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H-1B PETITIONS AND DENIAL RATES IN FY 2023

EXECUTIVE SUMMARY

H-1B denial rates in FY 2023 remained low compared to the Trump years but ticked up from FY 2022, according to a new National Foundation for American Policy (NFAP) analysis. Only a few of the 25 companies with the most approved H-1B petitions for initial employment (petitions for new employees) experienced higher denial rates in FY 2023. Increased denials for approximately 200 medium-sized filers (10 to 100 H-1B applications) accounted for approximately two-thirds of the increased denial rate between FY 2022 and FY 2023, according to the analysis. The H-1B denial rate for initial employment was 3.5% in FY 2023, higher than the 2.2% rate in FY 2022 but much lower than the 24% rate in FY 2018 under Donald Trump. H-1B petitions for “initial” employment are primarily for new employment; for companies, they are typically a case that would count against the H-1B annual limit. H-1B temporary status remains often the only practical way for an international student or other high-skilled foreign national to work long term in the United States.

The 85,000 annual limit on new H-1B petitions for high-skilled foreign nationals is low, equaling 0.05% of the U.S. labor force, and remains the leading immigration problem for most tech companies. The low yearly and per-country limits for employment-based green cards also vex companies and foreign-born professionals. Employers have exceeded the U.S. limit on H-1B petitions every fiscal year for the past two decades. Without H-1B status, a foreign national would likely need to leave the United States and work in China, India, Canada or elsewhere. Due to a series of restrictive policy changes during the Trump administration later found unlawful, the denial rate for H-1B petitions for initial employment rose to 24% in FY 2018, 21% in FY 2019 and 13% in FY 2020, before a legal [settlement](#) in 2020 reduced denial rates below pre-Trump levels (4% in FY 2021 and 2.2% in FY 2022).

Table 1
Denial Rate for H-1B Petitions for Initial (New) Employment

FISCAL YEAR	DENIAL RATE
FY 2023	3.5%
FY 2022	2.2%
FY 2021	4%
FY 2020	13%
FY 2019	21%
FY 2018	24%
FY 2017	13%
FY 2016	10%
FY 2015	6%
FY 2014	8%
FY 2013	7%
FY 2012	5%
FY 2011	7%
FY 2010	8%
FY 2009	15%

Source: USCIS, National Foundation for American Policy. Percentages before FY 2022 are rounded off. Data extracted and analyzed from USCIS H-1B Employer Data Hub.

H-1B Petitions and Denial Rates in FY 2023

The findings in the analysis include:

- The denial rate for H-1B petitions for initial employment (new H-1B petitions that count against the annual cap) rose to 3.5% in FY 2023 from 2.2% in FY 2022. An NFAP analysis found almost two-thirds of the higher denial rate can be attributed to companies with more than 10 H-1B applications and a greater than 10% denial rate. Few of the top 25 companies with the most approved new H-1B (initial) petitions in FY 2023 had higher denial rates.
- Examining FY 2022 and FY 2023, NFAP analysis found, in general, that the more H-1B applications an employer submits, the lower its denial rate. Employers with 101 or more H-1B applications for initial employment in FY 2023 had a denial rate of only 1.2%, compared to 4.1% for employers with two applications and a 4.7% denial rate for employers that filed one H-1B application. Employers that file more H-1B applications likely possess better internal processes and legal representation, resulting in fewer errors when selecting applicants and completing applications.
- Amazon had the most approved H-1B petitions for initial employment in FY 2023, with 4,052, lower than 6,396 in FY 2022. Cognizant had the second most H-1B petitions in FY 2023 approved for initial employment with 2,597, followed by Infosys (2,171), Google (1,267), TCS (1,174), Capgemini (1,110), Wipro (992), Microsoft (987), IBM (979), LTIMindtree (914) and Meta Platforms (735). USCIS records cases in the fiscal year they are approved, not by cap year, which means a company's initial employment data for FY 2023 might include cases filed in different cap years.
- Employers in California (19,336), Texas (17,824), New Jersey (10,710), New York (9,237) and Virginia (7,679) had the most approvals for H-1B petitions for initial employment in FY 2023.
- Approximately half of approved new H-1B petitions in FY 2023 (51.7%) were in professional, scientific and technical services. Second, with 14.3%, was educational services, which includes universities. Stanford had 307 approved H-1B petitions for initial employment in FY 2023, the most among U.S. universities. Third was manufacturing (7.4%). Health care and social assistance (6.9%) was fourth. Information (6%) was fifth. (USCIS reported approximately 119,000 approved petitions for initial employment in FY 2023.)
- At U.S. universities, [international students](#) account for 71% of the full-time graduate students in computer and information sciences and 73% of the full-time graduate students in electrical and computer engineering.

H-1B Petitions and Denial Rates in FY 2023

- The U.S. unemployment rate in computer and mathematical occupations is low at 2.3% in January 2024. In January 2020, before the pandemic, the unemployment rate in computer and mathematical occupations was 3%. In September 2009, the rate was 6.2%.
- The average annual salary for an H-1B visa holder in computer-related occupations in 2022 was \$129,000, and the median salary was \$123,000, according to USCIS statistics. Fees will rise under a new USCIS [final rule](#). In addition to paying the required wages, legal and government fees to file an initial H-1B petition and an extension could cost employers up to \$33,365, and as high as \$50,000 if including the additional cost of sponsoring an employee for permanent residence, according to an NFAP analysis.
- Research shows restrictions on H-1B visas drive jobs and innovation outside of the United States. “[A]ny policies that are motivated by concerns about the loss of native jobs should consider that policies aimed at reducing immigration have the unintended consequence of encouraging firms to offshore jobs abroad,” concluded a [study](#) by Britta Glennon, an assistant professor at the Wharton School of Business at the University of Pennsylvania. “When U.S. firms are denied H-1Bs, they go abroad, setting up new foreign affiliates and hiring talent there instead of in the U.S.,” said Glennon. “For the most global multinational companies, this is at almost a 1:1 rate. The results demonstrate an important unintended consequence of immigration restrictions: the movement of jobs and talent abroad, with major implications for U.S. competitiveness.”
- Economist Madeline Zavodny found the median earnings of U.S. IT professionals were 40% higher than the median earnings of other professionals, according to data on U.S.-born workers from the Current Population Survey for the period 2002 to 2020. Median earnings of U.S.-born college graduates with a computer-related major are 35% higher than other STEM majors and 83% higher than non-STEM majors. Median earnings of recent U.S.-born master’s degree recipients with a computer-related major are approximately 10% to 40% percent higher than other STEM majors.
- Data and economics show it is a mistake to assume there is a fixed number of jobs and that foreign-born scientists and engineers prevent U.S. engineers and computer specialists from gaining jobs. The number of U.S.-born college graduates employed in computer occupations increased by over 1.1 million, or 62%, between 2003 and 2021, according to an NFAP analysis of government data. The number of U.S.-born college graduates employed in all STEM-related occupations (including computer occupations) increased by over 5.5 million, or 69%, between 2003 and 2021. Millions of Americans with STEM degrees also use their education in jobs not considered STEM occupations due to limitations in government data.

H-1B Petitions and Denial Rates in FY 2023

Current U.S. policies toward high-skilled foreign nationals in America remain restrictive compared to other countries with which the United States competes for talent. Reforms that liberalized current laws and regulations would likely allow U.S. companies to improve their position in the global economy and create more jobs and innovation in America. The NFAP analysis is based on data from the USCIS [H-1B Employer Data Hub](#) and updates earlier reports.

TOP EMPLOYERS OF NEW H-1B VISA HOLDERS

Amazon had the most approved H-1B petitions for initial employment in FY 2023, with 4,052, lower than 6,396 in FY 2022. While these are cases generally that count against the H-1B annual limit, USCIS records them in the fiscal year they are approved, not by cap year. Amazon also had the most new H-1B petitions approved in FY 2021 and FY 2020. Cognizant had the second most H-1B petitions in FY 2023 approved for initial employment with 2,597, followed by Infosys (2,171), Google (1,267), TCS (1,174), Capgemini (1,110), Wipro (992), Microsoft (987), IBM (979), LTIMindtree (914) and Meta Platforms (735).

H-1B DENIAL RATES HIGHER IN FY 2023

The denial rate for H-1B petitions for initial employment rose to 3.5% in FY 2023 from 2.2% in FY 2022. An NFAP analysis of the data found among the top 25 companies with the most approved new H-1B (initial) petitions in FY 2023, 11 had the same denial rate in FY 2023 and FY 2022, 10 had lower rates in FY 2023, and only four had a higher denial rate in FY 2023.

NFAP analysis can explain nearly two-thirds of the higher H-1B denial rate for initial employment petitions in FY 2023. There would have been 1,581 fewer denials in FY 2023 if the denial rate for initial employment petitions were the same as in FY 2022. NFAP isolated firms with more than 10 H-1B applications and a greater than 10% denial rate, which produced 976 more denials in FY 2023 than in FY 2022. That means companies with more than 10 H-1B applications and a greater than 10% denial rate accounted for 62% of the higher denial rate in FY 2023. USCIS adjudicators may have grown more confident in denying petitions following the 2020 legal settlement, contributing to the higher denial rates in FY 2023.

TRUMP ADMINISTRATION'S DENIAL RATES WERE FAR HIGHER, FOCUSED ON IT

Restrictive policy changes during the Trump administration increased the denial rate for H-1B petitions for initial employment to 24% in FY 2018, 21% in FY 2019 and 13% in FY 2020 before a legal settlement in 2020 lowered denial rates below pre-Trump levels. Denial rates for initial employment were 4% in FY 2021 and 2.2% in FY 2022.

A February 2020 NFAP analysis explained the impact of restrictive H-1B policies during the Trump administration. "While nearly all major companies have seen higher denial rates under Trump administration policies, the data indicate USCIS has established a different standard for adjudicating cases for companies that provide information technology (IT) services. This is the case even though, as attorneys point out, immigration law does not indicate a different standard for adjudications based on the type of firm or the location where work will be performed. At least

H-1B Petitions and Denial Rates in FY 2023

9 major companies that provide IT services or other consulting services to U.S. businesses had denial rates for initial employment over 30% in FY 2019.”¹

Table 2
Approved H-1B Petitions and Denial Rates for Initial Employment: FY 2023 and FY 2022

Employer	FY 2023 Approved Petitions Initial Employment	FY 2022 Approved Petitions Initial Employment	FY 2023 Denial Rate Initial Employment	FY 2022 Denial Rate Initial Employment
Amazon	4,052	6,396	1%	1%
Cognizant	2,597	2,521	1%	1%
Infosys	2,171	3,151	2%	2%
Google	1,267	1,562	1%	1%
TCS	1,174	2,725	4%	3%
Capgemini	1,110	1,090	1%	1%
Wipro	992	1,172	4%	2%
Microsoft	987	1,008	0.2%	1%
IBM	979	1,239	1%	2%
LTIMindtree	914	342	0.4%	2%
Meta Platforms	735	1,546	0.4%	1%
HCL America	715	1,260	4%	4%
Apple	707	930	1%	1%
Tech Mahindra	600	509	1%	3%
Deloitte	591	1,169	1%	1%
Ernst & Young	580	701	1%	1%
Accenture	538	1,097	2%	1%
Intel	519	894	1%	1%
JPMorgan Chase	453	420	0.4%	1%
Walmart	435	392	1%	1%
Goldman Sachs	349	556	0%	1%
Oracle	342	491	0.3%	0.2%
Tesla	328	337	0%	1%
Nvidia	291	284	0%	1%
McKinsey & Co.	290	481	1%	3%

Source: USCIS, National Foundation for American Policy. Data extracted and analyzed from USCIS H-1B Employer Data Hub. Percentages are rounded off except when below 0.5%. Related entities and affiliates identified when possible. FY 2022 does not include Larsen & Toubro, which had a merger that created LTIMindtree. Non-profit entities not included.

¹ *H-1B Approved Petitions and Denial Rates for FY 2019*, NFAP Policy Brief, National Foundation for American Policy, February 2020.

H-1B Petitions and Denial Rates in FY 2023

Legal defeats ended the Trump administration’s restrictive H-1B policies. On June 17, 2020, USCIS was compelled to issue a [new policy memo](#) and withdraw a February 2018 [memo](#) on “Contracts and Itineraries Requirements for H-1B Petitions Involving Third-Party Worksites” after losing a court case and then agreeing to [a settlement](#) with the business group ITServe Alliance. USCIS also lost cases on who qualified for an H-1B petition and rescinded the [“Neufeld” memo](#), a January 2010 memo interpreted more aggressively during the Trump years to deny H-1B petitions when H-1B visa holders worked at customer sites. The memos and their interpretation were blamed for increased costs and higher denial rates for H-1B petitions, particularly for IT services companies. Data on H-1B denials in the fourth quarter of FY 2020 revealed the impact of the rescission of the two memos. The denial rate for H-1B petitions for initial employment was 1.5% in the fourth quarter of FY 2020, far lower than the 15% denial in the fourth quarter of FY 2019. The fourth quarter of FY 2020 began on July 1, 2020, shortly after the legal settlement. Absent significant changes in government policies, high denial rates are unusual since employers would be unlikely to apply for H-1B petitions for individuals who do not qualify, given the time and expense.

MORE H-1B APPLICATIONS CORRELATE WITH LOWER DENIAL RATES

Examining FY 2022 and FY 2023, NFAP analysis found, in general, that the more H-1B applications an employer submits, the lower its denial rate. Employers that file more H-1B applications likely possess better internal processes and legal representation, resulting in fewer errors when selecting applicants and completing applications. That is critical due to the complexity of H-1B regulations.

**Table 3
FY 2023 H-1B Denial Rates for Initial Employment By Number of Applications Submitted**

Number of Applications	Approvals	Denials	Denial Rate
101+	35,745	448	1.2%
21-100	23,589	961	3.9%
9-20	17,595	1,071	5.7%
3-8	20,785	833	3.9%
2	6,810	292	4.1%
1	14,424	704	4.7%

Source: USCIS, National Foundation for American Policy.

Employers with 101 or more H-1B applications for initial employment in FY 2023 had a denial rate of only 1.2%, compared to a 3.9% denial rate for employers with 21 to 100 applications, 5.7% for employers with 9 to 20 applications, 3.9% for employers that filed 3 to 8 applications, 4.1% for employers with two applications and a 4.7%

H-1B Petitions and Denial Rates in FY 2023

denial rate for employers that filed one H-1B application in FY 2023. The anomaly of employers with 9 to 20 applications with a higher denial rate than those with 3 to 8 was absent in FY 2022.

**Table 4
FY 2023 H-1B Approvals for Initial Employment By State**

State	Approved H-1B Petitions for Initial Employment FY 2023	Percent of Total Approvals	State	Approved H-1B Petitions for Initial Employment FY 2023	Percent of Total Approvals
CA	19,336	16.3%	IA	502	0.4%
TX	17,824	15.0%	OR	423	0.4%
NJ	10,710	9.0%	NE	422	0.4%
NY	9,237	7.8%	LA	418	0.4%
VA	7,679	6.5%	AL	411	0.3%
IL	6,329	5.3%	NM	395	0.3%
MA	4,778	4.0%	DE	389	0.3%
GA	3,620	3.0%	KY	344	0.3%
MI	3,496	2.9%	RI	332	0.3%
PA	3,390	2.9%	OK	293	0.2%
NC	3,275	2.8%	GU	271	0.2%
FL	3,211	2.7%	NV	227	0.2%
MD	3,105	2.6%	ID	224	0.2%
WA	2,605	2.2%	SD	215	0.2%
OH	2,038	1.7%	NH	207	0.2%
AZ	1,653	1.4%	ND	191	0.2%
TN	1,389	1.2%	MS	150	0.1%
MN	1,270	1.1%	ME	132	0.1%
MO	1,117	0.9%	AK	129	0.1%
CO	975	0.8%	WV	127	0.1%
CT	970	0.8%	MT	107	0.1%
WI	845	0.7%	WY	91	0.1%
IN	774	0.7%	VT	83	0.1%
AR	762	0.6%	HI	74	0.1%
SC	690	0.6%	MP	31	0.0%
DC	582	0.5%	PR	21	0.0%
UT	553	0.5%	VI	9	0.0%
KS	516	0.4%			

Source: USCIS, National Foundation for American Policy. MP=Northern Mariana Islands, GU=Guam, PR=Puerto Rico.

H-1B Petitions and Denial Rates in FY 2023

H-1B PETITIONS BY STATE AND INDUSTRY

Employers in California (19,336), Texas (17,824), New Jersey (10,710), New York (9,237) and Virginia (7,679) had the most approvals for H-1B petitions for initial employment in FY 2023. Approximately half of approved new H-1B petitions in FY 2023 (51.7%) were in professional, scientific and technical services. Second, with 14.3%, was educational services, which includes universities. Third was manufacturing (7.4%). Health care and social assistance (6.9%) was fourth.

**Table 5
FY 2023 H-1B Approvals for Initial Employment By Industry**

Industry	Approvals	Percent of Total
Professional, Scientific, and Technical Services	61,226	51.7%
Educational Services	16,899	14.3%
Manufacturing	8,736	7.4%
Health Care and Social Assistance	8,227	6.9%
Information	7,070	6.0%
Finance and Insurance	5,213	4.4%
Retail Trade	4,639	3.9%
Administrative and Support and Waste Management and Remediation Services	1,346	1.1%
Construction	995	0.8%
Wholesale Trade	957	0.8%
Management of Companies and Enterprises	612	0.5%
Other Services (except Public Administration)	587	0.5%
Transportation and Warehousing	500	0.4%
Real Estate and Rental and Leasing	333	0.3%
Utilities	259	0.2%
Accommodation and Food Services	234	0.2%
Public Administration	213	0.2%
Arts, Entertainment, and Recreation	161	0.1%
Mining, Quarrying, and Oil and Gas	159	0.1%
Agriculture, Forestry, Fishing and Hunting	55	0.0%

Source: USCIS, National Foundation for American Policy.

There were approximately 119,000 approved petitions for initial employment in FY 2023, about 19,000 fewer than in FY 2022, according to USCIS. The difference could be due to agency workload issues.

H-1B PETITIONS FOR CONTINUING EMPLOYMENT

The denial rate for H-1B petitions for “continuing” employment (primarily for existing employees) was 2.4% in FY 2023, higher than the 1.9% rate in FY 2022. Both years are much lower than the 7% denial rate in FY 2020 for continuing employment and far below the 12% denial rate in FY 2018 and FY 2019. The decline in the H-1B denial rate for continuing employment reflects the impact of court decisions and the 2020 legal settlement. The 12% denial rate for H-1B petitions for continuing employment in FY 2018 and FY 2019 during the Trump years was four times higher than the 3% denial rate between FY 2011 and FY 2015.

Table 6
Denial Rate: H-1B Petitions for Continuing Employment

FISCAL YEAR	DENIAL RATE
FY 2023	2.4%
FY 2022	1.9%
FY 2021	2%
FY 2020	7%
FY 2019	12%
FY 2018	12%
FY 2017	5%
FY 2016	4%
FY 2015	3%
FY 2014	3%
FY 2013	3%
FY 2012	3%
FY 2011	3%
FY 2010	5%
FY 2009	6%

Source: USCIS, National Foundation for American Policy. Percentages are rounded off except for FY 2023 and FY 2022. Data extracted and analyzed from USCIS H-1B Employer Data Hub.

Denials for continuing employment increased during the Trump administration primarily because in October 2017, the new USCIS director issued a [memo](#) that directed adjudicators to no longer give deference “to the findings of a previously approved petition, as long as the key elements were unchanged and there was no evidence of a material error or fraud related to the prior determination.”² Many companies reported being forced to dismiss long-term, experienced employees, including individuals waiting years for an employment-based green card, whose H-1B status ended because USCIS denied an application for an extension. In some cases, companies transferred employees to another location. When that was not possible, employees were released. In 2021, USCIS Director Ur

² <https://www.uscis.gov/news/news-releases/uscis-updates-policy-ensure-petitioners-meet-burden-proof-nonimmigrant-worker-extension-petitions>.

H-1B Petitions and Denial Rates in FY 2023

Jaddou rescinded the October 2017 memo, an action supported by employers and existing employees in H-1B status.

Table 7
Approved H-1B Petitions and Denial Rates for Continuing Employment: FY 2023 and FY 2022

Employer	FY 2023 Approved Petitions Continuing Employment	FY 2022 Approved Petitions Continuing Employment	FY 2023 Denial Rate Continuing Employment	FY 2022 Denial Rate Continuing Employment
Amazon	11,246	17,223	3%	2%
TCS	5,749	7,267	5%	3%
Infosys	5,231	4,016	1%	1%
Cognizant	5,103	3,661	3%	1%
Google	4,211	6,883	1%	1%
Microsoft	3,806	6,202	2%	1%
Deloitte	3,268	4,706	2%	1%
Apple	3,115	4,116	1%	1%
Meta Platforms	2,640	6,180	1%	1%
JPMorgan Chase	2,616	2,712	1%	1%
HCL America	2,097	1,881	2%	3%
Walmart	2,094	2,275	1%	1%
Ernst & Young	1,948	2,318	2%	1%
LTIMindtree	1,870	460	1%	1%
Oracle	1,863	2,361	0.2%	0.3%
Capgemini	1,722	2,039	1%	1%
Intel	1,679	2,865	4%	3%
Accenture	1,599	1,136	1%	1%
IBM	1,507	1,916	1%	1%
Wipro	1,469	1,141	2%	3%
Fidelity Investments	1,336	1,538	2%	2%
Cisco	1,304	2,240	3%	1%
Compunnel	1,204	1,207	3%	3%
Qualcomm	933	1,265	3%	2%
Citibank	902	1,281	0.1%	1%

Source: USCIS, National Foundation for American Policy. Data extracted and analyzed from USCIS H-1B Employer Data Hub. Percentages are rounded off except when below 0.5%. Related entities and affiliates identified when possible. FY 2022 does not include Larsen & Toubro, which had a merger that created LTIMindtree.

H-1B Petitions and Denial Rates in FY 2023

In FY 2023, Amazon had the most approved H-1B petitions for continuing employment with 11,246 (down from 17,223 in FY 2022), followed by TCS (5,749), Infosys (5,231), Cognizant (5,103), Google (4,211), Microsoft (3,806), Deloitte (3,268), Apple (3,115), Meta Platforms (2,640) and JPMorgan Chase (2,616). These numbers do not represent individual employees. Due to USCIS policy, H-1B visa holders may be approved multiple times for continuing employment during the same year, especially if they change locations ([Matter of Simeio Solutions](#)). The numbers are also inflated by companies filing extensions to retain H-1B visa holders, particularly from India, who are waiting years in employment-based green card backlogs due to the per-country limit.

TOO FEW HIGH-SKILLED VISAS AND CHANGES TO H-1B REGISTRATION SYSTEM

The 85,000 yearly limit on new H-1B petitions for high-skilled foreign nationals is low, equaling 0.05% of the U.S. labor force.³ As a result, employers have exceeded the U.S. limit on H-1B petitions every fiscal year for the past two decades. H-1B temporary status remains typically the only practical way for an international student or other high-skilled foreign national to work long term in the United States. Without H-1B status, a foreign national would likely need to leave the United States and work in China, India, Canada or elsewhere.

When companies file more H-1B applications (or registrations) than the annual limit of 85,000 (65,000 plus a 20,000 exemption for advanced degree holders from U.S. universities), USCIS uses random selection—a lottery.⁴ In 2020, USCIS mandated employers submit H-1B registrations electronically that included basic information. Previously, employers submitted time-consuming and expensive completed applications and mailed them to the agency. The new process, though welcomed by employers, resulted in more cases of multiple registrations submitted for the same individuals.

In a [final rule](#) published on February 2, 2024, USCIS changed the H-1B registration selection process to “beneficiary-centered.” That would discourage employers from sending in multiple registrations for the same individual unless they intended to make a legitimate job offer.

The new system will not solve the problem of Congress allotting too few H-1B petitions. Even if beneficiaries with multiple registrations were excluded from the lottery in 2023, USCIS would have rejected up to 75% of H-1B registrations for FY 2024 due to the low annual limit, according to an NFAP analysis. Due to the demand for high-skilled labor, H-1B registrations with only one employer [increased by 66%](#) between FY 2022 and FY 2024.

³ Under U.S. law, the annual limit on new H-1B petitions is 65,000, with a 20,000-exemption for individuals with a master’s degree or higher from a U.S. university. H-1B petitions for universities and nonprofit and governmental research institutes are exempt from the annual limit. The size of the civilian labor force in the United States was 167 million as of January 2024, according to the Bureau of Labor Statistics.

⁴ Stuart Anderson, “Immigration Service Finalizes Changes to H-1B Visa Lottery,” *Forbes*, January 31, 2024.

HIGH SALARIES AND HIGHER FEES FOR H-1B VISA HOLDERS

Some policymakers who favor restrictive immigration policies have argued foreign-born scientists and engineers may be “cheap labor.” However, the average annual salary for an H-1B visa holder in computer-related occupations in 2022 was \$129,000, and the median salary was \$123,000, according to USCIS statistics.⁵

“The USCIS data show H-1B visa holders are paid high salaries, and it contradicts the idea that these are low-skilled people since employers would not pay people with low skills such high salaries,” said Mark Regets, a labor economist and NFAP senior fellow.⁶ The median salary for H-1B professionals in computer-related occupations increased by 26% between 2018 and 2022, and the average salary rose by 23%.

To gain approval of an H-1B petition, an employer must pay “at least- (I) the actual wage level paid by the employer to all other individuals with similar experience and qualifications for the specific employment in question, or (II) the prevailing wage level for the occupational classification in the area of employment, *whichever is greater.*”⁷

Economists have concluded in many published studies that H-1B visa holders earn the same or more than comparable U.S. professionals.⁸ In a May 2020 NFAP [study](#), University of North Florida economics professor Madeline Zavodny found, “[T]he evidence points to the presence of H-1B visa holders being associated with lower unemployment rates and faster earnings growth among college graduates, including recent college graduates.”⁹

In FY 2021, 66% of approved H-1B beneficiaries earned a master’s degree or higher, according to USCIS.¹⁰ The high levels of education indicate that H-1B visa holders represent highly skilled professionals whose skills are sought in the United States and other countries.

⁵ *Characteristics of H-1B Specialty Occupation Workers, Fiscal Year 2022 Annual Report to Congress*, Department of Homeland Security and U.S. Citizenship and Immigration Services, March 23, 2023.

⁶ Stuart Anderson, “Immigration Agency Report Shows High H-1B Visa Salaries,” *Forbes*, June 5, 2023.

⁷ <https://uscode.house.gov/view.xhtml?req=granuleid%3AUSC-prelim-title8-section1182&num=0&edition=prelim>.

⁸ An analysis by [Glassdoor](#) found, “Across the 10 cities and roughly 100 jobs we examined, salaries for foreign H-1B workers are about 2.8% higher than comparable U.S. salaries on Glassdoor.” After examining the skills and compensation of over 50,000 IT professionals in the United States, University of Maryland researchers Sunil Mithas and Henry C. Lucas, Jr. [wrote](#), “[C]ontrary to popular belief, non-U.S. citizen IT professionals are not paid less compared to American IT professionals.” A [paper for IZA](#) by economists Magnus Lofstrom and Joseph Hayes with the Public Policy Institute of California concluded, “The data indicate that H-1Bs are younger and more skilled, as measured by education, than U.S.-born workers in the same occupations. We fail to find support for the notion that H-1Bs are paid less than observationally similar U.S.-born workers; in fact, they appear to have higher earnings in some key STEM occupations, including information technology.” The Government Accountability Office (GAO) found in electrical/electronics engineering occupations (age group 20-39) the median salary for an engineer in H-1B status was \$5,000 higher than for a U.S. engineer.

⁹ Madeline Zavodny, *The Impact of H-1B Visa Holders on the U.S. Workforce*, NFAP Policy Brief, National Foundation for American Policy, May 2020.

¹⁰ *Characteristics of H-1B Specialty Occupation Workers, Fiscal Year 2022 Annual Report to Congress*. Education levels for FY 2022 contained incomplete data.

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USCIS data show in FY 2022, 123,888 H-1B petitions were approved for H-1B visa holders to switch to a new employer.¹¹ Such a large number raises doubts about assertions that H-1B professionals are “indentured servants.”

In addition to paying the required wages, legal and government fees to file an initial H-1B petition and an extension could cost employers up to \$33,365, and as high as \$50,000 if including the additional cost of sponsoring an employee for permanent residence, according to an NFAP analysis.

**Table 8
H-1B Legal and Government Fees For Employers**

Type of Cost	Price of Fee or Service
Application Fee	\$780
H-1B Registration Fee	\$215
Asylum Fee	\$600 (\$1200 for extension)
Attorney Fees	\$1,500 to \$4,000
Attorney Fees if a Request for Evidence	\$2,000 to \$4,500
Scholarship and Training Fee	\$1,500 (\$750 for employers with 25 or fewer employees) (initial petition and extension)
Anti-Fraud Fee	\$500 (on initial petition)
Premium Processing (optional but generally necessary)	\$2,850
“50/50” Fee (for employers with workforce over 50% H-1B/L-1)	\$4,000 (on initial petition)
Visa Application (cost based on reciprocity)	\$190 (\$0 - \$800)
Additional Cost to Sponsor for Permanent Residence	\$10,000 to \$15,000 or more
TOTAL	\$4,535 to \$17,885 for initial petition \$7,165 to \$33,365 for initial and extension Up to \$50,000 (est.) for initial, extension and green card

Source: National Foundation for American Policy. All government fees in effect as of April 1, 2024.

A typical company will spend approximately \$9,400 to petition for a first-time H-1B visa holder under the new fee structure with average attorney fees and premium processing, while filing an extension would raise the costs for most employers to about \$18,000. A Request for Evidence from USCIS would add \$2,000 to \$4,500 in attorney fees to each initial application or extension. Employers with more than 50% of its workforce in H-1B and L-1 status must pay an additional \$4,000 for a petition for initial employment. Smaller employers, if they have the lowest attorney fees and no premium processing, would pay about \$4,500 to file an initial H-1B petition without an

¹¹ Ibid.

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extension. Employers also spend \$10,000 to \$15,000 or more to sponsor an H-1B visa holder for permanent residence.¹²

Under a USCIS [final rule](#), the cost to file an H-1B petition will rise from \$460 to \$780. Filing for adjustment of status (to permanent residence) will increase by more than \$200 per application. The rule adds a \$600 asylum fee paid when filing an H-1B and other petitions, including for employer sponsorship. USCIS will raise the cost of each H-1B registration submitted from \$10 to \$215.

RESEARCH: RESTRICTIONS ON H-1B VISAS PUSH OUT JOBS AND INNOVATION

The primary arguments made against admitting H-1B visa holders are 1) a fixed number of jobs exist and 2) there are anecdotes, in some cases from a decade ago, of companies laying off U.S. professionals and contracting with a firm that employed H-1B visa holders. The anecdotes rely on the assumption that if a different contractor had been selected, one without H-1B visa holders, all the employees would have continued to work at the company. Connected to both arguments is the idea that the entry of H-1B visa holders leads to jobs leaving the United States.

Research shows that it is restrictions on H-1B visas that drive jobs and innovation outside of the United States. The research shows if one is concerned about jobs leaving America, Congress should liberalize H-1B rules rather than enact more restrictions.

“[A]ny policies that are motivated by concerns about the loss of native jobs should consider that policies aimed at reducing immigration have the unintended consequence of encouraging firms to offshore jobs abroad,” concluded a [study](#) by Britta Glennon, an assistant professor at the Wharton School of Business at the University of Pennsylvania.¹³ Numerical limits act as a significant restriction on immigration and, the study finds, push more jobs outside the United States.

In follow-up research, Glennon found, “Firms respond to restrictions on H-1B immigration by increasing foreign affiliate employment at the intensive and extensive margins, particularly in China, India and Canada.” According to the [research](#), “The most impacted jobs were R&D [research and development] intensive ones, but there is some evidence that non-R&D employment was also affected. The paper highlights a means by which firms can circumvent constraining policies and mitigate country-level risk.”¹⁴

¹² This section adapted from Stuart Anderson, “A Look At The High Fees Making Hiring H-1B Visa Holders Challenging,” *Forbes*, February 22, 2024.

¹³ Britta Glennon, *How Do Restrictions on High-Skilled Immigration Affect Offshoring? Evidence from the H-1B Program*, April 5, 2020.

¹⁴ Britta Glennon, *How Do Restrictions on High-Skilled Immigration Affect Offshoring? Evidence from the H-1B Program*, *Management Science*, Articles in Advance, March 15, 2023.

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Companies involved in international markets have options and are the most likely to offshore jobs in response to immigration restrictions. “When U.S. firms are denied H-1Bs, they go abroad, setting up new foreign affiliates and hiring talent there instead of in the U.S.,” said Glennon. “For the most global multinational companies, this is at almost a 1:1 rate. The results demonstrate an important unintended consequence of immigration restrictions: the movement of jobs and talent abroad, with major implications for U.S. competitiveness.”¹⁵ Glennon calculated that multinational companies “hire 0.9 employees abroad for every visa rejection.”¹⁶

A [study](#) by economists Giovanni Peri, Kevin Shih, Chad Sparber and Angie Marek Zeitlin found that denying the entry of H-1B visa holders due to the annual limits harmed job growth for U.S.-born professionals. “The number of jobs for U.S.-born workers in computer-related industries would have grown at least 55% faster between 2005-2006 and 2009-2010, if not for the denial of so many applications in the recent H-1B visa lotteries,” concluded the economists.¹⁷

In the past, analysts have noted the number of H-1B petitions approved for Indian-based companies. In FY 2023, the top seven Indian-based companies had 6,732 H-1B petitions approved for initial employment, which represents 0.004% of the U.S. civilian labor force. The 6,705 new petitions came to 5.6% of the approved H-1B petitions for initial employment in FY 2023 and were less than half the total for the top seven Indian companies [in FY 2015](#).

U.S. IT PROFESSIONALS EARN MORE THAN OTHER AMERICANS

If U.S.-born professionals in computer occupations were harmed by the presence of H-1B visa holders, they might be expected to earn lower salaries than Americans in other fields. However, research shows this is not the case. Economist Madeline Zavodny analyzed data from the Current Population Survey, American Community Survey, and National Survey of College Graduates that showed “a large premium for information technology (IT) professionals or computer and information systems-related majors” over time and in recent years.¹⁸

The research found:

- Median earnings of IT professionals were 40% higher than the median earnings of other professionals, according to data on U.S.-born workers from the Current Population Survey for the period 2002 to 2020.

¹⁵ See also Stuart Anderson, “U.S. Companies Denied H-1B Visas Hire Talent Abroad,” *Forbes*, April 4, 2023.

¹⁶ Glennon, March 15, 2023.

¹⁷ Giovanni Peri, Kevin Shih, Chad Sparber and Angie Marek Zeitlin (June 2014), *Closing Economic Windows: How H-1B Visa Denials Cost U.S.-Born Tech Workers Jobs and Wages During the Great Recession*, Partnership for a New American Economy.

¹⁸ Madeline Zavodny, *The Earnings of IT Professionals Compared With Other Professionals*, NFAP Policy Brief, National Foundation for American Policy, June 2021.

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- Median earnings of U.S.-born college graduates with a computer-related major are 35% higher than other STEM majors and 83% higher than non-STEM majors.
- Median earnings of U.S.-born recent bachelor's degree recipients with a computer-related major are about 15% to 40% percent higher than other STEM majors, while median earnings of recent master's degree recipients with a computer-related major are approximately 10% to 40% percent higher than other STEM majors.¹⁹

“The stable-to-increasing earnings premium among U.S.-born IT professionals and computer-related majors during a period that critics characterize as high levels of immigration is consistent with a large literature that concludes that highly educated immigrants have not harmed U.S.-born workers,” concludes Zavodny. “Despite oft-voiced concerns that U.S. IT workers and computer-related majors are disadvantaged by having to compete with foreign-born workers, either via offshoring or immigration, the evidence clearly indicates that IT professionals and computer-related majors have relatively high earnings. IT professionals earn more than other professionals across all education groups examined here, and they earn more, on average, than other professionals who have similar demographic characteristics, live in the same state, and work in the same industry. Workers who have a bachelor's in a computer-related field earn more than their counterparts with a degree in another STEM field or in a non-STEM field. The same is true for recent bachelor's or master's degree recipients.

“The substantial earnings premium for IT professionals and computer-related majors is consistent with persistently strong demand for workers with these technical skills. Even during a period of temporary and permanent immigration into the U.S. of skilled foreign-born workers and offshoring of technical jobs outside of the U.S., U.S.-born IT professionals and computer and information systems majors continued to earn, on average, substantially more than other professional workers and other majors.”²⁰

JOBS FOR U.S.-BORN IN COMPUTER OCCUPATIONS INCREASED SIGNIFICANTLY

Data and economics show it is a mistake to assume there is a fixed number of jobs and that foreign-born scientists and engineers prevent U.S. engineers and computer specialists from gaining jobs. The number of U.S.-born college graduates employed in computer occupations increased by over 1.1 million, or 62%, between 2003 and 2021, according to a National Foundation for American Policy analysis of government data.²¹

¹⁹ Ibid.

²⁰ Ibid.

²¹ National Foundation for American Policy analysis and tabulations of National Science Foundation 2003 and 2021 National Survey of College Graduates. Note: Computer occupations include jobs NSF classifies as computer science, computer and electrical engineering, computer programmer, or computer and information systems manager. This section is adapted from Stuart Anderson, *U.S. Immigration Policy and the Competition with China*, NFAP Policy Brief, National Foundation for American Policy, December 2023.

Table 9
Employment of U.S.-Born College Graduates in Computer Occupations: 2003 to 2021

OCCUPATION	2003	2021	Increase from 2003 to 2021
U.S.-Born Employment in Computer Occupations	1,875,900	3,038,334	+1,162,434 (+62%)

Source: National Foundation for American Policy analysis and tabulations of National Science Foundation 2003 and 2021 National Survey of College Graduates. Note: Computer occupations include jobs NSF classifies as computer science, computer and electrical engineering, computer programmer, or computer and information systems manager.

“The data show the foreign-born have been of increasing importance in these fields, but they are not displacing natives,” according to economist Mark Regets.

Table 10
Employment of U.S.-Born College Graduates in STEM Occupations: 2003 to 2021

OCCUPATION	2003	2021	Increase from 2003 to 2021
U.S.-Born Employment in Computer Occupations	7,989,092	13,467,659	+5,478,567 (+69%)

Source: National Foundation for American Policy analysis and tabulations of National Science Foundation 2003 and 2021 National Survey of College Graduates.

Employment in computer occupations in the United States, including the foreign-born, increased by 80% between 2003 and 2021, illustrating there is not a fixed number of jobs and employment in the technology sector surged while many foreign-born scientists and engineers immigrated.²²

The number of U.S.-born college graduates employed in all STEM-related occupations (including computer occupations) increased by over 5.5 million, or 69%, between 2003 and 2021. Employment in STEM-related occupations in the United States, including the foreign-born, increased by 76% between 2003 and 2021.²³

Sometimes, the argument is made that many students with STEM degrees do not work in STEM fields, implying this means the United States does not need to allow foreign-born scientists and engineers to work in America. The problem is government definitions, not the labor market. The federal government uses a narrow definition of a STEM occupation that does not include managers, professors and others. The National Science Foundation has explained that *approximately 12 million people* who report “their jobs required at least [a bachelor’s degree] level of technical expertise in one or more Science & Engineering fields” are not included in the federal government’s definition of a

²² Ibid.

²³ Ibid.

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STEM occupation.²⁴ It is misleading to argue that individuals with STEM degrees are not working in STEM occupations based on government definitional issues.

CONCLUSION

H-1B visas are essential because they generally represent the only practical way for a high-skilled foreign national, including an international student, to work long term in the United States and have an opportunity to become an employment-based immigrant and a U.S. citizen. A 2022 [NFAP study](#) found 55% of America's startup companies valued at \$1 billion or more have at least one immigrant founder, illustrating the importance and contributions of immigrants to the U.S. economy.

[Research](#) released in 2023 finds immigrants are vital in the crucial field of artificial intelligence. "Immigrants have founded or cofounded nearly two-thirds (65% or 28 of 43) of the top AI companies in the United States, and 70% of full-time graduate students in fields related to artificial intelligence are international students," according to an NFAP analysis. "Seventy-seven percent of the leading U.S.-based AI companies were founded or cofounded by immigrants or the children of immigrants. Forty-two percent (18 of 43) of the top U.S.-based AI companies had a founder who came to America as an international student."²⁵

An NFAP analysis found that 70% of full-time graduate students at U.S. universities in selected AI-related fields are international students. In computer and information sciences, the leading area of study for AI researchers, 71% of full-time graduate students at U.S. universities are international students.²⁶ Retaining international students in the United States after graduation is essential to U.S. leadership in artificial intelligence, according to a Congressionally-paneled AI commission.²⁷

In October 2023, the Biden administration published a [proposed H-1B rule](#) restricting specialty occupations with the same language contained in an interim final rule published in 2020 during the Trump administration. A court blocked the Trump administration's interim final rule on procedural grounds. The Trump and Biden H-1B rules would narrow the positions that qualify as specialty occupations by using the phrase "*directly related specific specialty*." If the

²⁴ Stuart Anderson, "Three Things To Know About Today's Job Market," *Forbes*, April 22, 2017.

²⁵ Stuart Anderson, *AI and Immigrants*, NFAP Policy Brief, National Foundation for American Policy, June 2023. NFAP conducted the research through interviews and gathering information on the 43 U.S. companies on the Forbes AI 50, a list of the top startup companies "developing the most promising business applications of artificial intelligence—companies with compelling visions and the resources and technical wherewithal to achieve them."

²⁶ National Science Foundation, National Center for Science and Engineering Statistics, Survey of Graduate Students and Postdoctorates in Science and Engineering, 2021. National Foundation for American Policy. U.S. students include lawful permanent residents. NFAP examined the degrees in fields outside of computer and information sciences found useful in artificial intelligence. At U.S. universities, international students account for 73% of full-time graduate students in electrical and computer engineering, 69% in applied mathematics, 65% in statistics, 58% in multidisciplinary data science and 39% in linguistics.

²⁷ <https://www.nscsi.gov/2021-final-report/>.

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proposed rule takes effect, to be considered a specialty occupation, the position must require “A U.S. baccalaureate or higher degree in a *directly related* specific specialty or its equivalent” to enter the occupation. Employers have expressed concern the proposed regulatory language could make it challenging to gain approved H-1B petitions for foreign-born scientists and engineers in AI and other fields.²⁸

Current U.S. policies toward high-skilled foreign nationals in America remain restrictive compared to other countries with which the United States competes for talent. Reforms that liberalized current laws and regulations would likely allow U.S. companies to improve their position in the global economy and create more jobs and innovation in America.

²⁸ Stuart Anderson, “Biden Immigration Rule Copies Some Trump Plans To Restrict H-1B Visas,” *Forbes*, October 23, 2023.

APPENDIX

**Appendix Table 1
NEW H-1B PETITIONS ISSUED AGAINST THE H-1B CAP BY FISCAL YEAR**

<u>Year</u>	<u>CAP*</u>	<u>#Issued</u>	<u>#Unused</u>
1992	65,000	48,600	16,400
1993	65,000	61,600	3,400
1994	65,000	60,300	4,700
1995	65,000	54,200	10,800
1996	65,000	55,100	9,900
1997	65,000	65,000	0
1998	65,000	65,000	0
1999	115,000	115,000	0
2000	115,000	115,000	0
2001	195,000	163,600	31,400
2002	195,000	79,100	115,900
2003	195,000	78,000	117,000
2004	65,000	65,000	0
2005	65,000	65,000	0
2006	65,000	65,000	0
2007	65,000	65,000	0
2008	65,000	65,000	0
2009	65,000	65,000	0
2010	65,000	65,000	0
2011	65,000	65,000	0
2012	65,000	65,000	0
2013	65,000	65,000	0
2014	65,000	65,000	0
2015	65,000	65,000	0
2016	65,000	65,000	0
2017	65,000	65,000	0
2018	65,000	65,000	0
2019	65,000	65,000	0
2020	65,000	65,000	0
2021	65,000	65,000	0
2022	65,000	65,000	0
2023	65,000	65,000	0
2024	65,000	65,000	0

Source: Dept. of Homeland Security; National Foundation for American Policy. *Does not include exemptions from cap. Unused refers to whether the supply of H-1B petitions was exhausted in the fiscal year.

**Appendix Table 2
Percentage of Eligible H-1B Registrations Selected in Lottery by Fiscal Year**

Fiscal Year	Percentage of Eligible H-1B Registrations Selected
FY 2021	46.1%
FY 2022	43.8%
FY 2023	26.9%
FY 2024	24.8%

Source: National Foundation for American Policy; USCIS.

**Appendix Table 3
Increase in Eligible H-1B Registrations With Only One Employer**

Fiscal Year	FY 2022	FY 2024	Increase From FY 2022 to FY 2024
Eligible H-1B Registrations With Only One Employer	211,304	350,103	+138,799 (+66%)

Source: National Foundation for American Policy; USCIS.

ABOUT THE NATIONAL FOUNDATION FOR AMERICAN POLICY

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) nonprofit, nonpartisan public policy research organization based in Arlington, Virginia, focusing on trade, immigration and related issues. Advisory Board members include Columbia University economist Jagdish Bhagwati, Cornell Law School professor Stephen W. Yale-Loehr, Ohio University economist Richard Vedder and former INS Commissioner James 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.
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