

National Foundation for American Policy

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New Research: Tesla Among Top Employers Of H-1B Visa Holders In FY 2024

Companies Wary of Return of Trump High-Skilled Immigration That Led to Restrictions and High H-1B Denial Rates

Arlington, Va. – H-1B denial rates in FY 2024 remained low but could increase if the incoming Trump administration returns to the restrictive policies that employers saw when Donald Trump was president, according to [an analysis](#) from the National Foundation for American Policy (NFAP), a nonpartisan research organization based in Arlington, VA. Tesla, led by Elon Musk, showed a significant increase in H-1B approved petitions in FY 2024, rising to 16th on the list of most approved H-1B petitions for initial employment after not appearing in the top 25 among employers in previous years. Given Tesla's needs in manufacturing, research and development and other areas, the company requested H-1B visa holders to fill many positions for engineering, software, supply management and other specialties. Tesla had 742 approved H-1B petitions for initial employment in FY 2024, more than double its total of 328 in FY 2023 and 337 in FY 2022. Tesla also had 1,025 H-1B petitions for continuing employment (primarily extensions for existing employees) approved in FY 2024.

The study "H-1B Petitions and Denial Rates in FY 2024" can be found at <https://nfap.com/>.

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. Over 30,000 employers had at least one H-1B petition approved in FY 2024, and 70% of new H-1B petitions went to employers that filed 100 or fewer applications for initial employment, indicating the H-1B visa category's economy-wide importance. At U.S. universities, [international students](#) account for 71% of the full-time graduate students in computer and information sciences.

The H-1B denial rate for initial employment (for new employees) was 2.5% in FY 2024, much lower than the 24% rate in FY 2018 and 21% in FY 2019 under Trump. The denial rate rose during the Trump administration due to restrictive policy changes that courts later ruled unlawful. A legal [settlement](#) in 2020 reduced denial rates below pre-Trump levels (4% in FY 2021 and 2.2% in FY 2022). H-1B petitions for "initial" employment are primarily for new employment; for companies, they are typically a case that counts against the H-1B annual limit.

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 harm 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.

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) fell to 2.5% in FY 2024 from 3.5% in FY 2023, returning close to the denial rate of 2.2% in FY 2022.
- The importance of H-1B visa holders to a wide range of companies can be seen in the data: More than 50% of approvals for H-1B petitions for initial employment in FY 2024 went to employers that filed 20 or fewer applications. Over 30,000 employers gained approval for at least one H-1B petition for initial employment in FY 2024. If an employer wishes to retain an international student on Optional Practical Training or hire a high-skilled foreign national from abroad to work in the United States, gaining H-1B status for that individual often remains the only option.
- The annual limit on new H-1B petitions is 65,000 plus a 20,000 exemption for foreign nationals with a master's degree or higher from a U.S. university. The law also exempts an H-1B petitioned for by U.S. universities and nonprofit and government research institutes. Employers have exhausted the 85,000 annual limit (65,000 plus the 20,000 exemption) every year since FY 2004. U.S. Citizenship and Immigration Services uses random selection—a lottery—when companies file more H-1B applications (or registrations) than the annual limit. According to USCIS, the agency received H-1B registrations for 442,000 unique beneficiaries for FY 2025, a number five times higher than the 85,000 ceiling. In practice, the annual limit compelled USCIS to block 300,000 to 350,000 high-skilled foreign nationals in 2024 from being able to work in the United States. Even if one excluded all petitions received by the 25 employers with the most approvals for H-1B petitions in FY 2024, which total about 27,500, the annual limit still would have prevented up to 300,000 or more high-skilled individuals from obtaining a new H-1B petition.
- Amazon had the most approved H-1B petitions for initial employment in FY 2024, with 3,871, lower than its totals of 4,052 in FY 2023 and 6,396 in FY 2022. Tesla, led by Elon Musk, showed a significant increase in H-1B approved petitions, rising to 16th on the list of most approved H-1B petitions for initial employment in FY 2024 after not appearing in the top 25 among employers in previous years. Tesla had 742 approved H-1B petitions for initial employment in FY 2024, more than double its total of 328 in FY 2023 and 337 in FY 2022. Tesla also had 1,025 H-1B petitions for continuing employment (primarily extensions for existing employees) approved in FY 2024. Cognizant had the second most H-1B petitions in FY 2024 approved for initial employment with 2,837, followed by Infosys (2,504), TCS (1,452), IBM (1,348), Microsoft (1,264), HCL America (1,248), Google (1,058), Capgemini (1,041) and Meta Platforms (920). USCIS records cases in the fiscal year approved, not by the cap year or when they were filed. The NFAP analysis is based on data from the USCIS H-1B Employer Data Hub and updates earlier reports.
- During Donald Trump's first term, Trump officials did not enact any measures to increase access to H-1B visas and high-skilled immigrants. Instead, the Trump administration proposed or implemented many policies that restricted the ability to petition for H-1B professionals or sponsor employment-based green card holders. These policies included memos that increased H-1B denials and time-consuming Requests for Evidence, policies that judges later ruled unlawful. Trump officials published rules blocked on procedural grounds that aimed to price H-1B visa holders and employment-based immigrants out of the U.S. labor market, make it far more challenging for foreign nationals to qualify for H-1B petitions and prevent employers from sending H-1B employees to provide services at customer locations. Many U.S. companies contract with firms to obtain specialized services they do not possess in-house.

- Employers in California (23,590), Texas (21,575), New York (12,326), New Jersey (11,188) and Virginia (7,802) had the most approvals of H-1B petitions for initial employment in FY 2024.
- Approximately half of approved new H-1B petitions in FY 2024 (49.1%) were in professional, scientific and technical services. Second, with 11.9%, was educational services, which include universities. Stanford had 274 approved H-1B petitions for initial employment in FY 2024, the most among U.S. universities. Third was manufacturing (9.3%). Health care and social assistance (6.5%) was fourth.
- USCIS reported 141,181 approved petitions for initial employment in FY 2024, more than the approximately 119,000 approved in FY 2023. That indicates workload management issues in FY 2023 and FY 2024 since the statutory limit and exemptions did not change. (Employers with more than 100 approvals for H-1B petitions for initial employment are listed in the Appendix.)
- The U.S. unemployment rate in computer and mathematical occupations is low at 2.5% in November 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 U.S. unemployment rate in architecture and engineering occupations was 2.0% in November 2024.
- While some contend that H-1B professionals are “cheap labor,” the average annual salary for an H-1B visa holder in computer-related occupations in 2023 reached \$132,000, and the median salary was \$122,000, according to USCIS statistics. Employers are required to pay H-1B visa holders the higher of the prevailing wage or actual wage paid to comparable U.S. workers in that area.
- Legal and government fees for filing an initial H-1B petition and an extension could cost employers up to \$34,900, and up to \$50,000 if sponsoring an employee for permanent residence, according to an NFAP analysis, costs employers do not pay when employing a U.S. worker. Academic research shows H-1B visa holders are paid the same or higher than comparable U.S. workers.
- According to research, 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 UPENN. “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 Giovanni Peri and coauthors [found](#) the low annual H-1B limit prevents employers from creating hundreds of thousands of jobs for U.S. workers by discouraging company investment and other means.
- 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 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 indicate it is a mistake to assume 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 that are not considered STEM occupations due to limitations in government data.

Policies toward high-skilled foreign nationals in America remain restrictive compared to other countries that the United States competes with for talent. The incoming Trump administration may make U.S. immigration policies more restrictive by implementing measures that officials proposed or enacted during Donald Trump's first term.

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. 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. X.com: [@NFAPResearch](https://twitter.com/NFAPResearch)

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