

## H-1B denial rates decline: USCIS data

### Synopsis

Legal challenges forced US lawmakers to reverse restrictive immigration policies leading to a sharp decline in visa denial rates for initial employment, or new H-1B visas, to 7.1% in the first six months of fiscal 2021 compared to 28.6 per cent in the corresponding period of the last year, according to a study by the National Foundation for American Policy (NFAP).



Previously, if some information was missing the initial evidence, the application would be rejected – now the agency sends an RFE, a far more reasonable outcome for everyone, he said.

The **H-1B** visa denial rates for India's **top IT services** companies dropped to single digits in the first six months of financial year 2021 after averaging at around 50% in the previous fiscal, findings from independent research show.

Legal challenges forced US lawmakers to reverse restrictive immigration policies leading to a sharp decline in visa denial rates for initial employment, or new H-1B visas, to 7.1% in the first six months of fiscal 2021 compared to 28.6% in the corresponding period of the last year, according to a study by the National Foundation for American Policy (NFAP).

“Judicial decisions that found the ( Donald) **Trump** administration’s actions to be unlawful and a legal settlement forced Trump officials to change restrictive immigration policies, resulting in dramatic improvements in H-1B denial rates for companies beginning in the fourth quarter of FY 2020,” said Stuart Anderson, executive director of NFAP. The nonpartisan policy research organisation conducted a study of **United States Citizenship and Immigration Services (USCIS)** data noting that IT services companies were the biggest gainers from the policy reversal.

In recent years, Indian IT services companies—that often place employees at third party client locations-- had been reporting far higher visa denial rates as compared to US-based technology companies such as Apple, Google, and Microsoft.

However, the change in regulations, in the first two quarters of 2021, has resulted in the denial rates for India's top IT services companies dropping sharply from 59 % to 5 % in the case of Infosys, while industry leader TCS saw the visa denial rate declining to 7 % from 15 %.

Similarly, HCL America recorded a denial rate of 7 % from 37% while Wipro's denial rates shrunk to 8 % from the earlier 39%.

[BACK TO TOP](#)

Cognizant, a US-based company, which follows a similar business model to the Indian services firms also saw denial

rates change from 52% to 8%.

“Companies that supply information technology services experienced the largest declines in their denial rates in the first two quarters of FY 2021, with nine companies showing denial rates for H-1B petitions for initial employment that were at least 24 percentage points lower in FY 2021,” Anderson said.

### **HIGH SKILL JOBS**

Demand for H-1B visas continues to remain high as the US faces a sharp increase in demand for high skilled technology workers and record low unemployment rates.

Even Amazon’s H-1B denial rate for initial employment was 11 percentage points lower in the first two quarters of FY 2021 as compared to the same period in FY 2020, while Google’s was 13 percentage points lower, NFAP data revealed.

Earlier in March, employers had filed 308,613 H-1B registrations for cap selection for fiscal year 2022 for about 85,000 H-1B petitions.

However, the USCIS later said that it would conduct a second lottery as it hadn’t received enough applications to meet the cap in the first round.

Immigration lawyers said that the Biden administration was in favour of legal immigration and that the changes were already visible.

“We have seen a very positive trend in the moderation in unnecessary hurdles. We see this trend all through legal immigration, not just H-1B visas. It’s not that we are not getting requests for evidence, it is that they are a lot more reasonable,” said Rajiv S Khanna, managing partner at immigration.com.

Previously, if some information was missing the initial evidence, the application would be rejected – now the agency sends an RFE, a far more reasonable outcome for everyone, he said.

Noting that while denial rates for H-1B petitions appear to have returned to more traditional levels after court decisions and a legal settlement ended the Trump administration’s H-1B policies, NFAP’s Anderson said that “those policies ( Trump era regulations) imposed significant costs on employers, visa holders and the economy, likely contributing to more work and talent moving to other countries.”