

H-1B Executive Actions in 2026

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The H-1B program allows U.S. employers to hire temporary foreign workers for *specialty occupation* positions (i.e., positions that require specialized knowledge and a college degree). To date in 2026 the Trump Administration has announced several policy changes aimed at addressing perceived abuses of the program, such as replacing U.S. workers with lower-paid foreign workers. These executive actions come on the heels of policy changes [announced in 2025](#).

Increased Costs for Employers

In February 2026, the Department of Homeland Security (DHS) [implemented](#) a weighted (instead of random) selection process for the H-1B lottery to “favor the allocation of H-1B visas to higher-skilled and higher-paid” workers. The first affected lottery was for H-1B employment starting in October 2026.

In March 2026, the Department of Labor (DOL) published a proposed rule to increase H-1B [prevailing wage requirements](#). DOL [asserted](#) that under the current regulation, “employers were permitted to hire alien workers at wage levels below those that similarly employed U.S. workers were paid, resulting in adverse effects to the wages and working conditions of U.S. workers.” H-1B prevailing wage requirements differ by skill level (See **Table 1**), specialty occupation, and Metropolitan Statistical Area.

Table 1. Changes in H-1B prevailing wage requirements proposed in March 2026

Skill Level	Description	Current Prevailing Wage Requirement	Proposed Prevailing Wage Requirement
Level I	Entry Level	Approximately the 17 th percentile of the wage distribution for the same occupation in the same Metropolitan Statistical Area	34 th percentile of the same wage distribution
Level II	Qualified	Approximately the 34 th percentile	52 nd percentile
Level III	Experienced	Approximately the 50 th percentile	70 th percentile

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Skill Level	Description	Current Prevailing Wage Requirement	Proposed Prevailing Wage Requirement
Level IV	Fully Competent	Approximately the 67 th percentile	88 th percentile

Source: CRS Presentation of 91 *Federal Register* 15454.

DOL [estimated](#) these proposed wage requirements would increase H-1B employer costs by approximately \$1.46 billion in the first year.

In August 2026, DHS issued a [proposed](#) rule to establish a new \$103,265 fee to “generate dedicated revenue to support the costs of administering the lawful immigration system.” The new fee would apply to each [cap-subject](#) petition submitted by employers for H-1B workers. This is separate from the \$100,000 fee the Administration [imposed](#) in September 2025 on U.S. employers petitioning for new H-1B workers from abroad (which was in effect for most of the past year but is currently temporarily [blocked](#) due to ongoing litigation).

In August 2026, DHS issued a [final rule](#) that applies an existing \$4,000 “9-11 Biometric Fee” to petitions filed by certain employers on behalf of H-1B or L-1 workers (within-company transfers to the United States) who are extending their status. Before this rule, DHS had [interpreted](#) the 9-11 Biometric Fee passed by Congress in 2015 to apply only to petitions for new workers or those changing employers. Employers subject to this fee—before and after the change—are those with more than 50 employees in the United States, of whom more than 50 percent are in H-1B or L-1 status. The 9-11 Biometric Fee is scheduled to sunset on September 30, 2027.

Increased Scrutiny of Employers

In July 2026, the DOL [Office of the Inspector General announced](#) an investigation and intensified enforcement efforts “to combat fraud and human trafficking” in the H-1B program, focusing on fraudulent applications and coercive wage-kickbacks. This initiative includes a nationwide awareness program encouraging workers to report concerns to DOL. It builds on the 2025 launch of “[Project Firewall](#),” an initiative to strengthen labor enforcement of the H-1B program by “prioritizing investigations where there are signs of displacements, inadequate recruitment of U.S. workers, or other abuses.” [Data on DOL H-1B compliance enforcement actions](#) in FY2026 are not yet available.

In September 2026, President Trump issued an [executive order](#), requiring more coordination between agencies to “ensure the compliance ... with statutory requirements” and requires them to “take into account in any labor condition application, petition, visa, and entry of aliens entering or attempting to enter the United States as H-1B nonimmigrants ... whether the employer sponsor directly or indirectly engaged in layoffs within the previous year or plans future layoffs.” Current law does not bar employers with recent layoffs of U.S. workers from employing H-1B workers. DHS is also [considering](#) “revising eligibility for cap exemptions, providing greater scrutiny for employers that have violated program requirements, and increasing oversight over third party placements.”

In October 2026, DHS [proposed](#) removing a policy of deferring to prior approvals when employers petition to extend H-1B workers’ employment. Removing “prior deference” would increase scrutiny of extension requests when the circumstances of H-1B employment are unchanged.

Restrictions for Workers

In September 2026, DHS [proposed](#) eliminating a grace period (implemented [in 2017](#)), which allows H-1B and certain other temporary workers to remain in the United States for up to 60 days after their

employment ends. In October, DHS [eliminated](#) automatic extensions of work authorization for spouses of H-1B workers and is [considering](#) removing their [eligibility](#) for work authorization altogether.

Some employers sponsor their H-1B workers for permanent labor certification (known as PERM). If approved, these workers may become LPRs, which allows them to more easily change employers (and to eventually become U.S. citizens). The administration has [initiated rulemaking](#) “improving the minimum standards for recruiting qualified U.S. workers, strengthening safeguards for U.S. workers impacted by layoffs, and enhancing employer compliance with program requirements related to non-discriminatory recruitment and hiring practices.” Such changes could result in fewer H-1B workers being approved for PERM.

Impacts Thus Far

There are indications that employers are filing fewer petitions for H-1B workers coming from abroad. [DHS data](#) show reduced petition filings from both cap-subject and cap-exempt employers following the implementation of the \$100,000 fee in 2025. For example, during the first eight months that the fee was in effect, the number of initial H-1B petitions that DHS received for consular processing from cap-exempt employers dropped 91% from the same period the year before. Similarly, cap-subject companies that typically had high numbers of H-1B employees coming from abroad submitted significantly fewer entries to the FY2027 H-1B lottery. Among the highest lottery entrants in FY2026 were Cognizant, Infosys, and Tata, which submitted 100%, 91%, and 95% fewer registrations in FY2027, respectively.

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