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Immigration Alert

September 20, 2025

Trump proclamation imposes \$100K fee on H-1B visa entries

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A new Presidential Proclamation dramatically alters the H-1B visa landscape, introducing a \$100,000 fee and signaling major changes ahead.



What's the impact?

- H-1B workers currently in the U.S. should suspend international travel until further guidance is received
- It is not clear if this restriction applies to H-1B beneficiaries outside the U.S. and in possession
 of a valid H-1B visa before the proclamation's effective date. Until further clarification is
 obtained, such workers should where possible return to the U.S. before the proclamation's
 effective date.
- The proclamation also signals future major changes to the H-1B sponsorship process, including changes to the H-1B selection criteria and prevailing wage requirements

On Friday, Sept. 19, 2025, President Trump signed a <u>proclamation</u> that bans the entry of H-1B workers to the U.S. unless the employer has paid a fee of \$100,000 for the sponsored employee.

The proclamation is to take effect at 12:01 a.m. ET on September 21, 2025, unless a court order suspends implementation.

Exceptions and legal challenges

Per the proclamation, the entry of H-1B workers is restricted as of the effective date, except for those workers whose H-1B petition includes a payment of \$100,000, unless an exception applies. H-1B workers currently in the U.S. should suspend international travel until further guidance is received. It is not clear if this restriction applies to H-1B beneficiaries outside the U.S. and in possession of a valid H-1B visa before the proclamation's effective date. Until further clarification is obtained, such workers should where possible return to the U.S. before the proclamation's effective date.

Per the proclamation, the Department of Homeland Security (DHS) will restrict decisions on H-1B petitions for H-1B workers outside the U.S. for a period of 12 months after the effective date of the proclamation, unless the petition includes the \$100,000 payment. It is not clear at this time how this will apply to H-1B amendment, extension, and/or change of employer petitions for H-1B workers inside the U.S.

There are exceptions to the \$100,000 payment for an individual, a company, or an industry, if DHS determines the hiring of such H-1B worker(s) is in the national interest and does not pose a threat to the security or welfare of the United States.

Long-term changes to H-1B system

In the longer term, the proclamation instructs DHS to issue a new rule whereby the existing H-1B lottery process is essentially scrapped, and instead, H-1Bs are issued only to the "top" workers being paid the most, etc. This would potentially affect the ability to provide H-1B sponsorship to many entry- and mid-level professional positions, but would not affect existing H-1B beneficiaries who have already been selected in the lottery. Due to the rulemaking process, it may be months before we have further details about this.

The other longer-term directive is for the Department of Labor (DOL) to issue a new rule that essentially dismantles the current H-1B prevailing wage structure and replaces it with a prevailing wage requirement that is significantly higher than the current pay structure. The consequence of this is that some employers will not be able to afford to pay the worker the higher wage, and therefore would not hire H-1B workers and/or be able to extend the status of existing H-1B workers. Again, because of the rulemaking process, it may be months before we have further details, including clarification about whether the higher prevailing wage requirements would apply in other contexts, such as employer-sponsored "green card" prevailing wage requirements.



The proclamation will certainly be met with a legal challenge, and many questions remain about its implementation. We are closely monitoring this development and will provide updates as new information becomes available.

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