

GMS Flash Alert

Immigration Edition

2019-098 | May 29, 2019



United States - Immigration Plans on Agencies' Spring 2019 Agendas

The U.S. Department of Homeland Security ("DHS") and Department of Labor ("DOL") have released their Spring 2019 regulatory agendas, proposing new regulations and setting publication dates for previously proposed regulations. While these proposed regulations do not immediately impact any current immigration programs, the proposals provide insight into expected changes and their impact on many different immigration programs, including the B-1, F-1, H-1B, H-4 EAD, and EB-5 programs.

Below is a summary of the key proposed regulations and policy changes announced in the DHS and DOL 2019 Spring agendas.

WHY THIS MATTERS

The DHS and DOL plans appear to align with the Trump administration's preferences for limiting legal immigration and entry into the United States.

Having an understanding and awareness of potential changes to the rules and regulations that impact immigration will allow employers and foreign nationals to better prepare for contingencies and foster continued regulatory compliance.

H-1B/H-4 EAD Program

H-1B Eligibility Requirements: DHS seeks to propose a revised definition of "specialty occupation" in an effort obtain the "best and brightest foreign nationals" with the H-1B program. Additionally, the rule is also expected to revise the definitions of "employment" and "employer-employee relationship," in a manner more restrictive for H-1B employers, potentially limiting placement of H-1B workers offsite at third-party locations. The rule also proposes additional

© 2019 KPMG Law LLP, a tax and immigration law firm affiliated with KPMG LLP, each of which is a Canadian limited liability partnership. KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

requirements for wages paid to H-1B employees. This proposed rule has an anticipated publication date of August 2019.

USCIS Fee Increases Including an H-1B Cap Lottery Pre-registration Fee: The agency intends to propose increases to USCIS filing fees. The revised anticipated publication date is July 2019. The new fee schedule will likely include an H-1B cap electronic registration fee.

In January 2019, the DHS announced a new rule establishing an electronic registration program for H-1B Cap-subject petitions whereby petitioners are permitted to submit Cap petitions only after pre-registering for the H-1B Cap lottery (for prior coverage, see GMS <u>Flash Alert 2019-018</u>, February 1, 2019). In a new development, the agency has now proposed instituting a fee for the registration requirement for employees seeking to file H-1B Cap-subject petitions, in addition to existing government filing fees for H-1B petitions.

Termination of H-4 Employment Authorization Program: DHS proposes to rescind employment authorization for certain H-4 spouses. This proposal was first introduced back in December 2017 and termination seems to be an agency priority. A final regulation is expected to be published later this year and will outline when the H-4 EAD benefit will sunset as well as whether currently-valid H-4 EADs will remain valid for their entire duration. (For related coverage, see GMS *Flash Alert* 2019-043, March 13, 2019.)

EB-5 Investor Program

EB-5 Program Realignment: The government is proposing to increase monitoring of the EB-5 program and incentivize investment in rural areas. The updated anticipated publication date is March 2020.

EB-5 Regional Center Program: The government is proposing to make regulatory changes to the regional center program. More specifically, DHS is revising the process for regional center designation, maintenance, and termination. DHS is further assessing the impact of implementing an exemplar filing requirement for all designated regional centers. The updated anticipated publication date is March 2020.

EB-5 Modernization: DHS proposes to modernize the EB-5 program by increasing the investment amount (currently at \$500,000) necessary to participate in the program. The proposed rule is currently under agency review with an anticipated publication date of May 2019.

B-1/B-2 Visa Programs

B-1 and B-2 Criteria: The proposed rule will clarify the criteria for nonimmigrants admitted to the United States as temporary visitors for business (B-1) or pleasure (B-2), potentially limiting permissible business activities. The anticipated publication date is October 2019.

Student and Related Visa Programs

Period of Authorized Stay for Certain Students/Academics: The proposed rule modifies the period of authorized stay for certain F-1 and other nonimmigrants from duration of status (D/S) to a specified end date. This rule was first slated for publication in September 2019, and now has an updated publication date of February 2020.

Student and Exchange Visitor Program (SEVP) Fees: The proposed rule to increase Student and Exchange Visitor Program (SEVP) fees paid by F, M, and J nonimmigrants and by schools admitting foreign students is expected to take effect June 2019.

© 2019 KPMG Law LLP, a tax and immigration law firm affiliated with KPMG LLP, each of which is a Canadian limited liability partnership. KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

Green Card Processing

Adjustment of Status Application Processing: DHS will propose regulatory changes to "improve the efficiency" of adjustment of status application processing. These changes are aimed at reducing green card processing times, improving the quality of data provided to partner agencies, reducing the potential for visa retrogression, promoting efficient usage of available immigrant visas, and discouraging fraudulent or frivolous filings. Of particular note is DHS's proposal to eliminate the concurrent filing of Form I-485 with immigrant visa petitions, which will have a significant impact on employment-based green card applicants in the future. This rule is slated for publication in September 2019.

KPMG NOTE

Government regulatory agendas do not have an immediate effect on current programs, but instead outline the priorities and regulatory actions respective government agencies expect to complete within the upcoming year.

In most cases, the proposed regulations will go through regular administrative procedures. This normally includes a comment period to allow individuals and organizations to provide feedback, though this is not always guaranteed. The proposed rules would not take effect until the agency completed the regulatory approval process, which can take several months or more to be completed.

Our office is tracking these matters closely. We will endeavor to keep readers of GMS *Flash Alert* posted on any important developments as and when they occur.

FOOTNOTE:

1 To see the Office of Information and Regulatory Affairs' webpage for the DHS/DOL Rule List for Spring 2019, <u>click</u> <u>here</u>.

* * * *

Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or one of the following professionals with the KPMG International member firm in Canada:



Mira Khalid Associate/Attorney, U.S. Immigration KPMG Law LLP – Tax + Immigration, Canada Tel. +1-416-943-7830 mirakhalid@kpmglaw.ca



Chelsea Hsieh
Attorney, U.S. Immigration
KPMG Law LLP – Tax + Immigration,
Canada
Tel. +1-416-943-7874
chelseahsieh@kpmg.ca

* Please note that KPMG LLP (U.S.) does not provide any immigration services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

The information contained in this newsletter was submitted by the KPMG International member firm in Canada.

© 2019 KPMG Law LLP, a tax and immigration law firm affiliated with KPMG LLP, each of which is a Canadian limited liability partnership. KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

www.kpmg.com

kpmg.com/socialmedia













© 2019 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The KPMG logo and name are trademarks of KPMG International. KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever. The information contained in herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Flash Alert is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click <u>here</u>. To learn more about our GMS practice, please visit us on the Internet: click <u>here</u> or go to https://www.kpmg.com.