

As White House issues clarification, door opens for laid-off H-1B techies

By: Himanshi Lohcab, ETtech • Last Updated: Sep 23, 2025, 07:55:52 PM IST

Synopsis

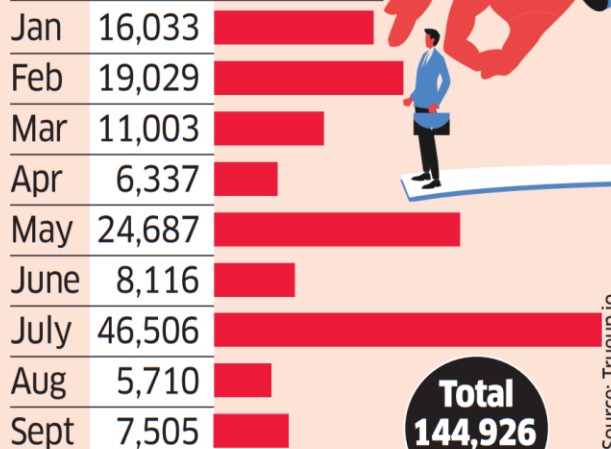
Some laid-off H-1B visa holders may benefit from the new \$100,000 fee rule, as they're exempt and could be rehired more easily. Since early 2025, nearly 145,000 tech workers have lost jobs. Experts say companies may find them attractive hires, avoiding fresh applications and saving time and cost.

There may be a silver lining to the [H-1B visa rule changes](#). The \$100,000 one-time fee imposed by US President Donald Trump for new applications under the skilled worker programme could prompt recruiters to consider hiring the H-1B visa holders who were recently laid off by technology companies such as Microsoft, [Oracle](#), Intel and AWS, said experts.

"Some of the ones laid off might be getting a call back," said Navneet S Chugh, attorney and managing partner at US-based immigration law firm Chugh LLC, adding that existing workers under H-1B visa, renewals, re-entries and employer transfers are not subject to the fee as per the clarification issued by the White House on Sunday.

In the Firing Line

TECH LAYOFFS IN 2025



Laid-off H-1B pros have 60 days to find new employer or leave country

2026 lottery may be less competitive as registrations could fall by 27%

Since the beginning of 2025, 144,926 people have been impacted by the 533 rounds of layoffs at tech companies, according to layoffs tracker platform Trueup. In 2024, there were 1,115 rounds of layoffs at tech companies with 238,461 people impacted, the data showed.

“For employers that act quickly and navigate compliance effectively, recently laid-off H-1B professionals represent a ready-to-deploy talent pool,” said Sachin Alug, CEO of recruitment company NLB Services. “Because they already hold H-1B status, they can often transition through a transfer petition without re-entering the lottery, making them highly attractive in terms of speed and cost efficiency.”

Under the H-1B programme, workers who are laid off on an active visa have 60 days to find a new employer or leave the country. A product manager based in Mountain View, California, whose last day at a consulting firm was September 8, told ET on condition of anonymity, “The moment I heard the news, I thought my days in the US were officially over. But after the clarification, there is a renewed hope. I am aggressively applying and expecting recruitment calls over the next week.”

Sanketh Chengappa KG, director and business head-professional staffing at Adecco India, said, “Many of these individuals may receive rehire opportunities or competitive offers from other firms, creating a selective and immediately deployable talent pool for high-impact roles, particularly in technology, engineering and strategic digital functions.”

Besides, the upcoming H-1B lottery in 2026 will be much less competitive for candidates who are worthy of the new \$100,000 fees. As employers sharply cut down on the number of petitions next year, those who survive will have a higher chance of getting picked up in the lottery.

For instance, in the 2025 lottery, bachelor’s degree holders had just a 16.92% chance of getting the visa, while for those with a master’s degree the probability was higher at 33.93%, data from VisaNation Law Group showed.

Last year’s lottery (FY25) saw roughly 470,342 eligible registrations, a dramatic drop from the 758,994 in FY24 due to new anti-fraud measures.

“(Next year) A drop of 50-60% is a realistic expectation, especially among smaller employers who often submit high volumes of applications,” said Shilpa Malik, managing attorney at VisaNation. “This could bring the total number of registrations down to a range of 190,000 to 235,000.”

However, the fee is applied at the petition stage which means companies can still register at minimal cost, “but will be forced to think twice before following through with a full petition,” Malik explained. “The likely outcome is fewer frivolous or speculative filings, but not the disappearance of demand from employers who truly need the workers.”

“Registrations fell by approximately 38% from FY24 to FY25, and preliminary estimates suggest a further decline of around 27% from FY25 to FY26, influenced by the new fee and other regulatory factors,” said Neeti Sharma, CEO, TeamLease Digital, adding that companies are proactively reducing petitions due to rising costs and policy uncertainty.

Big American firms such as Amazon, Meta, Google are expected to be the top beneficiaries of the H-1B visa rule changes as they would be willing to cough up higher fees for highly skilled candidates, according to some immigration experts. The \$100,000 fee is equivalent to a one-year salary of an average employee hired through this route, they said.

“It’s too early to say how companies are reacting,” said Debarghya Das, partner at US-based Menlo Ventures. “People expect the IT services firms and lower wage employers to be most affected. Collectively, this makes up 40-60% of all H-1B petitions.”

Most tech companies are not H-1B dependent, with less than 15% employees on H-1B and the majority of Big Tech H-1B applicants being renewals, Das said, adding, “Microsoft, for example, had less than 2,000 net new H-1B last year, which is \$200 million in fees, a 0.6% increase in annual R&D (research and development) spend of \$30 billion for the company. This may not be enough for them to significantly reduce H-1B hiring.”

However, some experts did not share the view that laid-off workers could become attractive hires. Atal Agarwal, founder of immigration legal tech companies OpenSphere and LegalBridge, said, “Labour market is a different set-up, dependent on the employability of the person. In fact, it might get harder for them due to confusion in policy and the \$100,000 premium added in the long run with incomplete information.”

Besides, according to lawyers, President Trump’s proclamation imposing the fee on companies sponsoring a new H-1B visa is unlikely to hold up in courts. “We are pretty confident that the courts will find the new \$100,000 fee as not legal and they will strike down the fee,” said Chugh.