

H-1B IS THE MOST RESTRICTIVE VISA CATEGORY

EXECUTIVE SUMMARY

Only 20% of new H-1B applications result in approved workers, making the H-1B visa the most restrictive category in the U.S. immigration system. 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.

The finding contradicts assertions that the H-1B category is an easy source of labor. Even though some government officials and lawmakers favor new restrictions, the category is already highly restricted due to the numerical limit. It carries with it significant fees, wage requirements and other employer obligations. The 85,000 annual limit, which employers have exhausted yearly for decades, prevents most applications for new high-skilled foreign nationals from being approved. While only 20% of new H-1B registrations gain approval, 72% of tourist visas and over 90% of most other work visas are approved. A foreign couple wanting to attend Mardi Gras is three times more likely to get a visa to the United States than an electrical engineer with a master’s degree can obtain H-1B status. A European teenager is four times more likely to get a visa to work at a summer amusement park than a graduate student is to receive H-1B status to work for a U.S. company on artificial intelligence.

Table 1  
Most Difficult Visa To Obtain By Percentage Of New Applications Resulting In Approvals

Visa Category	Percentage of New Applications Resulting In Approvals
H-1B	20%
H-2B	43%
TN	57%
F-1	59%
B1/B2	72%
K-1	89%
J-1	89%
L-1B	90%
E-2	90%
O-1A	92%
H-2A	96%

Source: National Foundation for American Policy, U.S. Citizenship and Immigration Services, U.S. Department of State and U.S. Department of Labor.

In FY 2025, employers filed at least 423,028 eligible H-1B registrations, but U.S. Citizenship and Immigration Services could only allow 85,000 new foreign nationals to obtain H-1B status under the annual limit, an approval rate of only 20%. Over 300,000 eligible high-skilled individuals did not gain H-1B status to work in the United States in FY 2025 because of the yearly limit passed by Congress. Because of the low annual ceiling and high demand, USCIS uses a random selection process that begins with registration in March to choose eligible H-1B professionals who can start employment in the upcoming fiscal year.

*H-1B Is The Most Restrictive Visa Category***H-1B IS THE MOST RESTRICTIVE VISA**

The low annual limit on new H-1B petitions makes the category the most restrictive visa in the U.S. immigration system. In FY 2025, employers filed at least 423,028 eligible H-1B registrations, but USCIS could only allow 85,000 new foreign nationals to obtain H-1B status under the annual limit, an approval rate of only 20%. More than 300,000 eligible high-skilled individuals could not gain H-1B status to work in the United States in FY 2025 because of the annual limit.

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. An [NFAP study](#) found that 55% of America's startup companies valued at \$1 billion or more have at least one immigrant founder, and almost 80% of America's unicorn companies (privately-held, billion-dollar companies) have an immigrant founder or an immigrant in a key leadership role, such as CEO or vice president of engineering. 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. That helps illustrate the contributions immigrants make to the U.S. economy.<sup>1</sup>

The Immigration Act of 1990 established a [65,000 annual limit](#) on new H-1B petitions. In 2004, Congress raised the H-1B annual limit to 85,000 by exempting 20,000 individuals a year who earned a master's degree or higher from a U.S. university. Despite that increase, the supply of new H-1B visas for companies has been exhausted for more than two decades (since FY 2004).<sup>2</sup>

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 technology companies.

The 20% approval rate for new applicants is conservative because the 423,028 eligible registrations for FY 2025 included only beneficiaries with no other eligible registrations, excluding 47,314 other beneficiaries with "multiple eligible registrations." An unknown number of those 47,314 may have more than one employer who filed on their behalf. If all were included, the approval rate would drop to 18%.<sup>3</sup>

---

<sup>1</sup> Stuart Anderson, AI and Immigrants, NFAP Policy Brief, National Foundation for American Policy, June 2023.

<sup>2</sup> Congress exempted from the H-1B annual limit petitions by universities and nonprofit and government research institutes.

<sup>3</sup> H-1B Electronic Registration Process, USCIS website, updated as of February 5, 2025. <https://www.uscis.gov/working-in-the-united-states/temporary-workers/h-1b-specialty-occupations/h-1b-electronic-registration-process>. In FY 2025, as in other years, USCIS selected more registrations than 85,000 to account for denials and other factors. "USCIS selected the number of unique beneficiaries projected as needed to reach the congressionally mandated caps and exemptions," according to USCIS.

---

*H-1B Is The Most Restrictive Visa Category***H-1B VISA CATEGORY ALREADY CONTAINS MANY REQUIREMENTS**

Employers take on many obligations when petitioning H-1B visa holders. 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.*”<sup>4</sup>

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 \$34,900, and as high as \$50,000 once including the additional cost of sponsoring an employee for permanent residence, according to an NFAP analysis.

Employers must also agree to obey additional requirements, including notifying U.S. employees of the wages of H-1B visa holders at their worksite and limits on H-1B professionals working at customer locations. An employer found to underpay an H-1B visa holder and lay off a U.S. worker can be barred from petitioning for H-1B professionals for three years and pay a substantial fine.

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 2023 was \$132,000, and the median salary was \$122,000, according to USCIS statistics.<sup>5</sup>

“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 of NFAP.<sup>6</sup>

Without H-1B status, a foreign national would likely need to leave the United States and work in China, India, Canada or elsewhere. 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. That supports what companies say: The pool from which employers choose high-skilled professionals with advanced degrees features mostly foreign nationals. Policies toward high-skilled foreign nationals in America are considered more restrictive than those of other countries that the United States competes with for talent.

---

<sup>4</sup> <https://uscode.house.gov/view.xhtml?req=granuleid%3AUSC-prelim-title8-section1182&num=0&edition=prelim>.

<sup>5</sup> *Characteristics of H-1B Specialty Occupation Workers, Fiscal Year 2023 Annual Report to Congress*, Department of Homeland Security and U.S. Citizenship and Immigration Services, March 6, 2024.

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

## **NO EVIDENCE THE H-1B ANNUAL LIMIT HELPS U.S. WORKERS**

Research shows that numerical restrictions on H-1B visas do not help U.S. workers. Instead, they curtail investment in the United States and drive jobs and innovation outside the country.

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.<sup>7</sup>

Numerical limits act as a significant restriction on immigration and, research shows, push more jobs outside 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.<sup>8</sup>

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.”<sup>9</sup>

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

---

<sup>7</sup> 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.

<sup>8</sup> Britta Glennon, *How Do Restrictions on High-Skilled Immigration Affect Offshoring? Evidence from the H-1B Program*, April 5, 2020.

<sup>9</sup> 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.

---

*H-1B Is The Most Restrictive Visa Category*

movement of jobs and talent abroad, with major implications for U.S. competitiveness.”<sup>10</sup> Glennon calculated that multinational companies “hire 0.9 employees abroad for every visa rejection.”<sup>11</sup>

## **APPROVAL RATES IN OTHER MAJOR VISA CATEGORIES**

The H-2B visa, though not as restrictive as H-1B, also presents problems for employers because of its numerical limit. Employers use H-2B to employ foreign nationals in nonagricultural seasonal jobs, such as resort workers, landscapers, maids, amusement park workers and crab pickers.

The H-2B annual limit is 66,000, which employers have exhausted for several years. Because of the strong demand for labor, Congress has passed legislation that adds supplemental numbers that, based on legislative language, are released at the Homeland Security secretary’s discretion. In FY 2024, the H-2B visa allotment was 130,716 after adding 64,716 supplemental visas to the 66,000 annual limit. According to the Department of Labor, employers requested 301,881 positions through the Office of Foreign Labor Certification, a required step in the H-2B process, for an approval rate of 43%. If one counts only the positions certified by DOL—243,798—the approval rate was 54% in FY 2024.<sup>12</sup>

Approval rates are a broad indicator of visa availability since they do not consider other factors. Restrictions in the H-2B category prevent employers from using it to fill many jobs. DOL will not certify any positions for H-2B that are not considered seasonal.

TN visas “permit qualified Canadian and Mexican citizens to seek temporary entry into the United States to engage in business activities at a professional level.”<sup>13</sup> In FY 2024, 57% of TN visas were approved.<sup>14</sup>

F-1 visas for international students also experience a significant number of denials, particularly for students from Africa. In FY 2024, the State Department refused 278,553 requests for F-1 visas and issued 400,737 for a 59% approval rate.<sup>15</sup>

---

<sup>10</sup> See also Stuart Anderson, “U.S. Companies Denied H-1B Visas Hire Talent Abroad,” *Forbes*, April 4, 2023.

<sup>11</sup> Glennon, March 15, 2023.

<sup>12</sup> Department of Labor, U.S. Chamber of Commerce. Appreciation to Jon Baselice.

[https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/H-2B\\_Selected\\_Statistics\\_FY2024\\_Q4.pdf](https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/H-2B_Selected_Statistics_FY2024_Q4.pdf).

<sup>13</sup> USCIS.

<sup>14</sup> Worldwide NIV Workload by Visa Category FY 2024, U.S. Department of State.

<https://travel.state.gov/content/dam/visas/Statistics/Non-Immigrant-Statistics/NIVWorkload/FY2024NIVWorkloadbyVisaCategory.pdf>.

<sup>15</sup> *Ibid.*

---

*H-1B Is The Most Restrictive Visa Category*

“Visitor visas are nonimmigrant visas for persons who want to enter the United States temporarily for business (B-1 visa), for tourism (B-2 visa), or for a combination of both purposes (B-1/B-2 visa),” according to the State Department. In FY 2024, the U.S. government issued 6.4 million B-1/B-2 visas and refused 2.5 million for a 72% approval rate.<sup>16</sup>

K-1 visas are for fiancés. In FY 2024, the State Department issued 47,579 K-1 visas and refused 6,130 for an 89% approval rate.<sup>17</sup> J-1 visas are for exchange visitor programs, including researchers and summer work employees. In FY 2024, the State Department issued 322,820 J-1 visas and refused 39,747 for an 89% approval rate.<sup>18</sup>

L-1B visas are used to transfer a professional employee with specialized knowledge. In FY 2024, USCIS approved 90% of cases decided for L-1B status.<sup>19</sup> E-2 visas are for treaty investors. In FY 2024, the State Department issued 55,324 E-2 visas and refused 6,108 visas for a 90% approval rate.<sup>20</sup>

O-1 visas are for an individual “who possesses extraordinary ability in the sciences, arts, education, business, or athletics, or who has a demonstrated record of extraordinary achievement in the motion picture or television industry and has been recognized nationally or internationally for those achievements.” In FY 2023, USCIS approved 92% of cases for O-1 status.<sup>21</sup>

H-2A visas are seasonal agricultural visas. In FY 2024, the State Department issued 315,328 H-2A visas and refused 12,800 for a 96% approval rate.<sup>22</sup> The seasonal requirement limits the jobs allowed in the H-2A category.

## CONCLUSION

The analysis shows it is far easier to obtain any other type of major visa than an H-1B visa. The annual limit significantly impedes hiring foreign-born scientists and engineers, which many critics ignore when calling for more restrictions on the H-1B category. The restrictions sometimes advocated include requiring vastly higher salaries for H-1B professionals than comparable U.S. professionals. Without H-1B visas, relatively few high-skilled foreign nationals, including international students, could work in the United States.

---

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> USCIS performance data, L-1B, FY 2024.

<sup>20</sup> Worldwide NIV Workload by Visa Category FY 2024, U.S. Department of State.

<sup>21</sup> USCIS. “STEM-Related Petition Trends: EB-2 and O-1A Categories FY 2018 - FY 2023,” USCIS.

[https://www.uscis.gov/sites/default/files/document/reports/stem\\_related\\_petition\\_trends\\_eb2\\_and\\_o1a\\_categories\\_factsheet\\_fy23.pdf](https://www.uscis.gov/sites/default/files/document/reports/stem_related_petition_trends_eb2_and_o1a_categories_factsheet_fy23.pdf).

<sup>22</sup> Worldwide NIV Workload by Visa Category FY 2024, U.S. Department of State.

## 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. 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](http://www.nfap.com). X.com: [@NFAPResearch](https://twitter.com/NFAPResearch)