

National Foundation for American Policy

November 2, 2022

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New Research: Expanding Work Authorization for H-1B Spouses Would Boost U.S. Economy

Spouses of H-1B Visa Holders Are Highly Educated, Half Have Graduate or STEM Degrees

Arlington, Va. – The United States can reap significant economic benefits, ease labor shortages, and attract more workers in the global competition for talent if it expanded current rules on work eligibility for the spouses of H-1B visa holders, according to a [new study](#) released by the National Foundation for American Policy (NFAP), a nonpartisan research organization. The study presents new estimates of the number and characteristics of the spouses of skilled temporary foreign workers in the United States and finds that most H-1B visa holders are married to another skilled professional, but only a fraction of their spouses are eligible to work. The study's author is Madeline Zavodny, a Research Fellow at the National Foundation for American Policy and a Professor of Economics at the University of North Florida (UNF) in Jacksonville. Zavodny was an economist in the research department of the Federal Reserve Bank of Atlanta and Federal Reserve Bank of Dallas.

The report, "H-4 Visa Holders: An Underutilized Source of Skilled Workers," can be found at <https://nfap.com/>.

Under a current Department of Homeland Security (DHS) regulation, the spouses of H-1B visa holders who are in the queue for a permanent visa can apply to work while they wait for their green card. While this regulation has benefited many spouses, their families, and the U.S. economy, it is much more restrictive than Canada's rule, which grants work authorization to all spouses of skilled workers. The DHS regulation, published in 2015, allows spouses who hold an H-4 (dependent) visa to apply for an employment authorization document (EAD) if their H-1B spouse has obtained an approved immigrant petition (I-140) or if their H-1B spouse is extending their status beyond the 6-year limit on an H-1B visa and their employer has filed an I-140 petition or permanent labor certification and a year has passed since the filing occurred.

A new, original analysis of data from the 2017 and 2019 National Survey of College Graduates in this report indicates that:

- Only 27 percent of married foreign-born adults who have at least a bachelor's degree and hold a temporary dependent visa are employed. Among those who are employed, almost 40 percent work in a science, technology, engineering, and mathematics (STEM) field.
- Those temporary dependent visa holders, many of whom hold an H-4 visa, are overwhelmingly female (90 percent) and predominately from India and China (67 percent and 6 percent, respectively). The majority have their highest degree in a STEM field (54 percent).
- The desire for H-1B spouses to work is evident in data that show a number of foreign-born spouses of H-1B visa holders secure their own visas separate from an H-4 EAD.

Analysis of data from the 2017-2019 American Community Survey on spouses of likely H-1B visa holders – noncitizens whose characteristics closely match those of H-1B visa holders – confirms that these spouses are highly educated, many of them in STEM fields:

- Almost 90 percent of spouses of likely H-1B visa holders have at least a bachelor's degree, and over half have a graduate degree.
- Almost half of spouses of likely H-1B visa holders who have a bachelor's degree had a STEM-related major.
- Among spouses of likely H-1B visa holders who are employed, 42 percent are working in a STEM field.

Since mid-2015, some dependent spouses of H-1B visa holders can apply for employment authorization. Over 171,000 H-4 visa holders have been approved for employment authorization since then. The popularity of this program among eligible dependent visa holders suggests that many spouses who hold an H-4 visa would like to work but are not currently allowed to do so. The NSCG and ACS data indicate that the vast majority of these spouses have at least a bachelor's degree, many of them in a STEM field. If allowed to work, these spouses would make considerable contributions to the U.S. labor market as most of them would enter occupations with very low unemployment rates and high job vacancy rates.

A policy change that allows all spouses of H-1B visa holders to work would have significant economic potential. Currently, H-4 spouses may only apply for an EAD after their H-1B spouse is in the queue for a permanent visa. That typically does not occur until the H-1B has worked in the United States for several years; indeed, some spouses may apply only after their H-1B spouse has worked in the United States for at least 6 years. It typically takes 6-8 months for employment authorization to actually be granted after an application is submitted. This long and uncertain wait motivates some H-4 spouses to find a job with an employer who will sponsor them for their own work visa. However, the H-4 spouse who wants to get an H-1B must first find an employer who is willing to bear the high application cost and uncertainty associated with the H-1B process and whose job generally matches the H-4 visa holder's education and skills. Once that hurdle has been cleared, the H-4 visa holder must be selected in the H-1B lottery, which only occurs once a year and has low odds of success (over 80 percent of H-1B registrations were not accepted in FY 2023 due to the annual limit).¹ After all of that, the job might not be the best match for the person's skills.

By contrast, H-4 spouses who have an EAD can work for any employer, which enables them to find a better match for their skills, to their own benefit and the benefit of the overall economy. And, of course, a policy change that allows all H-4 spouses to work would free up some scarce H-1B visas. Having an EAD also allows H-4 spouses to start their own businesses that will ultimately create jobs for others, which is an additional net gain for the overall economy.

Allowing all spouses of H-1B visa holders to work would bring that visa in line with several other categories of skilled temporary worker visas. Spouses of workers who hold an L-1 intracompany transferee visa, an E-1 treaty trader, an E-2 treaty investor, or E-3 specialty occupation worker from Australia visa are allowed to work. Indeed, spouses of those visa holders are "considered employment authorized incident to status" – their visa allows them to work and they do not need to apply separately for an EAD. Long delays in processing H-4 EADs have plagued U.S. Citizenship and Immigration Services (USCIS) and the spouses who need the approval to work.

Canada allows spouses of skilled temporary work visa holders to work, making it an attractive destination for dual-professional couples. The United States risks losing talented foreigners, particularly those married to other skilled professionals, to Canada. This already may be happening: "The number of Indians who became permanent residents in Canada increased by over 115%

¹ <https://www.uscis.gov/working-in-the-united-states/temporary-workers/h-1b-specialty-occupations-and-fashion-models/h-1b-electronic-registration-process>.

between 2016 and 2020 and 2021.”² In addition, the number of Indian students attending Canadian colleges and universities increased 182% between 2016 and 2019, while declining during the same period in graduate-level programs in science and engineering at U.S. universities.³ Granting employment authorization to all spouses of H-1B visa holders would encourage more skilled migrants to choose the United States. Research shows that the H-1B visa category boosts U.S. economic growth, creates jobs for American workers, and slows offshoring of high-paid jobs.⁴ Extending work eligibility to the spouses of H-1B visa holders would help the United States garner more of the economic benefits that skilled foreign workers create.

U.S. immigration policy largely ignores a readily available source of skilled foreign workers who are already present in the country: the spouses of H-1B visa holders. The spouses of H-1B visa holders tend to be highly educated, many of them in STEM fields. Allowing the spouses of H-1B visa holders to work upon arrival would help recruit and retain skilled workers and increase the already-considerable economic benefits of the H-1B visa category.

About the National Foundation for American Policy

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia focusing on trade, immigration and related issues. The Advisory Board members include Columbia University economist Jagdish Bhagwati, Ohio University economist Richard Vedder, Cornell Law School professor Stephen W. Yale-Loehr and former INS Commissioner James W. Ziglar. Over the past 24 months, NFAP’s research has been written about in the *Wall Street Journal*, the *New York Times*, the *Washington Post*, and other major media outlets. The organization’s reports can be found at www.nfap.com. Twitter: [@NFAPResearch](https://twitter.com/NFAPResearch)

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² *Analysis of U.S. and Canadian International Student Data*, NFAP Policy Brief, National Foundation for American Policy, March 2022, <https://nfap.com/research/new-nfap-policy-brief-analysis-of-u-s-and-canadian-international-student-data/>.

³ *Ibid.*

⁴ Madeline Zavodny, *The Impact of H-1B Visa Holders on the U.S. Workforce*, NFAP Policy Brief, National Foundation for American Policy, May 2020, <https://nfap.com/studies/the-impact-of-h-1b-visa-holders-on-the-u-s-workforce/>.