



October 24, 2025

Joseph B. Edlow, Director  
U.S. Citizenship and Immigration Services  
5900 Capital Gateway Drive  
Camp Springs, MD 20746

*Submitted via regulations.gov*

**RE: SHRM's Comment on the Weighted Selection Process for Registrants and Petitioners  
Seeking to File Cap-Subject H-1B Petitions, Docket No. USCIS-2025-0040**

Dear Director Edlow,

As the trusted authority on all things work, [SHRM](#) is the foremost expert, researcher, advocate, and thought leader on issues and innovations impacting today's evolving workplaces. With nearly 340,000 members in 180 countries, SHRM touches the lives of more than 362 million workers and their families globally. SHRM welcomes the opportunity to comment on the U.S. Citizenship and Immigration Services (USCIS) proposed rule that would establish a weighted selection process for employers seeking to file H-1B cap-subject petitions.

**I. Introduction**

SHRM's membership of HR professionals and business executives operates at the intersection of talent acquisition, people management and compliance. Our membership is sector-agnostic and geographically diverse, representing employers of all sizes in nearly every industry. With a deeply rooted affiliate network of 556 chapters and 51 state councils, SHRM and its membership have a presence in every congressional district, all 50 states, and U.S. territories. By leveraging the collective experience and expertise of our membership, SHRM provides insights grounded in data and practical, real-world experience.

SHRM respectfully offers its perspective on the proposed rule. While SHRM supports the administration's efforts to strengthen the H-1B program, based on feedback from our members, we are concerned that changing the selection system to favor registrations with higher proffered wages could have consequences for American businesses that utilize the H-1B program to supplement and complement their American workforce.

**II. SHRM Members Across Industries and Organization Sizes Address Talent Shortages Through Strategic Workforce Solutions**

SHRM members represent a highly diverse range of industries and sectors, including professional services, technology, manufacturing, retail, and health care (including hospitals, clinics, insurance providers, and biotechnology organizations). This broad representation, combined with insights from the SHRM Thought Leadership Team,<sup>1</sup> allows SHRM to provide a clear picture of how U.S. businesses

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<sup>1</sup> Outside of policy work, SHRM has a robust SHRM Thought Leadership Team, which is committed to advancing the HR profession by providing data-based insights and recommendations at the intersection of people and work. The

and organizations are managing talent gaps and utilizing the H-1B program as part of their talent acquisition strategies.

(a) SHRM research found that talent shortages continue to impact employers nationwide.

SHRM members report that employers across industries and regions face significant challenges in filling critical roles, highlighting the widespread need for skilled and qualified workers. SHRM research found that, in 2025, nearly 7 in 10 organizations (69%) continue to report difficulties recruiting for full-time positions, comparable to levels in 2016.<sup>2</sup> SHRM's 2025 Talent Trends survey also identified top supply and demand challenges: too few applicants (51%), competition from other employers (50%), and applicant "ghosting" (41%) (where candidates abruptly end communication without explanation). Employers also reported that candidates often lack necessary work experience (39%), technical skills (33%), or credentials/certifications (19%). These gaps leave critical roles unfilled.<sup>3</sup>

Persistent vacancies have consequences beyond immediate staffing. Organizations experience reduced efficiency and productivity, increased operational costs, and limited capacity for innovation and strategic initiatives. Moreover, skill gaps disproportionately affect industries crucial to U.S. competitiveness, such as engineering, computer science/IT, health care, finance/accounting, and education. These industries, which have both immediate and long-term staffing needs, rely on a variety of recruitment strategies, including the H-1B program, to fill specialty positions. To address these challenges, SHRM's membership — comprising HR professionals and business leaders — implements a range of recruitment, learning and development, and workforce strategies designed to unlock human potential and drive organizational success.

(b) SHRM members, representing employers of all sizes in a multitude of industries, rely on the H-1B program as part of their multifaceted talent acquisition strategies.

An overwhelming majority (92%) of SHRM members sponsoring H-1B workers report positive experiences with the employees themselves.<sup>4</sup> Employers of all sizes across diverse industries rely on the H-1B program as a key part of their talent acquisition strategies to meet workforce demands and remain competitive, not just large technology and IT consulting firms. Beyond science and technology, employers utilize the program to supplement the domestic workforce in manufacturing, finance and insurance, educational services, retail, and health care. Small companies, including start-ups, frequently rely on H-1B visas to fill just a few positions requiring highly specialized skills.

Survey data from SHRM members confirms this:

- A majority (60%) of SHRM members using the H-1B program are small (1–99 employees) or medium-sized (100–499 employees) organizations.
- Most SHRM members who currently use or have used the H-1B program cite the need for highly specialized skills or expertise (65%); the need to fill critical skills gaps (51%); or to address the lack of qualified U.S. candidates (49%).

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intended purpose of our research is to advance business performance and improve the employee experience in organizations.

<sup>2</sup> 2025 Talent Trends, SHRM, 2025 (Online Release Only).

<sup>3</sup> Id.

<sup>4</sup> Workplace Immigration: Employers See It as Key to Growth and U.S. Competitiveness, SHRM, 2023.

- Members report challenges hiring U.S. workers at all levels—entry-level (38%), mid-level (59%), and senior-level (47%)—and have used H-1B visas to fill positions at all levels: entry-level (26%), mid-level (82%), and senior-level (48%).<sup>5</sup>

A major throughline throughout SHRM’s research is that U.S. employers are turning to the H-1B visa program to fill positions when domestic workers are not available. For example, mid-level roles are the hardest for organizations to fill and also represent the most common job level for foreign-born workers sponsored on H-1B visas, indicating that the program plays a critical role in addressing mid-level talent shortages. Across industries, computer science/IT and engineering/technical roles are among the hardest to fill, aligning with some of the most frequently sponsored H-1B positions. This underscores how the H-1B program helps employers meet demand for high-skill, high-demand roles — all of which contribute to U.S. competitiveness.

Among organizations that do not sponsor H-1B visas, the most common reason cited was that they are able to meet their hiring needs without using the program (56%).<sup>6</sup> This suggests that when sufficient domestic talent is available, employers may see little need to rely on the H-1B system. This aligns with previous SHRM research showing that 78% of employers disagree with the notion that increased immigration makes it harder for Americans to find jobs.<sup>7</sup>

### **III. SHRM Members Confirm Wage Levels Alone Are Not a Reliable Measure and Could Hinder Talent Sourcing**

SHRM members confirm that the wage offered to a prospective employee is not a reliable indicator of skill or labor market need. Organizations of all sizes and across industries agree that the H-1B lottery selection system should not be based on wages. While larger organizations that sponsor H-1B visas are somewhat more likely to anticipate challenges in accessing the talent they need under a wage-based system, there are no significant differences across organization sizes regarding their inability to raise wages competitively or their concerns about operational costs and industry biases. This widespread agreement underscores that implementing a wage-based lottery could have unintended consequences, creating barriers for employers across sectors and organization sizes alike.

Organizations that sponsor H-1B visas anticipate that a wage-based lottery system would negatively affect key outcomes. They report that such a system could create uncertainty in hiring and workforce strategies (53%) and raise concerns about industry biases (53%) and talent migration (50%).<sup>8</sup>

A large majority (92%) of SHRM members indicate that wages are determined by multiple factors, including market conditions and internal pay structures, with only 27% viewing wages as a standalone measure of skill.<sup>9</sup> As a result, three in four HR professionals prefer that H-1B lottery selection not be influenced by wages.

Over two-thirds (67%) of SHRM members expect that a wage-based weighted selection system would negatively affect their ability to sponsor H-1B workers and/or reduce the number of workers they could

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<sup>5</sup> Examining the Impacts of a Wage-Based H-1B Lottery System, SHRM, 2025 (Unpublished).

<sup>6</sup> Id.

<sup>7</sup> Workplace Immigration: Employers See It as Key to Growth and U.S. Competitiveness, SHRM, 2023.

<sup>8</sup> Examining the Impacts of a Wage-Based H-1B Lottery System, SHRM, 2025 (Unpublished).

<sup>9</sup> Id.

sponsor.<sup>10</sup> Among their concerns, 67% worry that such a system would limit access to needed talent, particularly early-career professionals in entry- and mid-level roles.<sup>11</sup> Fewer than one in four (24%) believe their organizations could raise wages sufficiently to remain competitive under this system.<sup>12</sup> SHRM and its members are concerned that a wage-based approach would introduce uncertainty in hiring and workforce planning and favor industries or employers able to pay higher wages.

#### **IV. SHRM Supports Efforts to Strengthen the H-1B Program and Enhance U.S. Competitiveness**

(a) SHRM and its membership are invested in an H-1B system that is transparent, secure, efficient and collaborative with the domestic workforce.

SHRM research found that 68% of employers believe the screening process for foreign-born workers should remain rigorous to ensure program integrity and address security concerns.<sup>13</sup> For SHRM members, maintaining workplace immigration integrity is especially important, as they are often responsible for managing Form I-9 compliance, visa documentation, and other onboarding processes that uphold federal employment requirements. Employers also recognize that modernizing the U.S. immigration system can drive economic growth, stabilize the workforce, and enhance America's global competitiveness in attracting and retaining top talent. More than half (54%) of employers agree that the United States is losing skilled talent to other countries due to current system constraints.<sup>14</sup>

Given their strategic position, HR must be at the forefront of these conversations, ensuring that workplace realities inform policy decisions—and SHRM stands ready to work with policymakers to promote balanced, practical solutions that support both employers and the domestic workforce.

(a) SHRM believes there is an opportunity to work with policymakers to advance more balanced alternatives.

SHRM recognizes the need to modernize the H-1B process – from the lottery process all the way to officer adjudication. This proposed rule has opened an important conversation about potential changes to the system, and SHRM believes there is an opportunity to work with policymakers — across agencies and in Congress — to improve the system as a whole. SHRM offers the following evidence-based recommendations and alternatives to a wage-weighted H-1B selection system. Each proposal is designed to maintain program integrity, promote fair access for employers of all sizes, and align employment-based immigration processes with real workforce needs and national competitiveness goals.

- **Labor shortage–occupation prioritization (data-driven, not wage-driven):** Prioritizing H-1B petitions for occupations that are demonstrably experiencing labor shortages, based on objective labor market data rather than proffered wages. In partnership with the U.S. Department of Labor, USCIS could publish an annually updated, transparent list of shortage occupations derived from multiple indicators such as vacancy duration, unemployment-to-opening ratios, and credentialing or licensure bottlenecks. This data-driven prioritization would

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<sup>10</sup> Id.

<sup>11</sup> Id.

<sup>12</sup> Id.

<sup>13</sup> Id.

<sup>14</sup> Workplace Immigration: Employers See It as Key to Growth and U.S. Competitiveness, SHRM, 2023.

direct limited H-1B visas to the roles with the clearest national need, while remaining flexible as economic conditions change. Remaining petitions could then proceed through a general lottery.

- **Regional and sector balancing for critical workforce needs:** Creating a narrowly defined, evidence-based carve-out for critical-need sectors and regions facing acute workforce shortages that are not driven by wage differentials—such as health care in rural communities, advanced manufacturing, and infrastructure. These designations would be updated annually, subject to public review and sunset provisions, to ensure transparency and responsiveness to evolving workforce conditions.

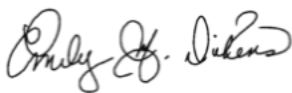
SHRM would encourage the administration to consider the recommended alternatives described and consider how, in conjunction with Congress, the above can be piloted to measure their effectiveness before full implementation. A structured pilot phase would enable all relevant agencies to gather empirical evidence on outcomes — such as program integrity, employer diversity, geographic and industry distribution, and workforce impact — to ensure that the proposed solutions meaningfully address the long-standing challenges associated with the H-1B lottery selection process.

## V. Conclusion

For organizations seeking to thrive in an increasingly competitive and global marketplace, the employment-based immigration system is an important vehicle for hiring talent for hard-to-fill positions, supplementing temporary or seasonal workforce needs, and exposing the current workforce to a variety of viewpoints and ideas. By prioritizing integrity, policymakers can protect American workers while enabling employers' access to the skilled talent they need to sustain growth and innovation.

SHRM stands ready to provide research, guidance, and support to advance solutions that reduce inefficiencies and arbitrary barriers to hiring skilled, educated, legally authorized, and available workers. SHRM will continue to engage policymakers across all branches of government to promote a workplace immigration system that is fair, transparent, and aligned with the interests U.S. of businesses and overall American competitiveness.

Sincerely,



Emily M. Dickens, J.D.  
Chief of Staff, Head of Government Affairs & Corporate Secretary  
SHRM