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CFDA

Designing An Immigration System That Works

Broken and outdated U.S. immigration system hurts fashion industry's competitiveness and innovation.

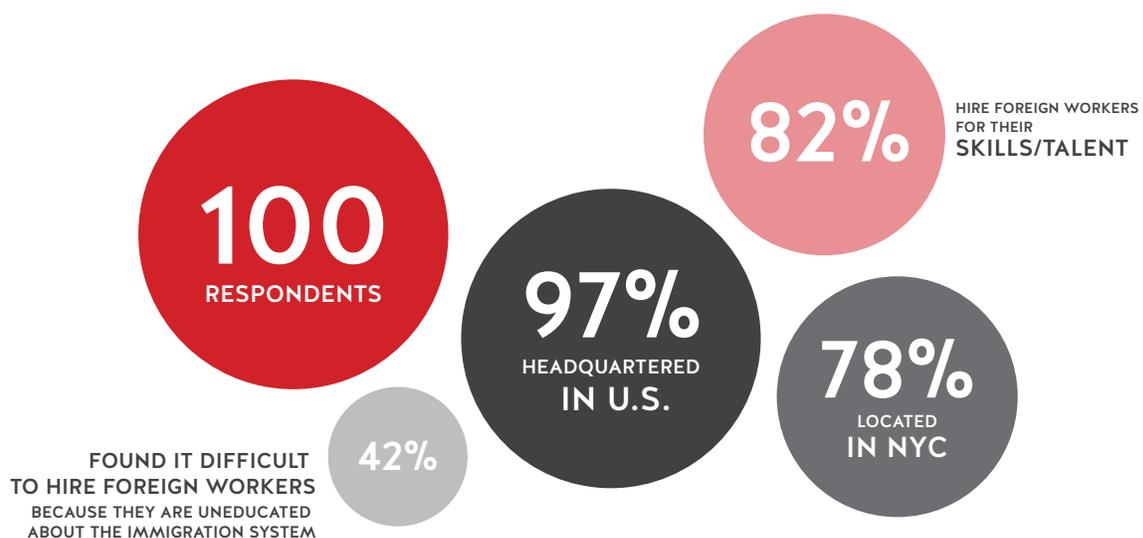


Photo by: Mac Shafer

EXECUTIVE SUMMARY

This report is a joint project between the Council of Fashion Designers of America (CFDA) and FWD.us to assess the impact of United States immigration policy on the domestic fashion industry and recommend policy changes to promote industry growth and protect workers, designers, and companies.

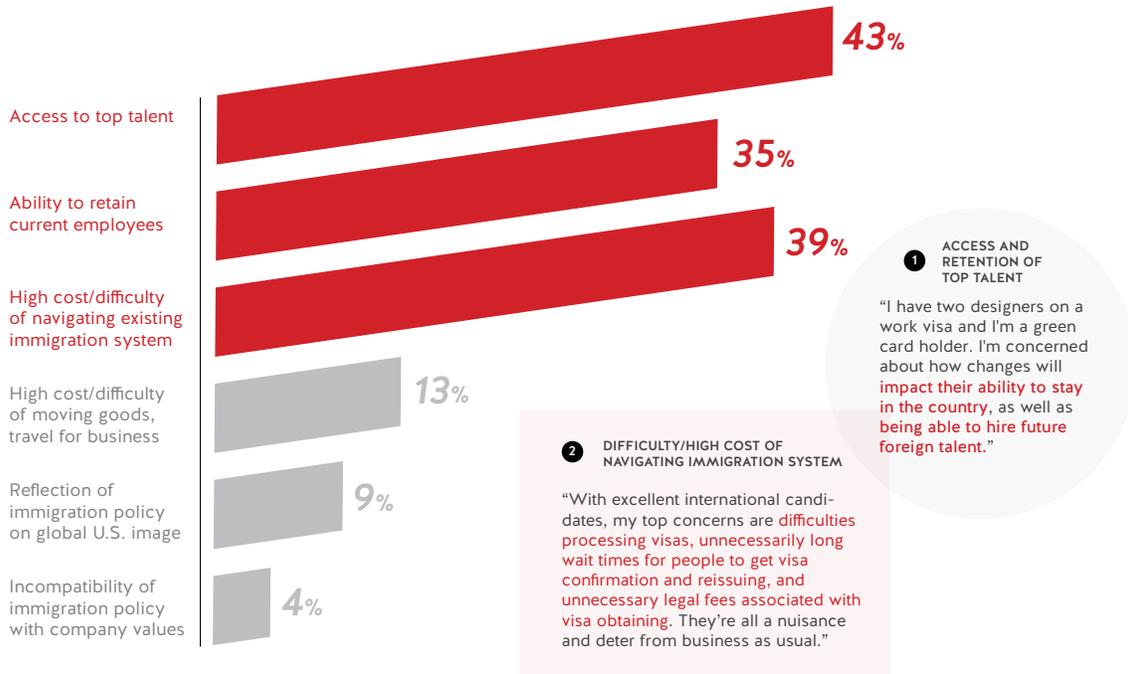
To better understand how the current immigration system impacts the fashion industry, CFDA and FWD.us convened two consecutive industry roundtable discussions focused on foreign design talent, international students, and international modeling talent. As a follow-up to the discussion groups, CFDA members were surveyed and several designers were interviewed. Combined, more than 100 professionals in the fashion industry provided data and feedback.



Summary of survey results.

Key Concerns of Fashion Industry leaders

% of Survey Responses



Note: Given the size of the sample, the results from this survey is qualitative only; we are showing graphs in order to facilitate interpretation.

Fashion industry leaders would like to see reforms to the immigration system that address two key concerns:

- 1. Access and retention of top talent:** 70% of study participants indicated that foreign talent is either "very important" or "absolutely essential" to the growth and success of their business, using primarily the H-1B and O-1 visas to recruit talent in highly-skilled specialties like atelier work and design.
- 2. Difficulty and high cost of navigating our existing immigration system:** Companies in the industry need additional resources to help navigate the complicated immigration system, and a majority cited high costs, \$5,000 - \$10,000 or more per foreign employee.

The industry is also struggling to navigate uncertainty over the future of immigration policy under the current administration; it has impacted the ability of designers, brands, and schools to recruit foreign talent and students.



CFDA and FWD.us convened two consecutive industry roundtable discussions focused on foreign design talent, international students, and international modeling talent. **Photo by: Jordan Tiberio**

The following policy changes are recommended to address these challenges:

- 1. Retain foreign students:** Study and consider expanding the definition of the Science, Technology, Engineering, and Mathematics (STEM) exception under Optional Practical Training (OPT) to include the fields of fashion design and fashion technology. These are majors that involve research, innovation, and development of new technologies using engineering, mathematics, computer science, or natural sciences but are excluded from the STEM extension.
- 2. Improve access to foreign talent:** Increase the number of H-1B visas offered, expand the definition and reform the O-1 visa to suit the specialized needs of the fashion industry, create an entrepreneur visa, and provide more resources on navigating the immigration system to companies hiring foreign talent.
- 3. Provide a pathway for the undocumented community:** Create a pathway to legalization and/or citizenship for undocumented immigrants, which would include many seamstresses, tailors, and garment workers.

CFDA is a nonprofit trade organization founded in 1962 for North American designers of fashion and fashion accessories. Currently chaired by Diane von Furstenberg, the CFDA's board includes Michael Kors, Marcus Wainwright, Mimi So and Vera Wang.

FWD.us is a bipartisan advocacy organization founded in 2013 by Mark Zuckerberg, Bill Gates, Reid Hoffman, and other leaders in business and tech to promote policies that keep the U.S. and its citizens competitive in a twenty-first century economy, starting with commonsense immigration reform and criminal justice reform.

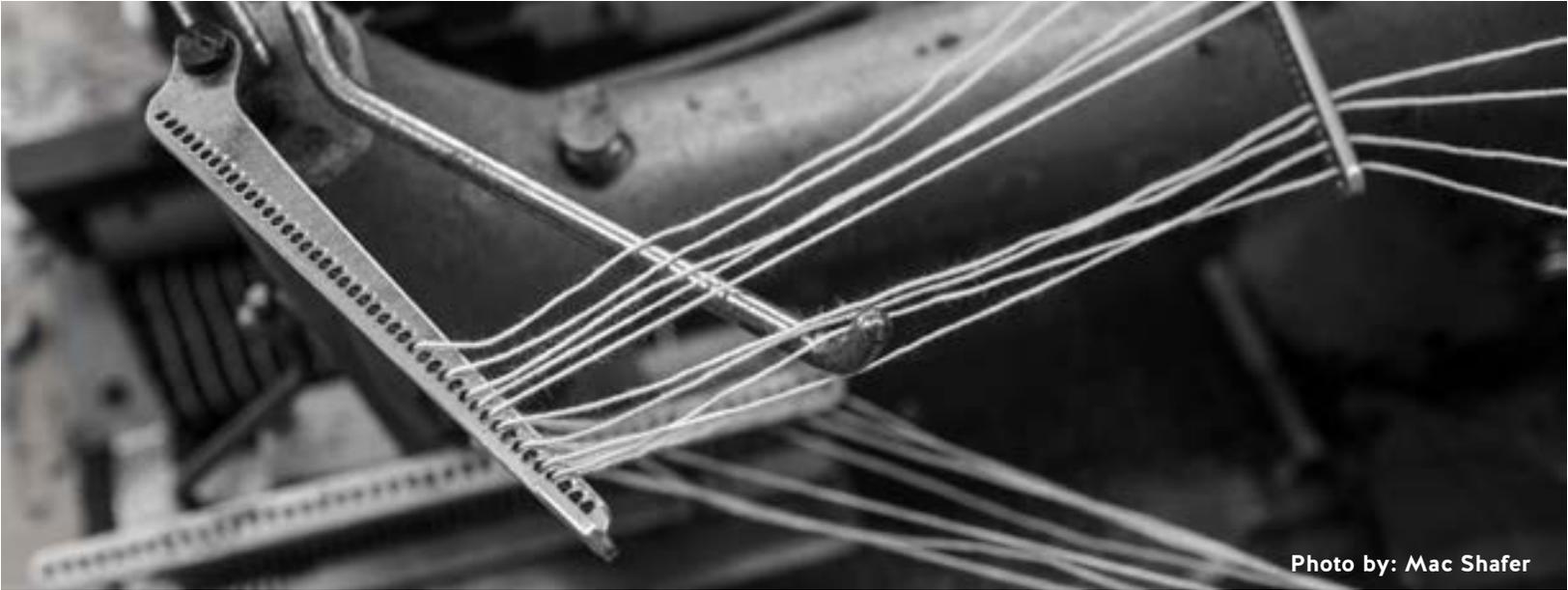


Photo by: Mac Shafer

INTRODUCTION

For more than a century, immigrants have built many of the most renowned fashion houses in the U.S. and specifically in New York City. The fashion industry thrives on the talents of individuals from around the world, including designers, models, atelier workers, seamstresses, tailors, and garment workers. Fashion companies create an economic multiplier effect supporting many ancillary U.S. industries, including, but not limited to, photography, graphic design, publishing, production, makeup, set design, styling, public relations, hospitality, and restaurants.

The fashion industry is a significant economic engine in New York City. More than 900 fashion companies are headquartered in New York City, employing 180,000 people, or 6% of the local workforce.¹ The New York fashion industry generates more than \$2 billion in tax revenue with \$10.9 billion in total wages.² New York Fashion Week brings in approximately \$900 million in total economic impact each year.³

METHODOLOGY

This paper's methodology includes research by policy experts, feedback collected at two CFDA industry roundtables, conversations with additional industry leaders, and the results of a survey completed by CFDA membership.

1 "The Economic Impact of the Fashion Industry." Joint Economic Committee: Ranking Democrat Carolyn B. Maloney, 6 February 2015, <https://maloney.house.gov/sites/maloney.house.gov/files/documents/The%20Economic%20Impact%20of%20the%20Fashion%20Industry%20--%20JEC%20report%20FINAL.pdf>.

2 Ibid.

3 Ibid.



CFDA and FWD.us convened two consecutive industry roundtable discussions focused on foreign design talent, international students, and international modeling talent. **Photo by: Jordan Tiberio**

CFDA and FWD.us convened two consecutive industry roundtables on January 23 and 24, 2017. The first discussion group focused on foreign design talent and international students and was comprised of twenty participants from renowned design houses and fashion universities located in New York. The second discussion group focused on modeling agencies and the economic multiplier effect of international modeling talent working in the U.S. It was comprised of eighteen participants.

Based on input from these discussion groups, we composed a survey of twenty multiple choice and short answer questions, which was completed by sixty CFDA design members. The survey was conducted through SurveyMonkey and can be found in Appendix A. Approximately 78% of respondents were located in New York, and approximately 97% of respondents were headquartered in the U.S.



Photo by: Mac Shafer

FINDINGS: FOREIGN TALENT IS INTEGRAL TO THE FASHION INDUSTRY

The U.S. and in particular the New York fashion industry thrives on talented individuals from around the world. Of the companies we surveyed, 70% indicated that foreign talent is either “very important” or “absolutely essential” to the growth and success of their businesses. To remain competitive, fashion industry leaders would like to see reforms to the immigration system that address two key concerns:

1. Access and retention of top talent; and
2. Difficulty and high cost of navigating the U.S. immigration system.

Access and Retention of Top Talent

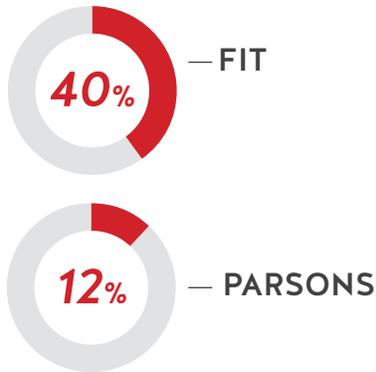
New York is home to two of the best design schools in the world: Parsons School of Design (Parsons) and The Fashion Institute of Technology (FIT), which both consistently rank among the top ten fashion schools internationally.¹ According to the most recent enrollment data, 40% of students at Parsons are international students,² and 12% of students at FIT are international students.³ With a robust pipeline of grad-

1 “Global Fashion School Rankings 2016,” Business of Fashion, 24 March 2017. <https://www.businessoffashion.com/education/rankings/2016/masters>.

2 Admissions FAQs, The New School, 3 April 2017. <http://www.newschool.edu/parsons/admission-faq/>

3 “Enrollment Data,” Fashion Institute of Technology, Fall 2014. <https://www.fitnyc.edu/about/get-to-know/enrollment-data.php>

% Of Enrolled Students Who Are International In Top NYC Design Schools.



OPT: For international students studying, or recently graduated, in the U.S.

12 months work permit in field related to student's academic major

24 months **Stem Extension** available to students majoring in STEM

Only 5% of survey participants know someone who *applied for a STEM extension as a designer.*



uating international students in New York, it is unsurprising that nearly 50% of respondents to the survey hire qualified immigrants to help with design and atelier work.

All international students can apply for Optional Practical Training (OPT), which permits them to work temporarily in fields directly related to their major area of study. Eligible students can apply to receive up to twelve months of OPT employment authorization before completing their academic studies (pre-completion) and/or after completing their academic studies (post-completion). However, all periods of pre-completion OPT are deducted from the available period of post-completion OPT. Certain international students who receive Science, Technology, Engineering, and Mathematics (STEM) degrees are eligible for up to twenty-four months of Optional Practical Training Extension.¹ While there is an extensive list of majors involving research, innovation, development of new technologies using engineering, mathematics, computer science, or natural sciences that qualify for the STEM extension, fashion design and fashion tech majors are not included.² OPT employment authorization is critical to international students and employers as it allows talented students and graduates to apply their U.S. education to the U.S. workforce. It is common for employers to consider sponsoring exceptional employees who are working on OPT for a visa to be able to continue working for a longer period of time in the U.S.

This research indicates that the two most frequently used visas by the fashion industry are

- 1 Optional Practical Training (OPT) for F-1 Students, United States Citizenship and Immigration Services, 1 February 2017. <https://www.uscis.gov/working-united-states/students-and-exchange-visitors/students-and-employment/optional-practical-training>
- 2 STEM Designated Degree Program List Effective May 10, 2016”, Immigration and Customs Enforcement, 3 April 2017. <https://www.ice.gov/sites/default/files/documents/Document/2016/stem-list.pdf>

the H-1B and O-1 Visas. The H-1B is a non-immigrant visa in the United States under the Immigration and Nationality Act, section 101(a)(15)(H). It allows American companies to temporarily employ for up to six years people from other countries in specialty occupations. The H-1B is commonly referred to as a high-skill visa. Workers cannot apply for H-1B visas; the employer must submit an application on their behalf citing the need to employ that particular high-skilled immigrant. United States Citizenship and Immigration Services (USCIS) only issues 85,000 H-1B visas¹ annually for foreign-born workers. In 2016 there were more than 236,000 H-1B applicants; nearly two-thirds of American companies are rejected because the yearly visa limit had been reached.² Companies employing students on OPT with a STEM extension can re-apply for an H-1B the following year if they are rejected.

The O-1 nonimmigrant visa is for individuals who possess “extraordinary ability” in the sciences, arts, education, business, or athletics, or who have a demonstrated record of extraordinary achievement in the motion picture or television industry and have been recognized nationally or internationally for those achievements.³ Outdated immigration rules poorly align to the skillsets and experience of professionals in the industry. For example, models applying for an O-1 visa are required to apply in the same category as scientists, as opposed to the exist-

- 1 U.S. Citizenship and Immigration Services is congressionally mandated to cap H-1B visas at 65,000 for applicants with a bachelor’s degree, there is an additional cap of 20,000 visas for applicants with a U.S. advanced degree, also known as the master’s cap
- 2 O’Brien, Sara Ashley. “High-skilled visa applications hit record high -- again.” CNN, 12 April 2016. <http://money.cnn.com/2016/04/12/technology/h1b-cap-visa-fy-2017/>.
- 3 “O-1 Visa: Individuals with Extraordinary Ability or Achievement.” United States Citizenship and Immigration Services, 5 January 2017. <https://www.uscis.gov/working-united-states/temporary-workers/o-1-visa-individuals-extraordinary-ability-or-achievement>.

H-1B: Allows employers to hire highly educated immigrants in specialized fields

2/3 applicants denied last year due to a cap on how many can be issued



O-1: Allows immigrants renowned, leading, or well-known in their field to work in the U.S.

O-1A Extraordinary ability in science, education, business or athletics

O-1B Extraordinary ability in the arts, motion pictures or television industry

* Outdated rules mean models compete with scientists for O-1As instead of applying for O-1Bs



68%

of survey participants have employees on an H-1B visa



23%

of survey participants have employees on an O-1 visa

ing category for artists, which better matches their experience. The supporting documentation and level of acclaim one must demonstrate to qualify for an O-1 visa is also a barrier for exceptionally talented graduating students, new designers, or newly discovered fashion models.

The U.S. also currently does not have a visa for entrepreneurs, making it nearly impossible for a foreign designer to start his or her own company in the U.S. unless he or she is a legal permanent resident or naturalized citizen.

Given the limited availability of H-1B visas, the difficulty in qualifying for an O-1 visa, and the lack of an entrepreneur visa, it stands to reason that 64% of survey respondents “agreed” or “strongly agreed” that uncertainty within the immigration system negatively impacted their ability to successfully recruit foreign talent and/or foreign students. Moreover, 43% of survey respondents indicated that they have been unable to hire the best candidate for a job because of complications with the visa system.

Survey participants agree access to foreign talent is limited. Participants indicated they:



Find it **very difficult** or **somewhat difficult** to hire a foreign worker.



Strongly agree or **agree** uncertainty with the immigration system has impacted their ability to recruit foreign talent and/or foreign students.



Agree additional resources are needed to help educate employers about how to navigate the current immigration system.

In addition to foreign talent graduating from design schools or being recruited from fashion houses abroad, foreign talent is also critical to clothing manufacturing in the U.S. One designer we spoke with said that the U.S. lags behind other countries when it comes to pattern making, and some of the best pattern makers in New York are undocumented. This anecdote supports findings from a 2015 report by Pew Research Center, which found that 20% of workers in U.S. clothing manufacturing are undocumented immigrants.¹

20%

of workers in U.S. clothing manufacturing are undocumented immigrants

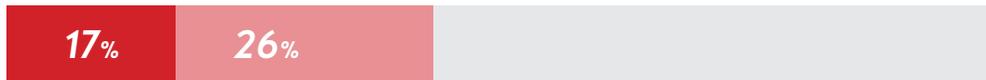


It is important to note that not a single respondent to the survey listed “cost” as the main factor when deciding to hire a foreign worker; rather, 82% of respondents listed “talent and skill” as the main factor. This further demonstrates the fashion industry’s acknowledgement of the critical role foreign talent and immigrants play in creating economic growth and success.

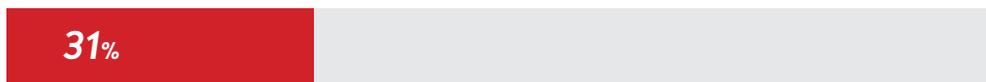
Survey participants have had trouble hiring the person they need. Participants indicated they:



Mainly consider **talent/skills** or **cultural fit** when choosing to hire a foreign worker.



Strongly agree or **agree** that they have been unable to hire the best candidate for a job because of complications with the visa system.



Agree that not being able to hire a foreign worker has hurt their business financially.

1 Passel, Jeffrey and Cohn, D’Vera. “Share of Unauthorized Immigrant Workers in Production, Construction Jobs Falls Since 2007.” Pew Research Center. 26 March 2015. <http://www.pewhispanic.org/2015/03/26/chapter-2-industries-of-unauthorized-immigrant-workers/>.

Difficult and Expensive

The application process to hire a foreign worker is complex and costly. Of respondents to the survey, 52% described the process of hiring a foreign workers as “somewhat difficult,” and 24% described the process as “very difficult.” More than 68% of respondents spent between \$5,000 and \$9,999 per employee on legal expenses related to the visa process and interactions with the immigration system. However, the remaining 32% spent upwards of \$10,000 per employee.

All of the respondents agreed that additional resources are needed to help educate employers about how to navigate the current immigration system. CFDA is committed to annually educating the fashion industry on changing regulations and processes. 91% of respondents agreed that additional resources are needed to help advise foreign graduating students who wish to work in the United States.

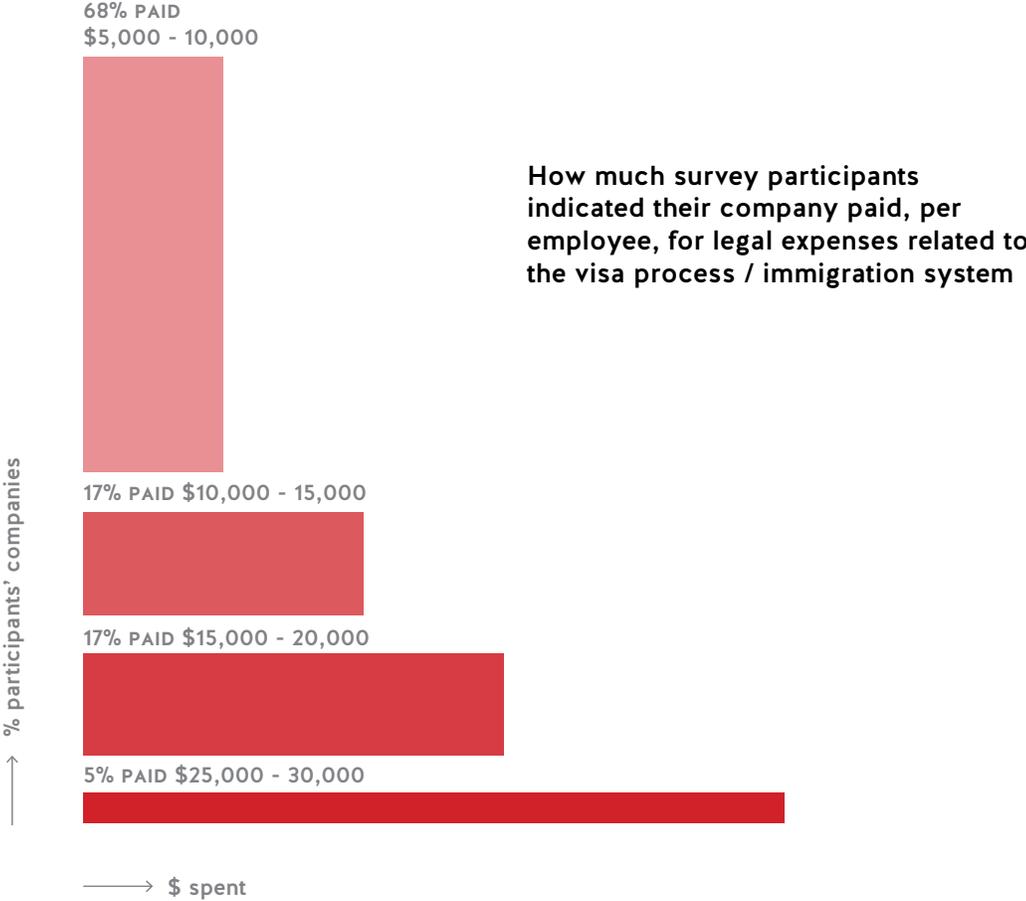




Photo by: Mac Shafer

CASE STUDIES

The below case studies summarize real-life examples of foreign design students navigating the immigration visa system from graduation to beginning their careers.

Case Study #1

Lucy is a young, talented designer residing in Brooklyn who immigrated from the U.K. in 2011. She attended Parsons School of Design at The New School. She works in a residency program for a top American women's clothing designer creating a sustainable line of recycled garments. Additionally, she designs healthwear for chronically or seriously ill patients who require catheters or ports to receive life-saving medications.

Lucy previously held a F-1 student visa and after graduation applied for and received OPT, allowing her to temporarily work in the U.S. for up to twelve months. She currently holds an O-1 visa, which is issued to individuals with extraordinary ability or achievement. She described the visa application process as “painful emotionally and financially, quite rigorous, daunting, unclear and complex.” She highlighted challenges with the timing requirements on the OPT application. As she understood the process, an applicant must “predict” his or her first date of employment when initially applying. In her words, if you list a premature date, “the clock starts ticking” on your allotted period to secure employment. If

“One year is not enough time for both employer and employee to put trust into an immigration form.”

you find employment sooner than your listed date, you are legally prohibited to start work, creating a financial burden for living expenses in the meantime and forcing the employer to delay projects and adjust business plans. Given her experience and the experiences of fellow design peers, Lucy would like to change the current immigration system to allow for two years (rather than one year) of OPT. She said, “One year is not enough [time] for both employer and employee to put trust into an immigration form.”

Lucy sees her work in the fashion industry as an outlet to change public perception. Her functional yet fashionable healthwear meets the needs of individuals with serious and/or chronic illness, concealing medical devices and offering wearers a sense of dignity and style during treatment. For her talent and vision, Lucy has received many notable awards, including Womenswear Designer of the Year for “Seated Design” (Parsons) and the William Randolph Hearst Award for “Accessible Design” (2014).

Case Study #2

Carmen is a New York City-based designer focusing on outerwear, sustainable design and technology innovations, who immigrated from Mexico in 2006. She worked as an au pair and then graduated with honors from the Parsons School of Design at The New School.

To demonstrate extraordinary ability requirements, Carmen had to develop a 300-page portfolio and solicit ten to fifteen letters of recommendation from fashion industry leaders.

Carmen currently holds an O-1 visa and works for a top American women’s clothing designer. She describes the visa application process as “very long, time consuming and extremely costly.” Out-of-pocket fees for her application process totaled nearly \$8,000. Before her OPT period ended, her current employer sponsored her for an H-1B visa; however, she wasn’t successful in the lottery. This left the O-1 visa as her “only option.” To demonstrate extraordinary ability requirements, Carmen had to develop a 300-page portfolio and solicit ten to fifteen letters of recommendation from fashion industry leaders. In her words, while the process came at significant personal expense, she considers herself “one of the lucky ones” because she was able to find a great job upon graduation and an employer willing to sponsor her.

Given her experience and the experiences of fellow design peers, Carmen would like to change the current immigration system by increasing the number of H-1B visas. She stressed the need for an easier, more accessible process for those who want to “...pay taxes, [live] in the USA legally, and most importantly, fulfill our dreams of working in a country that allows our creativity to be part of our daily job.”

Carmen sees her work in the fashion industry as an opportunity to contribute to environmental sustainability. She said, “I’ve contributed [by] implement[ing] a scalable and profitable model to convert second hand garments into new garments of the same or higher value...diverting thousands of clothing [pieces] from the landfill.” Her talent and vision have been featured in *Women’s Wear Daily* and *Seventeen* magazines.

“I’ve contributed by implementing a scalable and profitable model to convert second hand garments into new garments of the same or higher value, diverting thousands of clothing pieces from the landfill.”



Photo by: Mac Shafer

IMPACTS OF NEW IMMIGRATION POLICIES TO THE FASHION INDUSTRY (DISCUSSION)

The fashion industry cares deeply about immigration policy. From the first garment workers on the Lower East Side to the runways of Fashion Week, the fashion industry would not exist without immigrants and immigration. New York's fashion industry flourishes because of the new people, ideas, looks and voices that have always found a home in New York City. Recent policy changes restricting immigration and targeting undocumented immigrants are of great concern to the fashion industry and could present significant harm to the future growth and continued success of the industry.

The Travel Ban

In January 2017, the White House announced a ban that restricts immigration and travel to the United States for nationals of seven countries, including visitors and refugees. Following a court case, the White House issued a revised ban in March 2017 that restricts travel for nationals of six countries: Iran, Syria, Sudan, Yemen, Somalia and Libya. Heightened restrictions on immigration and travel to the United States are likely to have significant consequences for New York's fashion industry, as well as on tourism and higher education across the state.

In the wake of the first ban, NYC & Company, the City's official destination marketing organization, downgraded its tourism projections, predicting 300,000 fewer visitors this year than last year, resulting in estimated losses of \$600 million for city busi-

nesses that cater to tourists, like retail, restaurants, and hospitality.¹ According to NAFSA, an international education association, international students contributed \$32.8 billion and supported more than 400,000 jobs in the U.S. economy during the 2015-2016 academic year.² University administrators are worried that this immigration ban could result in a decline of international student applications by as much as 30% from 2016 levels in some programs, which could dramatically shrink the talent pool and hinder innovation (and ultimately domestic job creation) in the fashion industry.³

The Interior Enforcement memos

In January 2017, the White House issued an executive order facilitating the deportation of more than 11 million undocumented immigrants. On average, undocumented immigrants have lived in the United States for thirteen years.⁴ Under the new order, all undocumented immigrants are now considered a priority for deportation, whereas the previous administration sought to prioritize deporting violent criminals and national security threats. The new order removes enforcement priorities, placing an undocumented fashion designer or factory worker with a traffic ticket at equal risk for deportation as a violent criminal. The policy also expands a program that lets officials bypass due process protections such as court hearings in some deportation cases.

In addition to the moral harm in separating hardworking families, deporting the country's undocumented population would be disruptive and financially damaging for New York and the fashion industry.

Undocumented immigrants comprise 20% of all workers in U.S. clothing and manufacturing, and 4.2% of all workers in wholesale and retail trade.⁵ Deportation would cause a reduction in the fashion industry's workforce.⁶ Several studies have been conducted to examine the budgetary and economic implications of immediate and

1 Tuttle, Brad. "Trump Slump Could Mean Well Over \$10 Billion Per Year in Lost Tourism Revenues." TIME, 2 March 2017. <http://time.com/money/4687114/trump-slump-foreign-tourism-us-immigration-travel/>

2 "Trump's Travel Ban Could Hurt U.S. College Revenue." Reuters, 1 February 2017. <http://www.newsweek.com/donald-trump-travel-ban-college-tuitions-international-students-551442>

3 Mervis, Jeffrey. "Drop in foreign applicants worries U.S. engineering schools." Science, 14 February 2017. <http://www.sciencemag.org/news/2017/02/drop-foreign-applicants-worries-us-engineering-schools>

4 Krogstad, Jens Manuel, Passel, Jeffrey, and Cohn, D'Vera. "5 Facts About Illegal Immigration in the U.S." Pew Research Center. 3 November 2016. <http://www.pewresearch.org/fact-tank/2016/11/03/5-facts-about-illegal-immigration-in-the-u-s/>

5 Passel, Jeffrey and Cohn, D'Vera. "Share of Unauthorized Immigrant Workers in Production, Construction Jobs Falls Since 2007." Pew Research Center. 26 March 2015. <http://www.pewhispanic.org/2015/03/26/chapter-2-industries-of-unauthorized-immigrant-workers/>

6 Ibid.

full enforcement of current immigration law:

- The federal government would have to spend roughly \$400 billion to \$600 billion to deport the 11.3 million undocumented immigrants in the country unlawfully.¹
- New York State would have to pay \$49.2 billion to the federal government to support the deportation of roughly 600,000 undocumented New Yorkers.²
- New York City employment would decline by more than 340,000 jobs, more than both the 2001 and 2008 recessions.³

The impact of deportation on New York State



Undocumented New Yorkers collectively pay \$1.1 billion in city and state taxes per year, which would be lost if the undocumented population is deported.⁴

- 1 Gitis, Ben and Collins, Laura, “The Budgetary and Economic Costs of Addressing Unauthorized Immigration: Alternative Strategies.”. American Action Forum. 6 March 2015. <https://www.americanactionforum.org/research/the-budgetary-and-economic-costs-of-addressing-unauthorized-immigration-alt/>
- 2 Durkin, Erin. “Melissa Mark-Viverito: New York’s economy would lose hundreds of millions under Donald Trump’s immigration policy.” New York Daily News. 13 July 2016. <http://www.nydailynews.com/news/politics/donald-trump-immigration-plan-hurt-n-y-economy-article-1.2709042>
- 3 Ibid.
- 4 “The Road to Opportunity: Granting Driver’s Licenses to All New Yorkers.” New York City Comptroller: Scott M. Stringer, 31 January 20017. <https://comptroller.nyc.gov/reports/the-road-to-opportunity-granting-drivers-licenses-to-all-new-yorkers/>

In addition, these orders will create social and economic consequences simply by creating fear and panic, particularly for the undocumented community, which includes more than 5.1 million children – both U.S. citizens and noncitizens – who are living with an undocumented immigrant parent.¹ There are widespread reports of immigrants not showing up to work, not shopping, and not driving their kids to school out of fear of being detained.² If these trends continue, industries that rely on immigrants either as workers or consumers will struggle. As a broad example of economic reliance, for every 100 workers on an H-1B visa, an additional 183 jobs are created for native-born American workers.³

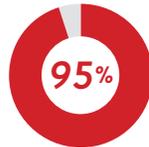
DACA RECIPIENTS IN THE U.S.

Academic achievement and employment

750
thousand young immigrants living in the U.S. who have **Deferred Action for Childhood Arrivals (DACA)**



amount of DACA recipients who are **employed**



amount of DACA recipients who are **either working or in school**

Fighting for Dreamers

Protecting young undocumented immigrants who came to the U.S. as children from deportation and allowing them to continue to legally work in the U.S. will prevent significant disruption to the U.S. workforce. Two pieces of legislation aim to achieve

1 Capps,Randy, Fix,Michael, and Zong, Jie “A Profile of U.S. Children with Unauthorized Immigrant Parents.” Migration Policy Institute. January 2016. <http://www.migrationpolicy.org/research/profile-us-children-unauthorized-immigrant-parents>

2 Yee, Vivian. “Immigrants Hide, Fearing Capture on ‘Any Corner.’” The New York Times, 22 February 2017. <https://www.nytimes.com/2017/02/22/us/immigrants-deportation-fears.html>

3 “The H1-B Employment Effect.” Partnership for a New American Economy, 1 April 2015. http://www.renewoureconomy.org/wp-content/uploads/2015/04/H1B_Effect.pdf

this: the Bar Removal of Individuals who Dream and Grow our Economy (BRIDGE) Act and the Recognizing America's Children (RAC) Act. The BRIDGE Act would ensure that young people who qualified for the Department of Homeland Security's Deferred Action for Childhood Arrivals (DACA) program under President Obama can continue to work, study and be protected from deportation for a period of three years. The RAC Act allows hardworking young immigrants who arrived in the U.S. prior to 2010 as minors to adjust their status if they can meet certain educational or military requirements and pass a background check.

There are more than 740,000 young immigrants who have DACA, and for those of them who work in the fashion industry or are enrolled in design schools, their future is uncertain. Nearly 90% of DACA recipients (about 700,000 people) are employed and roughly 95% are either working or in school.¹

If President Trump repeals DACA before Congress passes legislation to provide long-term protection for these individuals, DACA recipients will no longer be able to work and will be immediately subject to deportation. Removal of these young people from the workforce in a single day would cost the United States \$433.4 billion in GDP loss over a decade. It's also important to note that 6% of DACA recipients have launched businesses that employ native-born American citizens, which is double the entrepreneurship rate of the American public.² Without work authorization, those businesses would be forced to shutter, sending American workers to the unemployment rolls, and halting tax and economic contributions.

1 Wong, Tom, Richter, Kelly, Rodriguez, Ignacia and Wolgin, Phillip. "Results from a Nationwide Survey of DACA Recipients Illustrate the Program's Impact." Center for American Progress. 9 July 2015. <https://www.americanprogress.org/issues/immigration/news/2015/07/09/117054/results-from-a-nationwide-survey-of-daca-recipients-illustrate-the-programs-impact/>

2 Morrissey, Kate. "Study finds positive economic impact from deferred action program." San Diego Tribune, 18 October 2016. <http://www.sandiegouniontribune.com/news/immigration/sd-me-daca-study-20161018-story.html>



RECOMMENDATIONS

These findings support the need to reform and modernize the U.S. immigration system. The current immigration visa system was designed more than fifty years ago and has not been updated in nearly a quarter century. Based on this research, we suggest certain commonsense reforms to the immigration system that will make it easier for the fashion industry to attract, hire and retain talent. We believe these reforms will encourage entrepreneurship, create more American jobs, strengthen the American middle class and grow the United States' economy.

- **Retain foreign students:** Study and consider expanding the definition of the STEM exception under OPT (Optional Practical Training) to include the fields of fashion design and fashion tech, majors that involve research, innovation, development of new technologies using engineering, mathematics, computer science, or natural sciences but are excluded from the STEM extension.
- **Improve access to foreign talent:** Increase the number of H-1B visas offered, expand the definition of and reform the O-1 visa to suit the specialized needs of the fashion industry, create an entrepreneur visa, and provide more resources on navigating the immigration system to companies hiring foreign talent.
- **Provide a pathway for the undocumented community:** Create a pathway to legalization and/or citizenship for undocumented immigrants, which would include many seamstresses, tailors, and garment workers.

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Sophie Marx, Director of Events & Special Projects, CFDA
Kristine Keller, Senior Manager of Strategic Partnerships, CFDA

CFDA and FWD.us also recognize the important contributions to this report made by: Lisa Smilor, Executive Vice President, CFDA; Marc Karimzadeh, Editorial and Communications Director, CFDA; Leigh King, Senior Associate of Events & Special Projects, CFDA; Andrew Moriarty, Battleground Organizing Director, FWD.us; Jennifer Barin, Organizing Coordinator, FWD.us; Latina Vidolova, Media Producer, FWD.us; Peter Boogaard, Communications Director, FWD.us; Leezia Dhalla, Communications Associate, FWD.us; and Jen Martin, National Organizing Director, FWD.us.

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Appendix A

CFDA x FWD.us

Immigration Survey Results

Summary of Results

Total Responses: 60

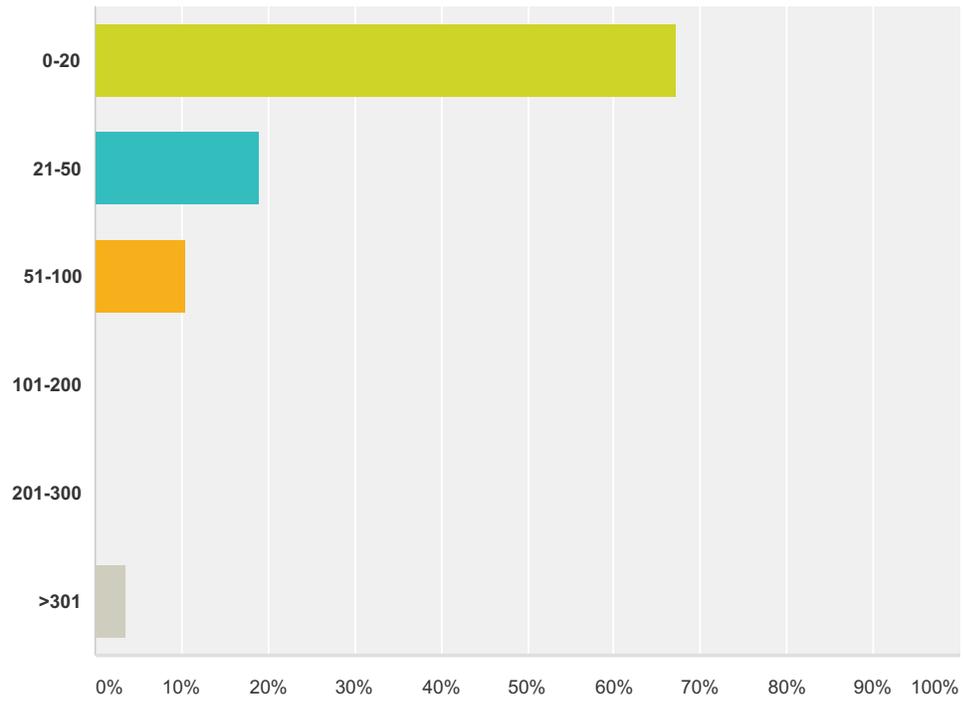
- About 78% of respondents are located in New York (Q 2).
- About 97% of respondents are headquartered in the US (Q 3).
- Foreign talent is very important to 48% of respondents (Q 5).
- 82% of respondents hire foreign workers for their talent/skills (Q 16).
- 60% of respondents need foreign workers for the design function of their company (Q 7).
- 45% of respondents have found it difficult to hire foreign workers because they are uneducated about the immigration system (Q 15).

Top concerns with the existing immigration system are:

- Lack of access to top talent
- The inability for current employees to stay in the US
- High costs
- Difficult/complicated process

Q1 Number of employees:

Answered: 58 Skipped: 2



Answer Choices	Responses	Count
0-20	67.24%	39
21-50	18.97%	11
51-100	10.34%	6
101-200	0.00%	0
201-300	0.00%	0
>301	3.45%	2
Total		58

Q2 Location(s) of office(s):

Answered: 60 Skipped: 0

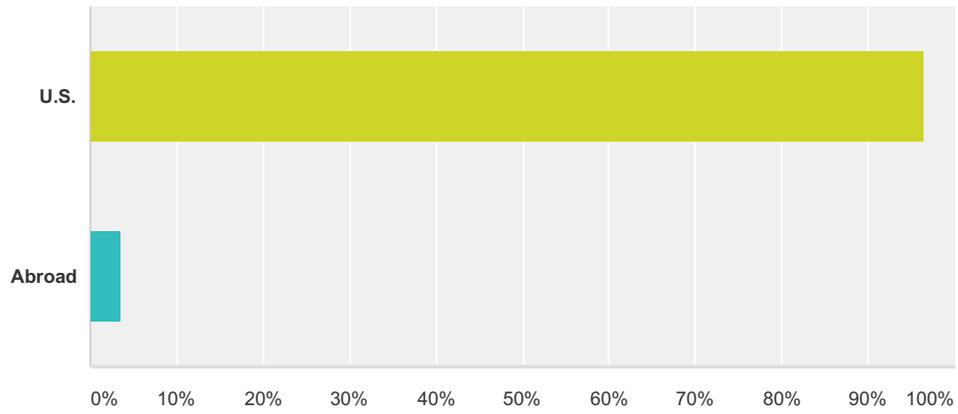
#	Responses	Date
1	New York	2/15/2017 3:04 PM
2	New York	2/14/2017 10:20 AM
3	NY	2/13/2017 12:46 PM
4	fdsf	2/10/2017 10:40 AM
5	NYC, Japan, China	2/9/2017 1:25 PM
6	151 West 19th street, 12th floor NY, NY 10011	2/9/2017 10:55 AM
7	New York City, Flatiron District	2/7/2017 3:08 PM
8	Brooklyn, NY	2/7/2017 3:08 PM
9	2	2/7/2017 1:08 PM
10	NYC	2/7/2017 1:01 PM
11	New York City	2/7/2017 11:51 AM
12	New York City	2/7/2017 11:23 AM
13	Manhattan	2/7/2017 11:12 AM
14	Soho, NYC	2/7/2017 6:53 AM
15	USA India	2/7/2017 5:29 AM
16	Manhattan 7th and 27th	2/7/2017 5:00 AM
17	Ny, LA	2/7/2017 3:45 AM
18	New Jersey New York City Ft Lauderdale	2/6/2017 10:05 PM
19	Los Angeles	2/6/2017 9:45 PM
20	Noho	2/6/2017 9:11 PM
21	Texas	2/6/2017 8:48 PM
22	nyc	2/6/2017 8:15 PM
23	los angeles, new york	2/6/2017 7:11 PM
24	Miami	2/6/2017 7:09 PM
25	225 West 35 th New York NY 10001	2/6/2017 6:47 PM
26	NYC	2/6/2017 6:10 PM
27	Westchester	2/6/2017 5:58 PM
28	Lower East Side, NYC	2/6/2017 5:49 PM
29	New York, NY	2/6/2017 5:45 PM
30	NYC	2/6/2017 5:43 PM
31	New York	2/6/2017 5:40 PM
32	Mexico and the USA	2/6/2017 5:40 PM
33	2	2/6/2017 5:39 PM
34	Vancouver CA	2/6/2017 5:37 PM
35	Florence, Alabama	2/6/2017 5:36 PM

36	New York City	2/6/2017 5:29 PM
37	7 Bond street. NYC NY 10012	2/6/2017 5:23 PM
38	NYC	2/6/2017 5:20 PM
39	New York, NY	2/6/2017 5:18 PM
40	New York	2/6/2017 5:16 PM
41	251 West 39th Street New York, NY 10018 (Garment District, Manhattan)	2/6/2017 5:12 PM
42	Tribeca, New York	2/6/2017 5:09 PM
43	new york	2/6/2017 5:07 PM
44	New York city	2/6/2017 5:06 PM
45	new york	2/6/2017 5:03 PM
46	Spring Lake, NJ	2/6/2017 5:01 PM
47	New York City	2/6/2017 4:58 PM
48	Greenpoint, bk	2/6/2017 4:57 PM
49	New York (Manhattan) , NY Bergen , NJ	2/6/2017 4:56 PM
50	New York	2/6/2017 4:55 PM
51	los angles california	2/6/2017 4:53 PM
52	New York, NY	2/6/2017 4:53 PM
53	New York city	2/6/2017 4:51 PM
54	New york	2/6/2017 4:51 PM
55	Nyc	2/6/2017 4:51 PM
56	28 Marcy Avenue, Brooklyn NYC 11211	2/6/2017 4:51 PM
57	NYC	2/6/2017 4:24 PM
58	nyc	2/6/2017 2:48 PM
59	New York	2/6/2017 1:12 PM
60	asdg	2/6/2017 1:07 PM

About 78% are located in New York.

Q3 Where are you headquartered?

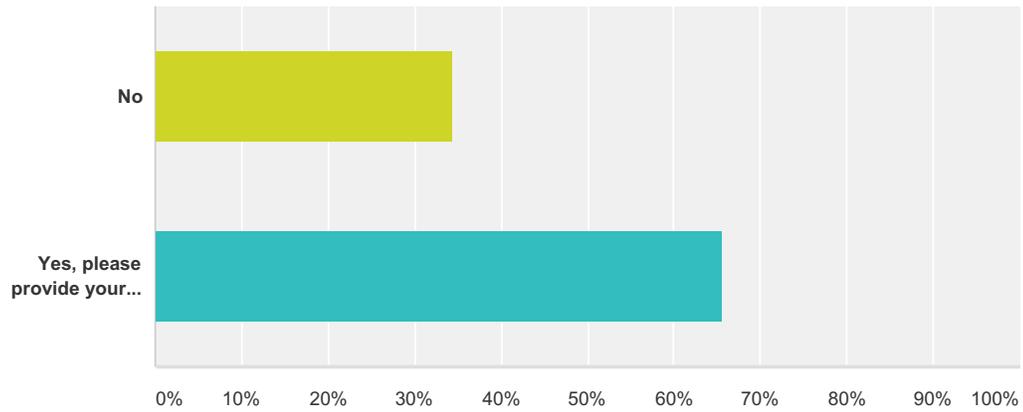
Answered: 58 Skipped: 2



Answer Choices	Responses
U.S.	96.55% 56
Abroad	3.45% 2
Total	58

Q4 Can we follow up with you for comment?

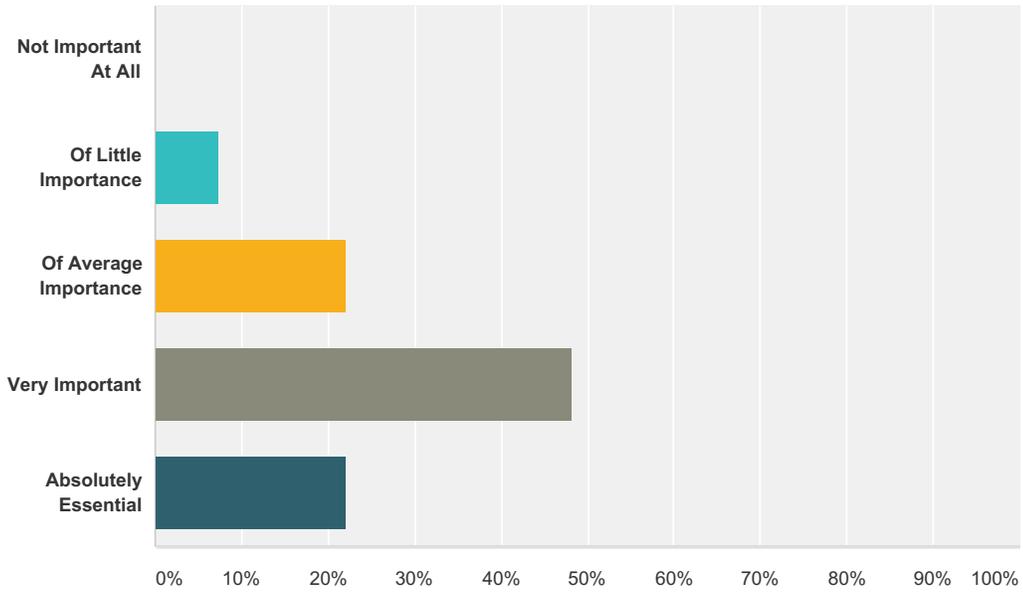
Answered: 58 Skipped: 2



Answer Choices	Responses	
No	34.48%	20
Yes, please provide your email:	65.52%	38
Total		58

Q5 How important is foreign talent to the success and growth of your business?

Answered: 27 Skipped: 33



Answer Choices	Responses
Not Important At All	0.00% 0
Of Little Importance	7.41% 2
Of Average Importance	22.22% 6
Very Important	48.15% 13
Absolutely Essential	22.22% 6
Total	27

Q6 What is your top concern(s) with our existing immigration system as it relates to your company and industry?

Answered: 23 Skipped: 37

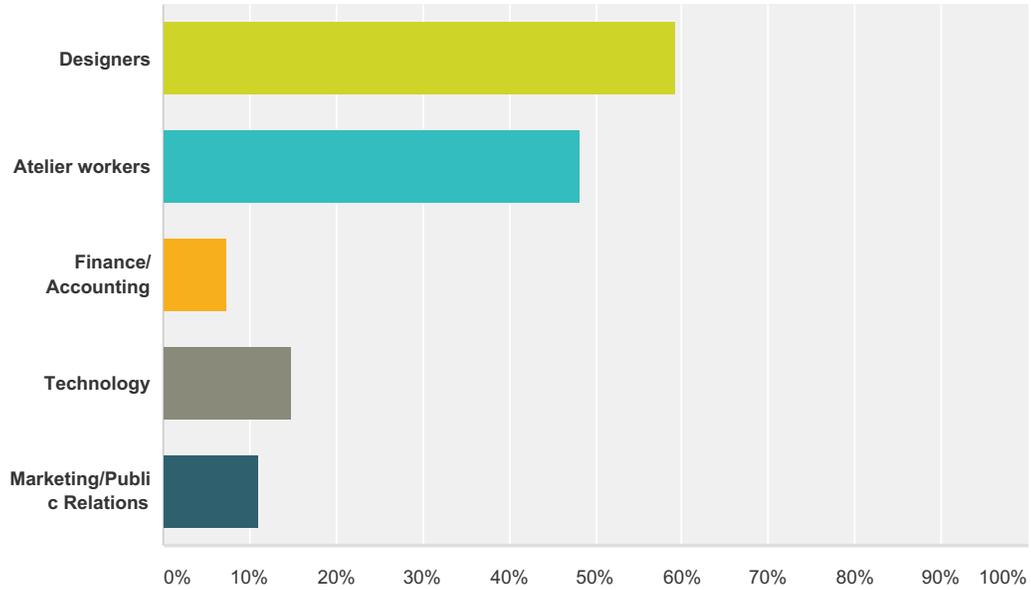
#	Responses	Date
1	being unable to hire full-time international talents	2/15/2017 3:07 PM
2	Keeping production employees	2/13/2017 12:48 PM
3	Diversity is a core value and we always hire people of different nationalities.	2/9/2017 1:33 PM
4	one of my employees is living here on an h1b visa sponsored by me	2/9/2017 11:02 AM
5	With excellent international candidates, my top concerns are difficulties processing visas, unnecessarily long wait times for people to get visa confirmation and reissuing, and unnecessary legal fees associated with visa obtaining are all a nuisance and deter from business as usual.	2/7/2017 3:15 PM
6	We produce in LA, and there are Mexican immigrants working at nearly every one of our suppliers, if not all of them.	2/7/2017 3:10 PM
7	Will be less skilled workers available.	2/7/2017 11:55 AM
8	Hard to retain people when their O1 (?) visa runs out	2/7/2017 9:47 AM
9	none. personally however the trump administration's actions are repugnant and anti-american.	2/7/2017 6:57 AM
10	Getting the best faculty and student body	2/7/2017 5:05 AM
11	how to retain good talent in the US to produce goods here and keep the cost affordable	2/6/2017 7:12 PM
12	People leaving the country for a visit and then unable to return.	2/6/2017 6:52 PM
13	-It hinders talent from abroad being integrated into USA / CA -Talent has to be more mature to reach credentials for visa and to prove they cannot be found in US / CA - Cost - Time	2/6/2017 5:46 PM
14	I have Mexicans on working visas in the US and the reverse - Americans with working visas in MX. I am also concerned about bringing product back and forth.	2/6/2017 5:44 PM
15	it is already hard to	2/6/2017 5:41 PM
16	It doesn't effect our company directly but it does effect how American companies are views in the international market and that is very upsetting.	2/6/2017 5:39 PM
17	I have two designers on a work visa and I'm a green card holder. I'm concerned about how changes will impact their ability to stay in the country, as well as being able to hire future foreign talent.	2/6/2017 5:35 PM
18	We are giving a pass to illegal immigrants while many who follow the rules and pay taxes, are paying thousands in legal fees and spending years going through the process. One employee was closing in on her green card when her sponsor went out of business. We are now starting the process over, but it is a taxing process on the employer as well. She has been here for 13 years paying taxes and is a valuable member of our team, the city and the country. I wish it wasn't so difficult.	2/6/2017 5:23 PM
19	The existing immigration system makes it financially difficult to invest in younger talent, due to salary minimums that are higher than the industry's average as well as expensive visa lawyer fees. It is easier to justify hiring a foreign worker for a more senior position.	2/6/2017 5:20 PM
20	Customs increase, bans on products from certain countries entering. Traveling back and forth to certain places, tax increases on products.	2/6/2017 5:14 PM
21	That new talent will not be allowed to enter the US	2/6/2017 5:09 PM
22	delays and unpredictability of process	2/6/2017 5:01 PM
23	Worry that visas will more difficult to obtain with the current administration	2/6/2017 4:56 PM

Top concerns:

- Access to top talent
- Inability for current employees to stay in the US

Q7 Which functional areas at your company have the highest demand for foreign workers (select all that apply)?

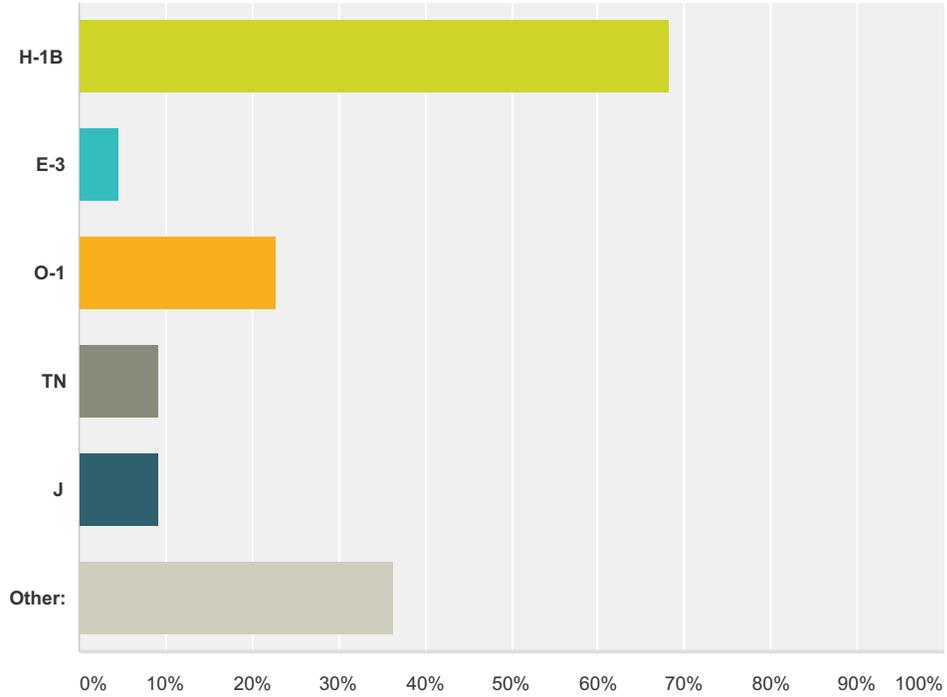
Answered: 27 Skipped: 33



Answer Choices	Responses
Designers	59.26% 16
Atelier workers	48.15% 13
Finance/ Accounting	7.41% 2
Technology	14.81% 4
Marketing/Public Relations	11.11% 3
Total Respondents: 27	

Q8 Which of the following employment based visas do you utilize (select all that apply):

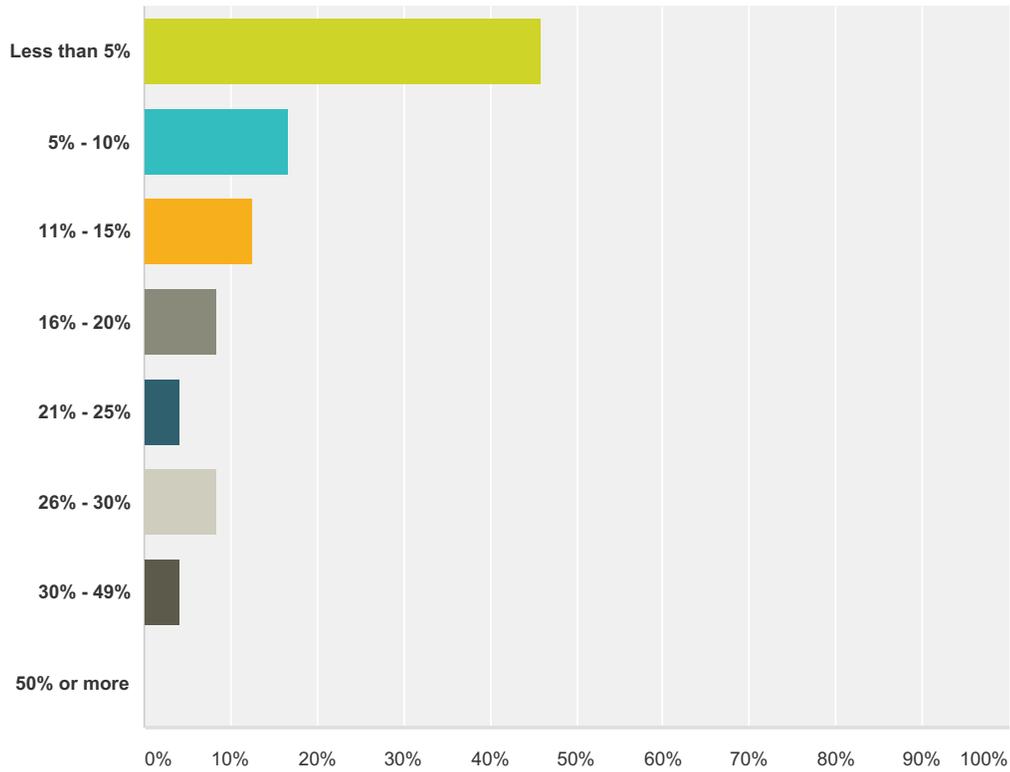
Answered: 22 Skipped: 38



Answer Choices	Responses
H-1B	68.18% 15
E-3	4.55% 1
O-1	22.73% 5
TN	9.09% 2
J	9.09% 2
Other:	36.36% 8
Total Respondents: 22	

Q9 Which answer best describes the percentage of employees at your company currently utilizing an employment based visa?

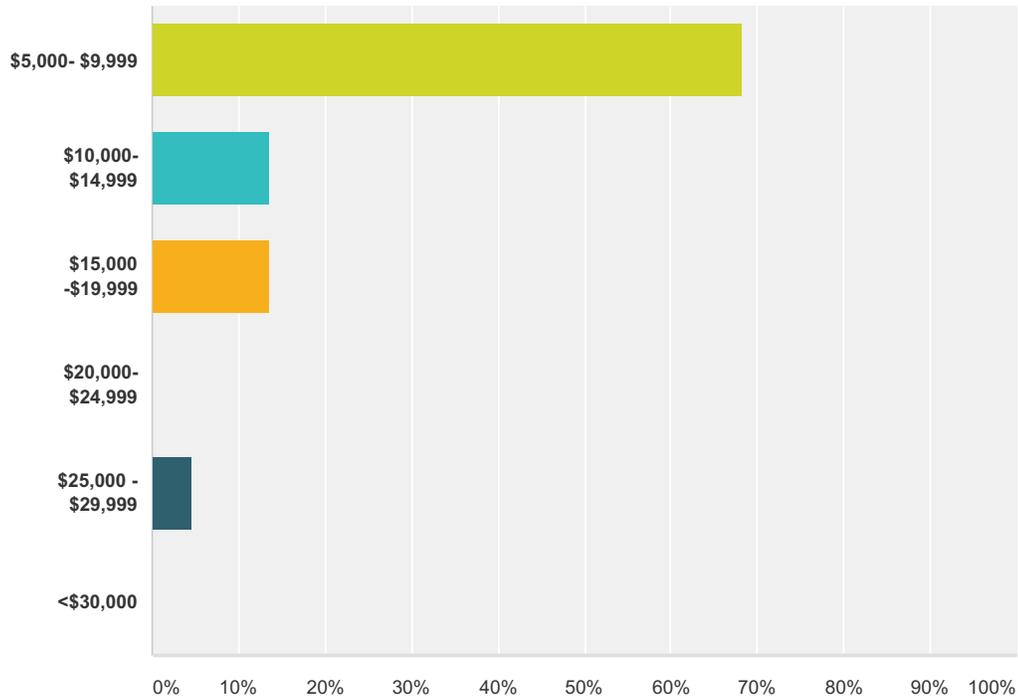
Answered: 24 Skipped: 36



Answer Choices	Responses
Less than 5%	45.83% 11
5% - 10%	16.67% 4
11% - 15%	12.50% 3
16% - 20%	8.33% 2
21% - 25%	4.17% 1
26% - 30%	8.33% 2
30% - 49%	4.17% 1
50% or more	0.00% 0
Total	24

Q10 How much does your company typically spend on legal expenses related to the visa process and interaction with the immigration system per employee?

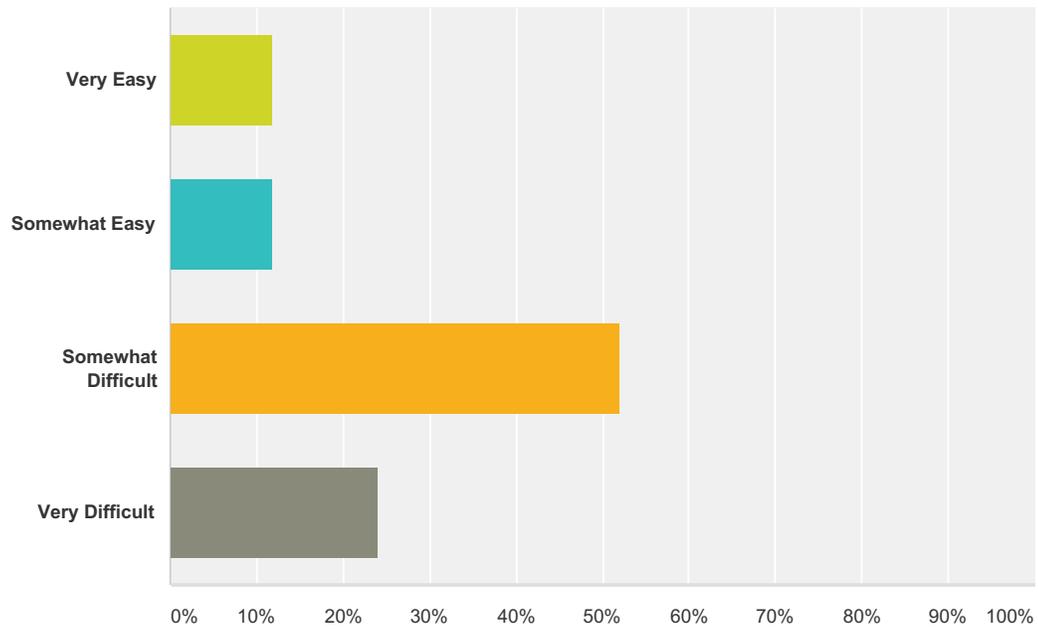
Answered: 22 Skipped: 38



Answer Choices	Responses	Count
\$5,000 - \$9,999	68.18%	15
\$10,000 - \$14,999	13.64%	3
\$15,000 - \$19,999	13.64%	3
\$20,000 - \$24,999	0.00%	0
\$25,000 - \$29,999	4.55%	1
<\$30,000	0.00%	0
Total		22

Q11 Overall, how would you rate the ease or difficulty of hiring a foreign worker?

Answered: 25 Skipped: 35



Answer Choices	Responses
Very Easy	12.00% 3
Somewhat Easy	12.00% 3
Somewhat Difficult	52.00% 13
Very Difficult	24.00% 6
Total	25

Q12 What is the total annual percentage of time spent by your human resources department and related employees on the visa process?

Answered: 18 Skipped: 42

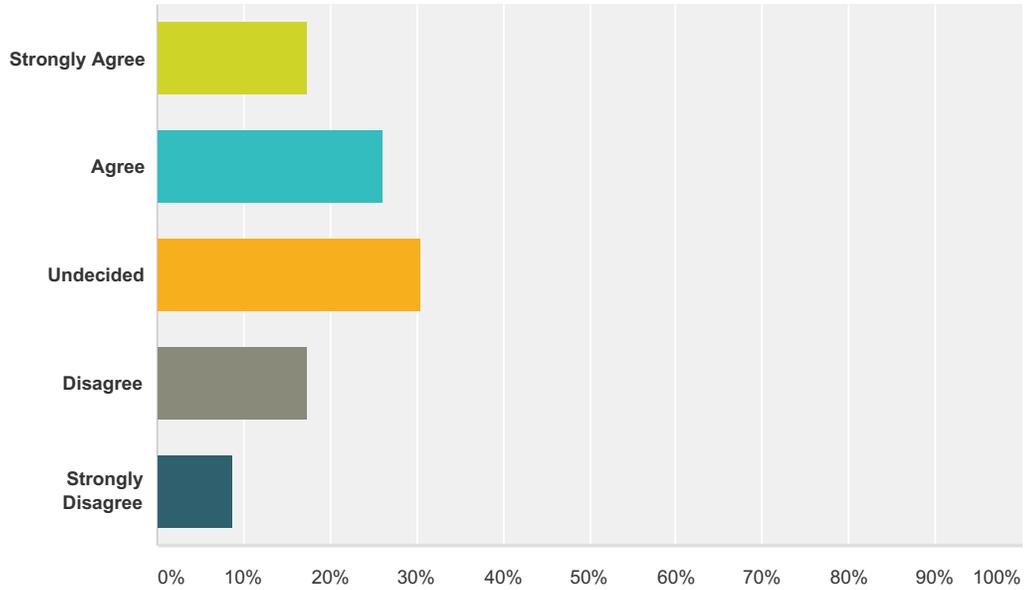
#	Responses	Date
1	15%	2/15/2017 3:07 PM
2	5%	2/9/2017 1:33 PM
3	20%	2/9/2017 11:02 AM
4	15% of time annually	2/7/2017 3:15 PM
5	N/A	2/7/2017 11:55 AM
6	\$0	2/7/2017 6:57 AM
7	2%	2/6/2017 6:52 PM
8	Tbd	2/6/2017 5:46 PM
9	10-20 hours	2/6/2017 5:44 PM
10	Less than 10 hours	2/6/2017 5:39 PM
11	5%?	2/6/2017 5:35 PM
12	Negligible!	2/6/2017 5:20 PM
13	20%	2/6/2017 5:18 PM
14	I do not have employees on visas	2/6/2017 5:14 PM
15	very little	2/6/2017 5:09 PM
16	2%	2/6/2017 5:09 PM
17	5%	2/6/2017 5:01 PM
18	Not much	2/6/2017 4:56 PM

Overall consensus:

- Not much time is spent on the visa process.

Q13 I have been unable to hire the best candidate for a job because of complications with the visa system.

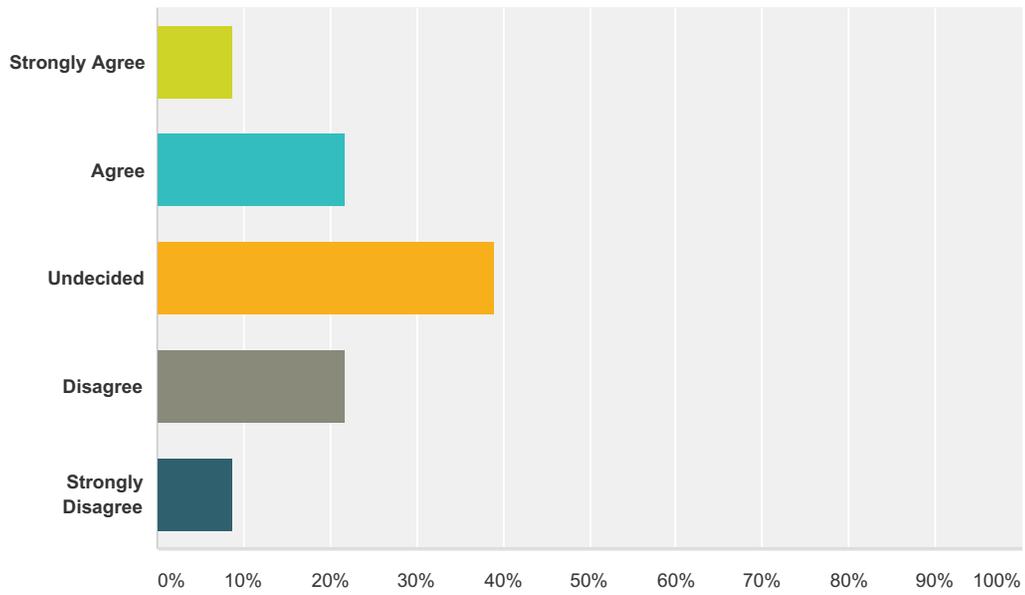
Answered: 23 Skipped: 37



Answer Choices	Responses	
Strongly Agree	17.39%	4
Agree	26.09%	6
Undecided	30.43%	7
Disagree	17.39%	4
Strongly Disagree	8.70%	2
Total		23

Q14 Not being able to hire a foreign worker has hurt my business financially.

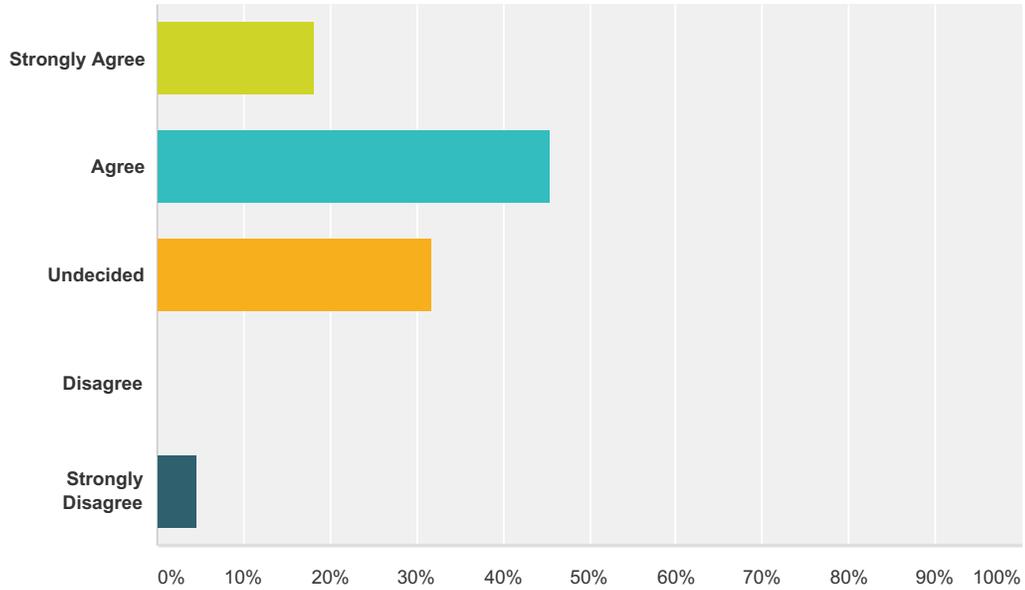
Answered: 23 Skipped: 37



Answer Choices	Responses
Strongly Agree	8.70% 2
Agree	21.74% 5
Undecided	39.13% 9
Disagree	21.74% 5
Strongly Disagree	8.70% 2
Total	23

Q15 Uncertainty with the immigration system has impacted my ability to recruit foreign talent and/or foreign students.

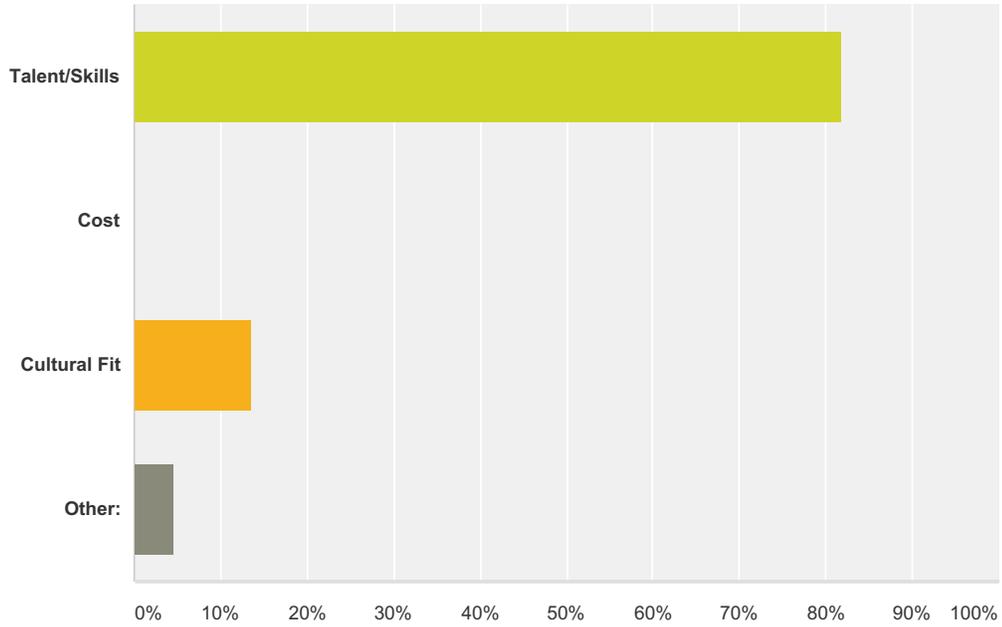
Answered: 22 Skipped: 38



Answer Choices	Responses	Count
Strongly Agree	18.18%	4
Agree	45.45%	10
Undecided	31.82%	7
Disagree	0.00%	0
Strongly Disagree	4.55%	1
Total		22

Q16 What is the main factor that you consider when deciding to hire a foreign worker?

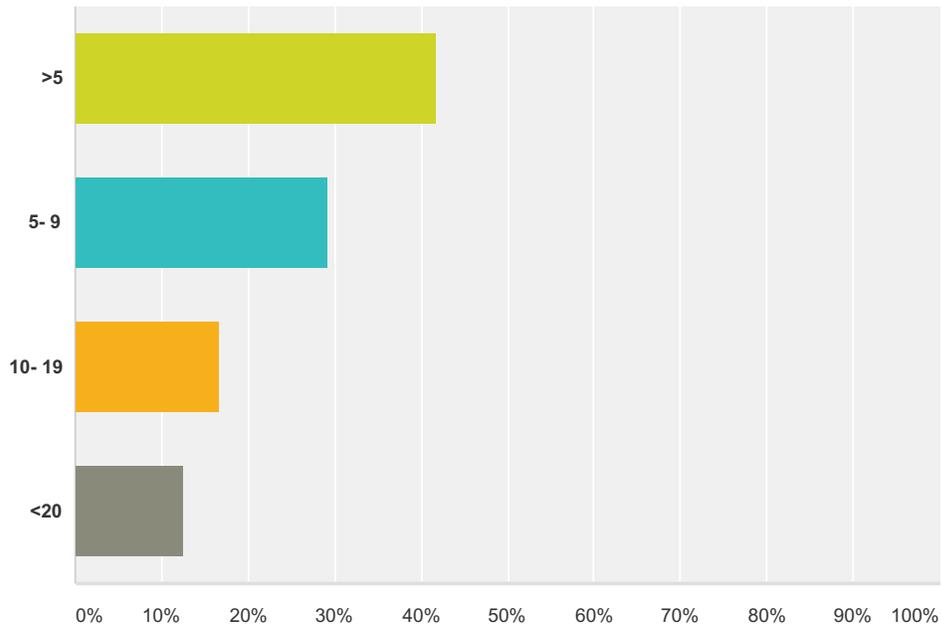
Answered: 22 Skipped: 38



Answer Choices	Responses
Talent/Skills	81.82% 18
Cost	0.00% 0
Cultural Fit	13.64% 3
Other:	4.55% 1
Total	22

Q17 How many jobs are created around one domestic photo shoot? (i.e. a foreign or domestic model in a U.S. photo shoot or ad campaign requires hiring: photographer, makeup artist, set designer, digital team, marketing team, public relations team. etc. Please define “jobs created” as someone hired for the shoot outside of your company.)

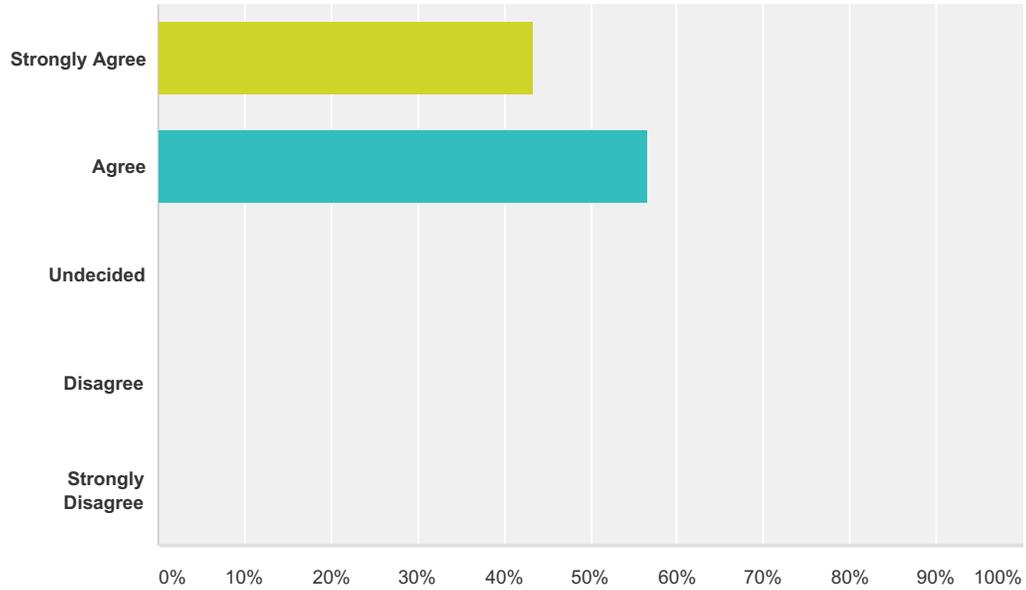
Answered: 24 Skipped: 36



Answer Choices	Responses
>5	41.67% 10
5- 9	29.17% 7
10- 19	16.67% 4
<20	12.50% 3
Total	24

Q18 Additional resources are needed to help educate employers about how to navigate the current immigration system.

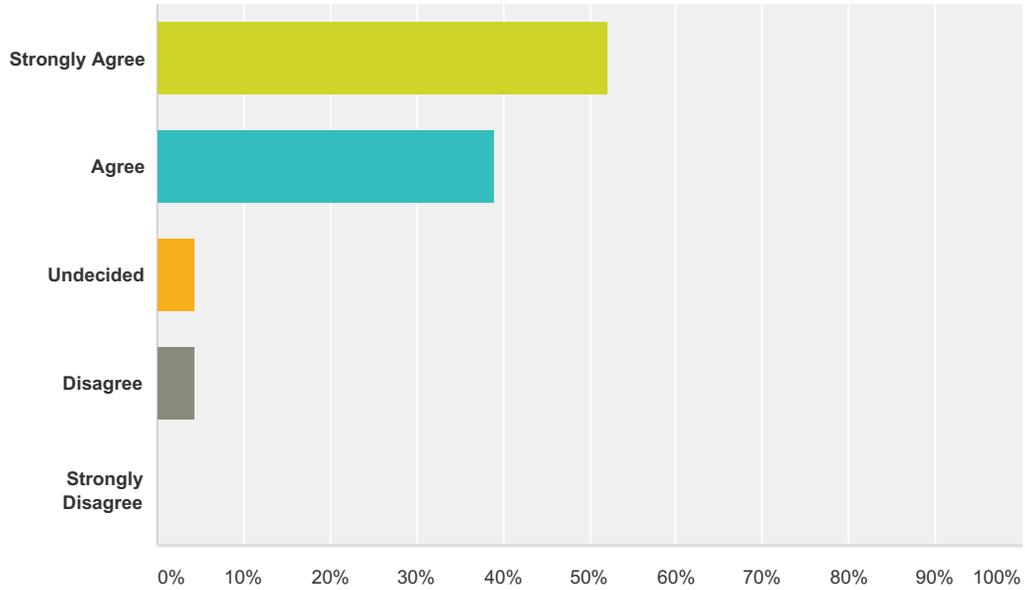
Answered: 23 Skipped: 37



Answer Choices	Responses	
Strongly Agree	43.48%	10
Agree	56.52%	13
Undecided	0.00%	0
Disagree	0.00%	0
Strongly Disagree	0.00%	0
Total		23

Q19 Additional resources are needed to help advise foreign graduating students who wish to work in the United States.

Answered: 23 Skipped: 37



Answer Choices	Responses	
Strongly Agree	52.17%	12
Agree	39.13%	9
Undecided	4.35%	1
Disagree	4.35%	1
Strongly Disagree	0.00%	0
Total		23

Q20 What are the top two changes or reforms to the immigration system you would most like to see? Please specifically include reforms to H-1B visas, if applicable.

Answered: 14 Skipped: 46

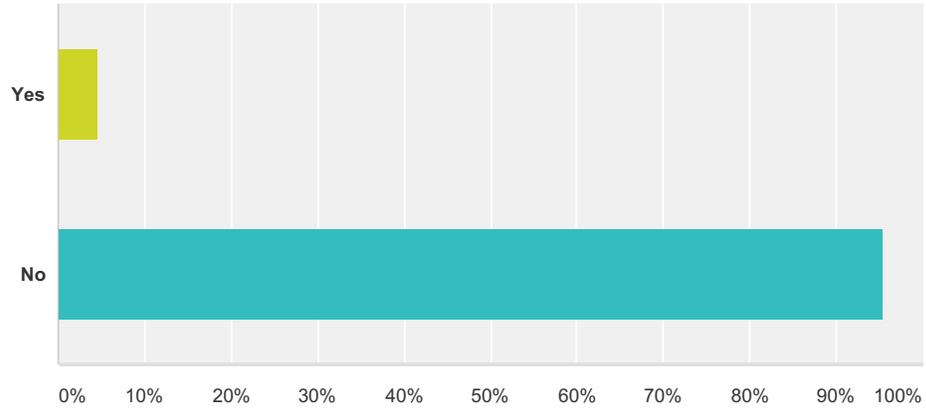
#	Responses	Date
1	An higher number of H-1B visas available	2/15/2017 3:07 PM
2	Easier H-1B visas	2/13/2017 12:48 PM
3	it would be great if there was something a bit cheaper for employers - especially for kids right out of school. there are tons of great parsons and fit students who are here on opt status for 6-12 months after graduation, but it is very unclear what is the right thing to do in terms of how to pay them, etc. and then costly to sponsor them.	2/9/2017 11:02 AM
4	Greater timeliness in processing applications, lower fee requirements, change the need for applicants to have to leave the US to renew or apply for a visa. Let them do it while in the US.	2/7/2017 3:15 PM
5	N/A	2/7/2017 11:55 AM
6	O1B experts in Fashion are the kind of individual I would like teaching on my program however they are unable to unless they are O1B experts in teaching.	2/7/2017 5:05 AM
7	- speed - flexibility	2/6/2017 5:46 PM
8	The uncertainty of going into a pool thousands when only a few hundred will be selected.	2/6/2017 5:44 PM
9	If H1-B changes to have a very high salary requirement, it will inhibit younger designers and talent to be hired in the US. Only very senior roles would be filled.	2/6/2017 5:35 PM
10	The top two changes or reforms to the immigration system we would most like to see are: 1. Faster visa processing times. 2. The elimination of the need for the employee to travel out of the country to obtain their visa at a Consulate abroad.	2/6/2017 5:20 PM
11	I have never hired a foreigner looking for a visa in the US. we do however employ people in other countries worldwide. I would say the biggest problem with students is they have no idea about the H1B process and the fact there is deadline and a cap put on the number that are given each year.	2/6/2017 5:14 PM
12	Delete quotas Avoid the necessity of using law firms	2/6/2017 5:01 PM
13	Cost of employer to sponsor employee Qualities to obtain visa	2/6/2017 4:56 PM
14	This is a hard question to answe	2/6/2017 1:13 PM

Top changes:

- Cost
- Ease of process

Q21 Have you, or someone you know in your industry, applied for OPT (Optional Practical Training) under the “STEM exception” (Science Technology Engineering Mathematics) as a designer?

Answered: 22 Skipped: 38



Answer Choices	Responses	
Yes	4.55%	1
No	95.45%	21
Total		22

