

News & Types: Client Advisories

FY2025 H-1B Quota Registration Opens on March 6 With Changes to The Registration Process

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Practices: Immigration

The U.S. Citizenship and Immigration Services (USCIS) announced that the Fiscal Year 2025 (October 1, 2024 to September 30, 2025) H-1B quota registration process will open on March 6, 2024 and remain available through March 22, 2024. Similar to past years, the FY2025 H-1B quota is limited to 65,000 with an additional 20,000 for beneficiaries who have earned a U.S. Master's or higher degree.

The USCIS has released a final regulation which will change the H-1B quota registration process. In the past, the registration selection process was based upon each registration received from an employer for a beneficiary. The same employer or a related entity could not submit duplicate registrations. However, different unrelated employers could submit registrations for a beneficiary and each registration for the beneficiary would be considered in the selection process. This resulted in more than 50% of the beneficiaries last year having multiple registrations submitted on their behalf and a record number of registrations submitted.

Beginning with the FY2025 quota registration, the USCIS will change from a registration centric process to a unique beneficiary centric process. Under the new unique beneficiary centric process, each beneficiary will only have one chance in the selection process, regardless of the number of registrations submitted by different unrelated employers. The USCIS indicated in the final rule that this new process will likely increase fairness in the selection process as well as enhance the integrity of the overall selection process. The USCIS also anticipates that it will receive significantly fewer registrations because multiple registrations will not enhance the odds that a beneficiary will be selected in the registration process.

In order to more easily determine multiple registrations for the same beneficiary, the USCIS will now be requiring employers to provide information about the beneficiary's current passport or other valid travel document. A copy of the passport or valid travel document will have to be provided with the H-1B quota filing if the beneficiary's quota registration is selected and the employer proceeds with the H-1B quota filing. The other requested information in the registration system will not change from previous years.

If multiple different unrelated employers submit registrations on behalf of a beneficiary, the USCIS will not notify the employers that other different unrelated employers also submitted registrations. Additionally, if multiple different unrelated employers submit registrations on behalf of a beneficiary and the beneficiary is

selected in the registration process, all different unrelated employers will be notified of the selection. Each of these employers could then potentially submit H-1B quota petitions on behalf of the beneficiary during the applicable filing period. If each of the quota petitions is then approved, the beneficiary will then be able to select which employment option to pursue. Although employers requested the USCIS to only allow one quota filing by different unrelated employers per selection, the USCIS declined to implement this recommendation indicating that it is expected that employers will communicate with selected beneficiaries to make informed decisions regarding whether to file the H-1B quota petition.

The FY2025 quota registration fee will remain at \$10 per registration. Next year, the quota registration fee will increase to \$215 per registration.

Because the FY2025 quota registration opens on March 6, we encourage employers to contact their Masuda Funai attorneys at this time about the registration process in order to allow sufficient time to gather the necessary information and documents.

THE USCIS FINALIZES NEW FILING FEE SCHEDULE WHICH BECOMES EFFECTIVE ON APRIL 1

A year ago, in our <u>January 2023 Business Immigration Monthly</u>, we reported that the USCIS commenced the regulatory process to modify its filing fees for employers who are sponsoring foreign workers and individuals who are applying for temporary status or Permanent Resident status (Green Card). By law the USCIS is required to conduct a review of its filing fees every two years but the last significant change to filing fees for the USCIS benefit requests occurred in 2016. Unlike other federal agencies, the USCIS is almost entirely funded through the filing fees paid by the public. In January 2023, the agency published a notice of proposed rulemaking and received nearly 8,000 public comments, followed by a comprehensive review of fees, and determined that increases in fees were needed to cover the cost of agency operations, expansion of humanitarian programs, federally mandated pay raises, additional staffing, and other investments.

On January 31, 2024, the USCIS published its new fee schedule which will be in effect for all filings received on and after April 1, 2024 – just in time for the filing of H-1B quota petitions for beneficiaries selected through the quota registration system discussed above. Since the new fees become effective April 1, 2024, the H-1B quota registration fee of \$10.00 remains in effect; the H-1B quota registration fee next year will be \$215.

Some highlights include:

- Discount for Online Filing: The final rule features lower fees for some online filing providing a \$50 discount
 for designated forms filed online with the USCIS. Online filing saves the USCIS money on intake and
 storage costs and reduces the risk of paper filings being misplaced or mishandled.
- Asylum Fee: A new Asylum Program Fee of \$600 will be required to be paid by employers who file either a Form I–129, Petition for a Nonimmigrant Worker, Form I–129CW, Petition for a CNMI-Only Nonimmigrant Transitional Worker, or Form I–140, Immigrant Petition for Alien Worker. In the final rule, the DHS exempts the Asylum Program Fee for nonprofit petitioners and reduces it by half for small employers. The fee will be \$0 for entities approved by the IRS as nonprofits; \$300 for small employers (defined as firms or individuals having 25 or fewer Full-Time Equivalent employees); and \$600 for all other filers of Forms I–129 and I–

- 140. Individuals filing a Form I-140 as a self-petitioner (EB11 or EB2-NIW) will be required to pay the \$300 Asylum Program Fee in addition to the I-140 filing fee.
- Unbundling Adjustment of Status Based Advance Parole and Employment Authorization: The USCIS will now impose separate filing fees for an Employment Authorization (EAD) and Advance Parole (international travel document) for an individual applying for permanent resident status through adjustment of status (AOS or I-485) in the United States. The fee for Form I-765 (EAD) will be \$260. The fee for Form I-131 (Advance Parole) will be \$630. Since July 30, 2007, USCIS included the processing of AOS-based EAD and Advance Parole benefit requests as part of the initial AOS filing and did not charge a fee for an EAD and/or Advance Parole renewal. By now charging a separate filing fee for the EAD (I-765) and Advance Parole (I-131), the USCIS will recoup its adjudication costs. The USCIS also reserves the right to determine the validity of an AOS-based EAD or Advance Parole and envisions that it will continue the issuance of an AOS-based EAD with a validity of up to five years and issue an AOS-based Advance Parole with a one-year validity. Individuals who have applied for adjustment of status may continue to travel using an unexpired H or L nonimmigrant visa, without the need of an Advance Parole. Individuals who filed for adjustment of status after July 30, 2007 and before April 1, 2024 will continue to be exempt from paying the USCIS filing fee to renew an AOS-based EAD or Advance Parole.
- Increase Processing Time for Premium Processing Service: The USCIS will change its standard premium processing time from 15 calendar days to 15 business days, standardizing the business-day model used for other premium processing services. As we reported in our <u>January 2024 Business Immigration Monthly</u>, effective February 26, 2024, the USCIS is also increasing the fee for premium processing service. The USCIS also has a goal of expanding the premium processing program to other case types, including all classifications of Form I-539 and I-765 by September 30, 2025 (end of FY2025).
- Certain Inflation Guided Increases: In the final rule, several fees are held to the rate of inflation since the
 previous fee increase in 2016. However, if the proposed fee was less than the current fee adjusted for
 inflation, then the DHS sets the fee in this rule at the lower level. Except for certain employment-based
 benefit request fees, if proposed fees were less than the rate of inflation, then the DHS finalizes the
 proposed fee or a lower fee.
- Expanded Fee Waivers: This final rule expands fee exemptions for humanitarian filings, codifying the 2011 Fee Waiver Policy criteria that the USCIS may grant a request for fee waiver if the requestor demonstrates an inability to pay based on receipt of a means-tested benefit, household income at or below 150 percent of the Federal Poverty Guidelines (FPG), or extreme financial hardship.
- Denials/Revocations for Incorrect Fee Payment: he USCIS is adding a regulation that if it accepted a
 benefit request to process and later determines the incorrect filing fee was paid, it may deny the benefit
 request or revoke an approved benefit. Thus, individuals may wish to confirm the filing fee by using the
 USCIS Fee Calculator. With this rule, the USCIS is eliminating the \$30.00 fee imposed for a returned check
 (bank account having insufficient funds).
- Future Increases: This final rule also allows the USCIS to adjust its filing fees on an annual basis based upon the rate of inflation.

Below are relevant parts of the modified USCIS Filing Fee Schedule effective April 1, 2024:

Visa Classification/ Petition	Current Fee	Proposed fee	Final Fee Effective as of 04/01/2024	Percentage of Fee Increase
H-1B CAP Registration Fee	\$10	\$215	\$215	205%
H-1B Workers (Form I-129) – more than 25 employees	\$460 + \$500 Fraud Detection Fee (initial petition) + \$1500 ACIWA Supplement Fee (initial petition and first extension) + \$4,000 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas)	\$780 + \$500 Fraud Detection Fee (initial petition) + \$1500 ACIWA Supplement Fee (initial petition and first extension) + \$600 Asylum Program fee	\$780 + \$500 Fraud Detection Fee (initial petition) + \$1500 ACIWA Supplement Fee (initial petition and first extension) + \$600 Asylum Program fee	70% 200% with Asylum Program Fee
H-1B Workers (Form I-129) for small employers - 25 or fewer employees	\$460 + \$500 Fraud Detection Fee (initial petition) + \$750 ACIWA Supplement Fee (initial petition and first extension)	\$780 + \$500 Fraud Detection Fee (initial petition) + \$750 ACIWA Supplement Fee (initial petition and first extension) + \$600 Asylum Program fee	\$460 + \$500 Fraud Detection Fee (initial petition) + \$750 ACIWA Supplement Fee (initial petition and first extension) + \$300 Asylum Program fee	0% 65% with Asylum Program Fee
H-1B Workers (Form I-129) for nonprofits	\$460 + \$500 Fraud Detection fee (initial petitions) + \$4,000 9-11	\$780 + \$500 Fraud Detection fee (initial petitions) + \$600 Asylum Program fee	\$460 + \$500 Fraud Detection fee (initial petitions) + \$4,000 9-11	0% 0% with Asylum Program Fee

	Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas)		Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$0 Asylum Program fee	
L-1 Intracompany Transferee (Form I- 129) – more than 25 employees	\$460 + \$500 Fraud Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas)	\$1,385 + \$500 Fraud Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$600 Asylum Program fee	\$1,385 + \$500 Fraud Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$600 Asylum Program fee	201% 332% with Asylum Program Fee
L-1 Intracompany Transferee (Form I- 129) - 25 or fewer employees	\$460.00 + \$500 Fraud Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas)	\$1,385 + \$500 Fraud Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$600 Asylum Program fee	\$695 + \$500 Fraud Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$300 Asylum Program fee	51% 116% with Asylum Program Fee
L-1 Intracompany Transferee (Form I-	\$460.00 + \$500 Fraud	\$1,385 + \$500 Fraud	\$695 + \$500 Fraud	51% 51% with Asylum

129) for nonprofits	Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas)	Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$600 Asylum Program fee	Detection Fee (initial petition) + \$4,500 9-11 Response fee (Employers with more than 50 employees and more than 50% of staff on H-1B or L visas) + \$0 Asylum Program fee	Program Fee
O-1 Extraordinary Workers (Form I-129) – more than 25 employees	\$460	\$1,055 + \$600 Asylum Program fee	\$1,055 + \$600 Asylum Program fee	129% 260% with Asylum Program Fee
O-1 Extraordinary Workers (Form I-129) - 25 or fewer employees	\$460	\$1,055 + \$600 Asylum Program fee	\$530 + \$300 Asylum Program fee	15% 80% with Asylum Program Fee
O-1 Extraordinary Workers (Form I-129) for and nonprofits	\$460	\$1,055 + \$600 Asylum Program fee	\$530 + \$0 Asylum Program fee	15% 15% with Asylum Program Fee
E-1 Treaty Trader, E-2 Treaty Investor, E-3 Australian Worker and TN Treaty Workers from Mexico/Canada (Form I-129) – more than 25 employees	\$460	\$1,015 + \$600 Asylum Program fee	\$1,015 + \$600 Asylum Program fee	121% 251% with Asylum Program Fee
E-1 Treaty Trader, E-2 Treaty Investor, E-3 Australian Worker and TN Treaty Workers from Mexico/Canada (Form I-129) - 25 or fewer employees	\$460	\$1,015 + \$600 Asylum Program fee	\$510 + \$300 Asylum Program fee	11% 76% with Asylum Program Fee
E-1 Treaty Trader, E-2 Treaty Investor, E-3	\$460	\$1,015 + \$600 Asylum	\$510 + \$0 Asylum	11% 11% with Asylum

Australian Worker and TN Treaty Workers from Mexico/Canada (Form I-129) for nonprofits		Program fee	Program fee	Program Fee
Visitors and Dependents (Form I- 539 paper filing)	\$370 (no Biometrics Fee)	\$620	\$470	27%
Visitors and Dependents (Form I- 539 paper filing)	\$455 (includes Biometrics Fee)	\$620	\$470	3%
Visitors and Dependents (Form I- 539 on-line filing)	\$370 (no Biometrics Fee)	\$525	\$420	14%
Visitors and Dependents (Form I- 539 on-line filing)	\$455 (includes Biometrics Fee)	\$525	\$420	-8%
Employment Authorization (Form I- 765) filed concurrently with FormI-485 or based upon a pending Form I-485	\$0	\$650	\$260	260%
Employment Authorization (Form I- 765 paper filing)	\$410 (no Biometrics Fee)	\$650	\$520	27%
Employment Authorization (Form I- 765 paper filing)	\$495 (includes Biometrics Fee)	\$650	\$520	5%
Employment Authorization (Form I- 765 on-line filing)	\$410 (no Biometrics Fee)	\$555	\$470 (no Biometrics Fee)	5%
Employment Authorization (Form I- 765 on-line filing)	\$495 (includes Biometrics Fee)	\$555	\$470 (includes Biometrics Fee)	-5%
Employment-based Immigrant Petition (Form I-140) – more	\$700	\$715 + \$600 Asylum Program fee	\$715 + \$600 Asylum Program fee	2% 88% with Asylum Program Fee

than 25 employees				
Employment-based Immigrant Petition (Form I-140) - 25 or fewer employees	\$700	\$715 + \$600 Asylum Program fee	\$715 + \$300 Asylum Program fee	2% 45% with Asylum Program Fee
Employment-based Immigrant Petition (Form I-140)	\$700	\$715 + \$600 Asylum Program fee	\$715 + \$0 Asylum Program fee	2% 2% with Asylum Program Fee
Family-based Immigrant Petition (Form I-130 paper filing)	\$535	\$820	\$675	26%
Family-based Immigrant Petition (Form I-130 on-line filing)	\$535	\$710	\$625	17%
Family-based and Employment-based Application to Adjust Status (Form I-485) age if age 14 to 78	\$1,225 (includes Biometrics fee)	\$1,540	\$1,440 (includes biometrics fee) \$2,330 if requesting an Advance Parole and EAD	26%
Family-based and Employment-based Application to Adjust Status (Form I-485)— Applicants aged 79 or older	\$1,140	\$1,540	\$1,440 \$2,330 if requesting an Advance Parole and EAD	18%
Family-based and Employment-based Application to Adjust Status (Form I-485) Applicants under age 14	\$750 (if filing with a parent)	\$1,540	\$950 (if filing with a parent) \$1,840 if requesting an Advance Parole and EAD	27%
Travel Document (Form I-131) filed concurrently with FormI-485 or based upon a pending Form	\$0	\$630	\$630	630%

I-485				
Travel Document (Form I-131) – Advanced Parole/Reentry Permit	\$575 (no Biometrics Fee)	\$630	\$630	10%
Travel Document (Form I-131) – Advanced Parole/Reentry Permit	\$660 (includes Biometrics Fee)	\$630	\$630	-5%
Naturalization (N-400 paper filing)	\$640 (no Biometrics Fee)	\$760	\$760	19%
Naturalization (N-400 paper filing)	\$725 (includes Biometrics Fee)	\$760	\$760	5%
Naturalization (N-400 on-line filing)	\$640 (no Biometrics Fee)	\$710	\$710	11%
Naturalization (N-400 on-line filing)	\$725 (includes Biometrics Fee)	\$710	\$710	-2%
Green Card Replacement/Renewal (Form I-90 paper filing)	\$455 (no Biometrics Fee)	\$465	\$465 (no Biometrics Fee)	2%
Green Card Replacement/Renewal (Form I-90 paper filing)	\$540 (includes Biometrics Fee)	\$465	\$465 (includes Biometrics Fee)	-14%
Green Card Replacement/Renewal (Form I-90 on-line filing)	\$455 (no Biometrics Fee)	\$455	\$415 (no Biometrics Fee)	-9%
Green Card Replacement/Renewal (Form I-90 on-line filing)	\$540 (includes Biometrics Fee)	\$455	\$415 ((includes Biometrics Fee)	-23%

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