—individuals and nations do not have a choice about whether they need energy or not, and oil is still the greatest source of global energy in the world today. Its production is concentrated in the hands of a few who have the ability to control the flow of oil into the market and, thereby, the price of this commodity. This makes oil a political commodity.

Our reliance on foreign oil leaves the U.S. vulnerable to the whims of foreign oil cartels. If something happened to threaten this supply, we could not turn on the spigots here in the United States overnight.

A tight oil market gives additional leverage to individual oil-exporting nations. Half of the world's spare production capacity today now is in Saudi Arabia. Iraq, interestingly enough—Iraq, whom we bombed almost daily—is the fastest growing source of U.S. oil imports. We import about 750,000 barrels of oil a day from Iraq.

What if Saddam Hussein were to decide to bully the market by turning off its tap, which currently pumps 2.3 million barrels a day on to the global market?

On Monday, he warned that OPEC nations were bowing to pressures from—in his words—"superpowers" in agreeing to increase production in an attempt to lower prices. He said, "The superpowers will fasten their grip on oil producing countries." This is a very dangerous development.

Our allies, of course, would be even more vulnerable to threats from oil-producing nations because Europe and Japan are even more dependent than the U.S. on foreign oil.

How did we, the United States, get ourselves into this precarious position?

How did we get here? We have bumbled into it because we were not paying attention. Every administration in the last 25 years must share some responsibility for where we are today. But in particular, this administration, the Clinton-Gore administration, has drifted through the last 8 years without an energy policy, content to sit back and enjoy a good economy—of course, to take credit for that economy—but unwilling to prepare our Nation for the challenges ahead and make the tough choices and hard decisions necessary for energy independence.

The lack of a Federal energy policy for the last 8 years has worked to decrease U.S. oil production, making American consumers more vulnerable to the volatility of prices set by oil

cartels such as OPEC. The wild swings in price over the last 2 years have hurt U.S. oil and gas producers and shut down many drilling wells because of instability in the markets, loss of investment capital, loss of qualified employees, and elimination of the petroleum infrastructure.

The lack of an overall policy has made U.S. producers more susceptible to the manipulation of prices by cartels such as OPEC. In testimony before the Senate Foreign Relations Committee in March, Denise Bode, an Oklahoma corporation commissioner, discussed the impact of OPEC's manipulation on oil markets:

Whatever OPEC's motivation, the impact on American petroleum production is that each time this happens, they make the domestic oil and gas production industry in America a little less predictable, driving away capital, qualified oil field employees and scrapping petroleum infrastructure. . . .

The policies of this administration have actually served to discourage and at some point completely block or shut off domestic oil and natural gas production. While oil consumption in the United States has risen by 14 percent since 1992, over the last 8 years U.S. crude oil production has dropped by 17 percent. The number of American jobs in exploring and producing oil and gas has declined by 27 percent. The number of working oil rigs has declined by 77 percent. This administration has failed to encourage viable energy alternatives. They pursue policies promoted by environmentalists with no comprehension or acknowledgment of the consequences of these policies and what these consequences are for real Americans, for our economy, our Nation, and our future.

This administration has blocked exploration in the Alaska National Wildlife Refuge which could contain 16 billion barrels of domestic crude oil. In 1995, President Clinton vetoed legislation to allow any exploration in Alaska. In 1998, President Clinton closed most of the Federal Outer Continental Shelf to any exploration until the year 2012.

Vice President GORE has vowed to prohibit any future exploration for oil and natural gas on the Outer Continental Shelf. Increased Government regulations over the last 8 years have affected investment in our energy industry. Thirty-six oil refineries have been closed in the last 8 years, and no major oil refinery has been built in the last 25 years. This is in part due to the requirements of the Clean Air Act that make it difficult to build or upgrade any refineries.

EPA regulation has placed more and more and more burdens on fewer and fewer oil refineries by forcing them to produce reformulated gasoline for different markets. Use of hydroelectric power has been sharply declining due to the onerous regulatory burdens on the industry. This administration does not consider water to be a renewable resource—that is the definition by this

administration of "water"—and has even advocated taking down current valuable hydroelectric dams in the Pacific Northwest that supply power.

Nuclear energy has not been promoted as a clean energy alternative by this administration. No new plants are scheduled to begin operating. This administration has steadfastly opposed and recently vetoed legislation that would ensure timely construction of a desperately needed Federal storage facility for spent nuclear fuel. In addition, virtually all nuclear operating licenses are up for renewal by 2015. Yet the Nuclear Regulatory Commission has indicated it expects no more than 85 of the 103 units will file renewals. That means we will be taking out of current service, at a minimum, 18 nuclear powerplants in the next few years. Where in the world are we going to recover that capacity? Where will that capacity come from? We don't talk about that.

Furthermore, this administration, while professing a desire to increase natural gas as a source of energy, works constantly against efforts to increase the availability of domestic natural gas. The National Petroleum Council has identified a critical barrier to increasing supplies of natural gas: Access to over 200 trillion cubic feet of natural gas reserves is either off limits or is being severely restricted on multiple-use lands and the Outer Continental Shelf.

This administration says, well, use natural gas but just don't drill for it. This administration's budget clearly demonstrates where its energy priorities are. This year's Department of Energy budget, submitted by this administration, has \$1.2 billion for climate change activities, but yet it has only \$92 million for oil, gas, and energy research and development—a clear statement on where they are with their priorities. An energy policy that emphasizes only some energy sources and priorities without regard for their negative impacts on energy markets threatens the sustainability of this economy, the welfare of our people, the stability of the world, and the future of this country.

What can we do to address this problem? Can we address this problem? Of course, we can address this problem. Both the next President and the Congress must pursue a comprehensive energy policy that decreases our reliance on foreign oil by increasing the safe, environmentally sound production of our domestic oil and gas resources and by developing a more diversified supply of energy sources.

The answer is not, as Vice President GORE recommended yesterday, to tap into the Strategic Petroleum Reserve. These 570 million barrels were set aside to deal with severe disruptions in oil supply caused by war or other national emergencies.

The strategic reserve was not created to make up for 8 years of inattention from the Clinton-Gore administration

or to make up for the detrimental impact their policies have had on domestic production. The Vice President himself acknowledged in February this statement when he said it would be a "bad idea"—his words—to tap into the strategic reserve. And so has the President's Secretary of the Treasury, Mr. Summers; as has the Chairman of the Federal Reserve, Mr. Greenspan.

Furthermore, opening up the strategic reserve will not do anything to address the shortage of home heating oil. Why? The strategic reserve consists of crude oil. It would need to be refined into heating oil, and our refineries are already running at full capacity. If we still had the 36 refineries that were shut down over the last 8 years of this administration, then we might be able to refine that extra oil from the strategic reserve, but it does nothing to help our current situation. It is bad policy, shortsighted policy.

In addition to augmenting domestic oil production, the United States must explore other future energy options that will reduce other foreign oil dependency. Our Nation's future is directly connected to energy capacity. If we fail this great challenge, our children and history will judge us harshly and we will leave the world more dangerous than we found it. That is not our heritage. That is not our destiny. It will require bold, forceful, intelligent new leadership. That is America's heritage. That is America's destiny.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. LOTT. Mr. President, I commend the Senator from Nebraska for his remarks. He certainly is making points that need to be made. I am sure we are going to hear a lot more about it in the next few days. I thank him for wrapping up his remarks at this point so that we may proceed with a number of business items before we go out for the week.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

IMMIGRATION AND NATIONALITY ACT AMENDMENTS—MOTION TO PROCEED

Mr. LOTT. Mr. President, I call for regular order with respect to the H-1B bill.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

A motion to proceed to the bill (S. 2045) to amend the Immigration and Nationality Act with respect to H-1B nonresidential aliens.

The PRESIDING OFFICER. The question is now on agreeing to the motion.

The motion was agreed to.

AMERICAN COMPETITIVENESS IN THE TWENTY-FIRST CENTURY ACT OF 2000

The PRESIDING OFFICER (Mr. DOMENICI). The clerk will now report the bill by title.

The legislative clerk read as follows:

A bill (S. 2045) to amend the Immigration and Nationality Act with respect to H-1B nonimmigrant aliens bill.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Competitiveness in the Twenty-first Century Act of 2000".

SEC. 2. TEMPORARY INCREASE IN VISA ALLOTMENTS.

In addition to the number of aliens who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) (8 U.S.C. 1101(a)(15)(H)(i)(b)), the following number of aliens may be issued such visas or otherwise provided such status for each of the following fiscal years:

- (1) 80,000 for fiscal year 2000;
- (2) 87,500 for fiscal year 2001; and
- (3) 130,000 for fiscal year 2002.

SEC. 3. SPECIAL RULE FOR UNIVERSITIES, RESEARCH FACILITIES, AND GRADUATE DEGREE RECIPIENTS.

Section 214(g) of the Immigration and Nationality Act (8 U.S.C. 1184(g)) is amended by adding at the end the following new paragraphs:

"(5) The numerical limitations contained in paragraph (1)(A)(iii) shall not apply to any nonimmigrant alien issued a visa or otherwise provided status under section 101(a)(15)(H)(i)(b)—

"(A) who is employed (or has received an offer of employment) at—

"(i) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))), or a related or affiliated nonprofit entity; or

"(ii) a nonprofit research organization or a governmental research organization; or

"(B) for whom a petition is filed not more than 90 days before or not more than 180 days after the nonimmigrant has attained a master's degree or higher degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)))."

"(6) Any alien who ceases to be employed by an employer described in paragraph (5)(A) shall, if employed as a nonimmigrant alien described in section 101(a)(15)(H)(i)(b), be counted toward the numerical limitations contained in paragraph (1)(A)(iii) the first time the alien is employed by an employer other than one described in paragraph (5)(A)."

SEC. 4. LIMITATION ON PER COUNTRY CEILING WITH RESPECT TO EMPLOYMENT-BASED IMMIGRANTS.

(a) SPECIAL RULES.—Section 202(a) (8 U.S.C. 1152(a)) is amended by adding at the end the following new paragraph:

"(5) RULES FOR EMPLOYMENT-BASED IMMIGRANTS.—

"(A) EMPLOYMENT-BASED IMMIGRANTS NOT SUBJECT TO PER COUNTRY LIMITATION IF ADDITIONAL VISAS AVAILABLE.—If the total number of visas available under paragraph (1), (2), (3), (4), or (5) of section 203(b) for a calendar quarter exceeds the number of qualified immigrants who may otherwise be issued such visas, the visas made available under that paragraph shall be issued without regard to the numerical limita-

tion under paragraph (2) of this subsection during the remainder of the calendar quarter.

"(B) LIMITING FALL ACROSS FOR CERTAIN COUNTRIES SUBJECT TO SUBSECTION (e).—In the case of a foreign state or dependent area to which subsection (e) applies, if the total number of visas issued under section 203(b) exceeds the maximum number of visas that may be made available to immigrants of the state or area under section 203(b) consistent with subsection (e) (determined without regard to this paragraph), in applying subsection (e) all visas shall be deemed to have been required for the classes of aliens specified in section 203(b)."

(b) CONFORMING AMENDMENTS.—

(1) Section 202(a)(2) (8 U.S.C. 1152(a)(2)) is amended by striking "paragraphs (3) and (4)" and inserting "paragraphs (3), (4), and (5)".

(2) Section 202(e)(3) (8 U.S.C. 1152(e)(3)) is amended by striking "the proportion of the visa numbers" and inserting "except as provided in subsection (a)(5), the proportion of the visa numbers".

(c) ONE-TIME PROTECTION UNDER PER COUNTRY CEILING.—Notwithstanding section 214(g)(4) of the Immigration and Nationality Act, any alien who—

(1) is the beneficiary of a petition filed under section 204(a) for a preference status under paragraph (1), (2), or (3) of section 203(b); and

(2) would be subject to the per country limitations applicable to immigrants under those paragraphs but for this subsection,

may apply for, and the Attorney General may grant, an extension of such nonimmigrant status until the alien's application for adjustment of status has been processed and a decision made thereon.

SEC. 5. INCREASED PORTABILITY OF H-1B STATUS.

(a) IN GENERAL.—Section 214 of the Immigration and Nationality Act (8 U.S.C. 1184) is amended by adding at the end the following new subsection:

"(m)(1) A nonimmigrant alien described in paragraph (2) who was previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) is authorized to accept new employment upon the filing by the prospective employer of a new petition on behalf of such nonimmigrant as provided under subsection (a). Employment authorization shall continue for such alien until the new petition is adjudicated. If the new petition is denied, employment authorization shall cease.

"(2) A nonimmigrant alien described in this paragraph is a nonimmigrant alien—

"(A) who has been lawfully admitted into the United States;

"(B) on whose behalf an employer has filed a nonfrivolous application for new employment or extension of status before the date of expiration of the period of stay authorized by the Attorney General; and

"(C) who has not been employed without authorization in the United States before or during the pendency of such petition for new employment."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to petitions filed before, on, or after the date of enactment of this Act.

SEC. 6. EXTENSION OF AUTHORIZED STAY IN CASES OF LENGTHY ADJUDICATIONS.

(a) EXEMPTION FROM LIMITATION.—The limitation contained in section 214(g)(4) of the Immigration and Nationality Act with respect to the duration of authorized stay shall not apply to any nonimmigrant alien previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act on whose behalf a petition under section 204(b) to accord the alien immigrant status under section 203(b), or an application for adjustment of status under section 245 to accord the alien status under section 203(b),