# KPMG GMS Flash Alert



Immigration Edition 2019-095 | May 24, 2019

# United States - President Announces Immigration Overhaul Plan

In a speech on May 16, 2019, U.S. President Donald Trump announced a broad outline of proposed immigration reforms.<sup>1</sup> Among the proposals in the U.S. president's plan to reform the U.S. immigration system are:

- building a border wall
- recruiting "top talent"; and
- creating the "Build America Visa."

President Trump's new immigration plan is touted to be the largest overhaul in American immigration policy in the last 54 years.

If implemented, the president's plan would place an emphasis on merit-based immigration and take steps to reduce family-based immigration to the United States, which would represent a notable departure from the current family-based focus.

Another objective, one which has been a long-standing wish of the president's, is improving physical border security.

#### WHY THIS MATTERS

Substantive details of the immigration plan have yet to be determined. However, the twin aims of the plan appear to be to reduce illegal immigration and facilitate the entry of workers who bring important skills that can meet the needs of American businesses and the economy.

There have been no studies done yet on the potential impact of these proposals on employers and workers coming into the United States.

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# More Details on Merit-Based Immigration Proposal

The president outlined his ideas for the introduction of a merit-based points system. Such a system would result in – it is estimated – increasing the proportion of highly-skilled immigration from 12 percent to 57 percent. Referencing the Canadian and Australian immigration programs as models to follow, President Trump plans to introduce a new points-based program and put in place the "Build America Visa," which would replace the current permanent residence visa system.

Under the proposed program, points would be awarded to permanent residence applicants on the basis of certain criteria including age, skills, and education level, offer of employment, job creation potential, and wage level.

Further, applicants would need to demonstrate English-language proficiency and pass an exam on American civics.

### KPMG LAW LLP NOTE

A potential consequence of a merit-based plan is a shift of control over the skilled-worker sponsorship process into the hands of the government and away from employers.

# **Other Proposals**

Other proposed reforms include:

(1) eliminating the diversity visa lottery, which offers permanent residence to citizens of countries with historically low rates of immigration to the United States;

(2) bolstering ports of entry to establish that all vehicles and people are properly screened;

(3) building a border wall in targeted locations; and

(4) overhauling the U.S. asylum system, with the aim of processing fewer applications.

The proposals do not include tackling the Deferred Action for Childhood Arrivals (DACA) program nor changing the current permanent resident visa quota.

# **Next Steps**

President Trump's announcement serves as an outlined plan of proposed changes to reform the U.S. immigration system. At this time it remains unclear, how and whether any of these proposals will be legislated.

KPMG Law LLP in Canada will continue to monitor these proposals, and will endeavor to keep GMS *Flash Alert* readers informed as developments occur

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#### FOOTNOTE:

1 To see the May 16, 2019 White House press releases and fact sheets, click here and here.

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#### **Contact us**

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