fiscal year as adjusted in accordance with the method set forth in paragraph (2); and

''(iii) 180,000 for any fiscal year; or''

(2) in paragraph (9), as renumbered by Section 405—

(A) by striking ''The annual numeric limitations described in clause (i) shall not exceed'' from subclause (ii) of subparagraph (B) and inserting the following: ''Without respect to the annual numeric limitation described in clause (i), the Secretary may issue a visa or otherwise grant nonimmigrant status pursuant to section 1101(a)(15)(H)(i)(b) in the following quantities:'';

(B) by striking subparagraphs (B)(iv); and

(C) by striking subparagraph (D).

(b) REQUIRING A DEGREE.—Paragraph (2) of section 214(i) of the Immigration and Nationality Act (8 U.S.C. 1184(i)) is amended—

(1) by deleting the comma at the end of subparagraph (A) and inserting in its place ''; and''; and

(2) by striking subparagraphs (B) and (C) and inserting the following:

''(B) attainment of a bachelor's or higher degree in the specific specialty from an educational institution in the United States accredited by nationally recognized accrediting agency or association (or an equivalent degree from foreign educational institution that is equivalent to such an institution) as a minimum for entry into the occupation in the United States.''

(c) PROVISION OF W–2 FORMS.—Section 214(g)(5) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(5)), as renumbered by Section 405, is amended to read as follows:

''(5) In the case of a nonimmigrant described in section 1101(a)(15)(H)(i)(b) of this title—

''(A) The period of authorized admission as such a nonimmigrant may not exceed six years; [Provided that, this provision shall not apply to such a nonimmigrant who has filed a petition for an immigrant visa under section 203(b)(1), if 365 days or more have elapsed since filing and it has not been denied, in which case the Secretary of Homeland Security may extend the stay of an alien in one-year increments until such time as a final decision is made on the alien's lawful permanent residence];

''(B) If the alien is granted an initial period of admission less than six years, any subsequent application for an extension of stay for such alien must include the Form W–2 Wage and Tax Statement filed by the employer for such employee, and such other form or information relating to such employment as the Secretary of Homeland Security may in his discretion specify, with respect to such nonimmigrant alien employee for the period of admission granted to the alien.

''(C) Notwithstanding section 6103 of title 26, United States Code, or any other law, the Commissioner of Internal Revenue or the Commissioner of the Social Security Administration shall upon request of the Scretary confirm whether the Form W–2 Wage and Tax Statement filed by the employer under clause (i) matches a Form W–2 Wage and Tax Statement filed with the Internal Revenue Service or the Social Security Administration, as the case may be.''

(d) EXTENSION OF H–1B STATUS FOR MERIT-BASED ADJUSTMENT APPLICANTS.—

(1) Section 214(g)(4) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(4)) is amended by inserting before the period:

''; Provided that, this provision shall not apply to such a nonimmigrant who has filed a petition for an immigrant visa accompanied by qualifying employer recommendation under section 203(b)(1), if 365 days or more have elapsed since filing and it has not been denied, in which case the Secretary of Homeland Security may extend the stay of an alien in one-year increments until such time as a final decision is made on the alien's lawful permanent residence.''

(2) Sections 106(a) and 106(b) of the American Competitiveness in the Twenty-First Century Act of 2000—Immigration Services and Infrastructure Improvements Act of 2000, Public Law 106–313, are hereby repealed.

SEC. 420. H–1B EMPLOYER REQUIREMENTS

(a) APPLICATION OF NONDISPLACEMENT AND GOOD FAITH RECRUITMENT REQUIREMENTS TO ALL H–1B EMPLOYERS—

(1) AMENDMENTS.—Section 212(n) of the Immigration and Nationality Act (8 U.S.C. 1182(n)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (E);

(I) in clause (i), by striking ''(E)(i) In the case of an application described in clause (ii), the'' and inserting ''(E) The''; ''and''

(II) by striking clause (ii);

(ii) in subparagraph (F), by striking 'In the case of' and all that follows through 'where—' and inserting the following: '[The employer will not place the nonimmigrant with another employer if—'; and

(iii) in subparagraph (G), by striking 'In the case of an application described in subparagraph (E)(ii), subject' and inserting 'Subject';

(B) in paragraph (2)—

(i) in subparagraph (E), by striking 'If an H–1B-dependent employer' and inserting 'If an employer that employs H–1B nonimmigrants'; and

(ii) in subparagraph (F), by striking 'The preceding sentence shall apply to an employer regardless of whether or not the employer is an H–1B-dependent employer.'; and

(C) by striking paragraph (3).

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to applications filed on or after the date of the enactment of this Act.

(b) NONDISPLACEMENT REQUIREMENT.—

(i) EXTENDING TIME PERIOD FOR NONDISPLACEMENT.—Section 212(n) of such Act, as amended by subsection (a), is further amended—

(A) in paragraph (1)—

(i) in subparagraph (E), by striking '90 days' each place it appears and inserting '180 days';

(ii) in subparagraph (F)(ii), by striking '90 days' each place it appears and inserting '180 days'; and

(B) in paragraph (2)(C)(iii), by striking '90 days' each place it appears and inserting '180 days'.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1)—

(A) shall apply to applications filed on or after the date of the enactment of this Act; and

(B) shall not apply to displacements for periods occurring more than 90 days before such date.

(c) H–1B Nonimmigrants Not Admitted for Jobs Advertised or Offered Only to H–1B Nonimmigrants—Section 212(n)(1) of such Act, as amended by this section, is further amended—

(1) by inserting after subparagraph (G) the following:

(H)(i) The employer has not advertised the available jobs specified in the application in an advertisement that states or indicates that—

'(I) the job or jobs are only available to persons who are or who may become H–1B nonimmigrants; or

'(II) persons who are or who may become H–1B nonimmigrants shall receive priority or a preference in the hiring process.

'(ii) The employer has not only recruited persons who are, or who may become, H–1B nonimmigrants to fill the job or jobs.'; and

(2) in the undesignated paragraph at the end, by striking 'The employer' and inserting the following:

'(K) The employer'.

(d) LIMIT ON PERCENTAGE OF H–1B EMPLOYEES—Section 212(n)(1) of such Act, as amended by this section, is further amended by inserting after subparagraph (H), as added by subsection (d)(1), the following:

'(1) If the employer employs not less than 50 employees in the United States, not more than 50 percent of such employees are H–1B nonimmigrants.'.

SEC. 421. H–1B GOVERNMENT AUTHORITY AND REQUIREMENTS.

(a) SAFEGUARDS AGAINST FRAUD AND MISREPRESENTATION IN APPLICATION REVIEW PROCESS.—Section 212(n)(1)(K) of the Immigration and Nationality Act, as redesignated by section 2(d)(2), is amended—

(1) by inserting ''and through the Department of Labor's website, without charge.'' after 'D.C.';

(2) by inserting 'clear indicators of fraud, misrepresentation of material fact,' after 'completeness';

(3) by striking 'or obviously inaccurate' and inserting ', presents clear indicators of fraud or misrepresentation of material fact, or is obviously inaccurate';

(4) by striking 'within days of' and inserting 'not later than 14 days after'; and

(5) by adding at the end the following: 'If the Secretary's review of an application identifies clear indicators of fraud or misrepresentation of material fact, the Secretary may conduct an investigation and hearing under paragraph (2).

(b) Investigations by Department of Labor—Section 212(n)(2) of such Act is amended—

(1) in subparagraph (A)—

(A) by striking '12 months' and inserting '24 months'; and

(B) by striking 'The Secretary shall conduct' and all that follows and inserting 'Upon the receipt of such a complaint, the Secretary may initiate an investigation to determine if such a failure or misrepresentation has occurred.';

(2) in subparagraph (C)(i)—

(A) by striking 'a condition of paragraph (1)(B), (1)(E), or (1)(F)' and inserting 'a condition under subparagraph (B), (C)(i), (E), (F), (H), (I), or (J) of paragraph (1)'; and

(B) by striking '(1)(C)' and inserting '(1)(C)(ii)';

(3) in subparagraph (G)—

(A) in clause (i), by striking 'if the Secretary' and all that follows and inserting 'with regard to the employer's compliance with the requirements of this subsection.';

(B) in clause (ii), by striking 'and whose identity' and all that follows through 'failure or failures.' and inserting 'the Secretary of Labor may conduct an investigation into the employer's compliance with the requirements of this subsection.';

(C) in clause (iii), by striking the last sentence;

(D) by striking clauses (iv) and (v);

(E) by redesignating clauses (vi), (vii), and (viii) as clauses (iv), (v), and (vi), respectively;

(F) in clause (iv), as redesignated, by striking ''meet a condition described in clause (ii), unless the Secretary of Labor receives the information not later than 12 months' and inserting ''comply with the requirements under this subsection, unless the Secretary of Labor receives the information not later than 24 months'';

(G) by amending clause (v), as redesignated, to read as follows:

''(v) The Secretary of Labor shall provide notice to an employer of the intent to conduct an investigation. The notice shall be provided in such a manner, and shall contain sufficient detail, to permit the employer to respond to the allegations before an investigation is commenced. The Secretary is not