ECONOMIC INNOVATION GROUP

RE: DOL Docket No. ETA-2026-0001, Improving Wage Protections for the Temporary and Permanent Employment of Certain Foreign Nationals in the United States
Document Number 2026-06017
OMB Control Number 1205-0508

Comments on the Economic Impacts of Experience Benchmarking Relative to Blind Benchmarking

Dear Sir or Madam,

The Economic Innovation Group is a bipartisan public policy organization dedicated to forging a more dynamic and entrepreneurial American economy. We appreciate the opportunity to comment on the proposed rulemaking for "Improving Wage Protections for the Temporary and Permanent Employment of Certain Foreign Nationals in the United States."

The Department of Labor (DOL) outlined two approaches to revising prevailing wages for employment-based visas, covering EB-2 and EB-3 employment based visas and H-1B, H-1B1, and E-3 nonimmigrant visas.

The first, referred to here as the default proposal, raises the existing wage-level percentiles for Levels I through IV from the current 17th, 34th, 50th, and 67th percentiles to the 34th, 52nd, 67th, and 88th percentiles respectively. The second approach, described in Appendix A and referred to henceforth as Experience Benchmarking, would determine the skill level of each position in a Labor Condition Application by comparing its wage against the 50th, 62nd, 75th, and 90th percentile wages of native-born American workers with the same experience, education, occupation, and location.

EIG urges the Department of Labor (DOL) to adopt Experience Benchmarking. When compared to the default rule, Experience Benchmarking is far superior in advancing the objectives stated in the Notice of Proposed Rulemaking (NPRM). In addition, the NPRM's analysis of the default proposal contains major methodological flaws, factual errors, and logical inconsistencies.

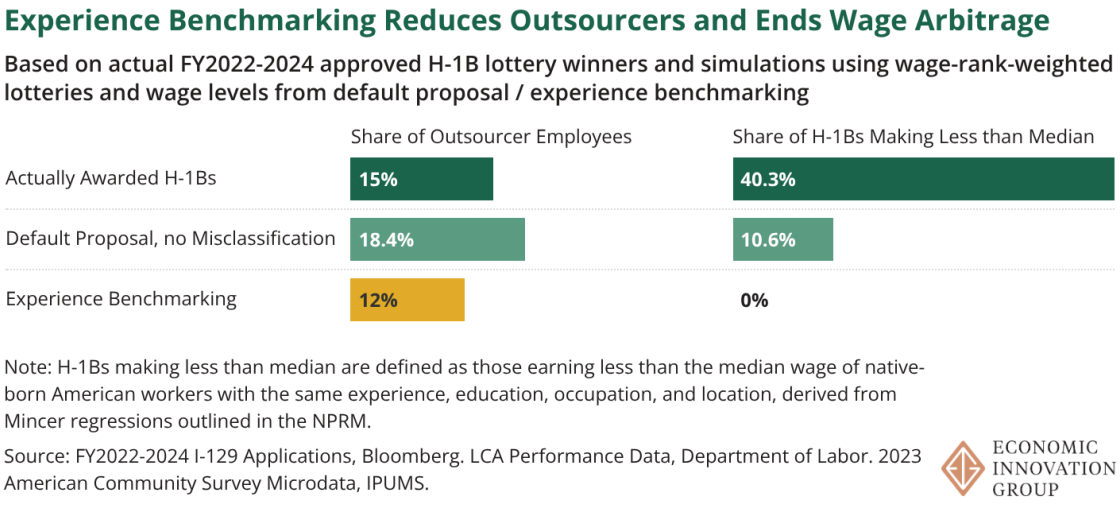
Section 1: Experience Benchmarking best advances the administration's objectives.

In its justification for drafting the rule, the Department claims that the default proposal cites Proclamation 10973 entitled "Restriction on Entry of Certain Nonimmigrant Workers."[1] The

[1] Department of Labor, *Improving Wage Protections for the Temporary and Permanent Employment of Certain Foreign Nationals in the United States*, 91 Fed. Reg. 15,454 (Mar. 27, 2026).

proclamation directed DOL to amend prevailing wage levels so that the H-1B program can "attract and retain the highest skilled subset of temporary workers" and prevent it from being used to "outsource IT jobs to lower-paid foreign workers."[2]

EIG strongly agrees that abuse of the H-1B program by outsourcing companies is a major concern.[3] However, the default proposal contradicts the objectives laid out in the proclamation and in the NPRM. DOL claims that "raising prevailing wage levels would increase the wage floor and, in turn, reduce the magnitude of [wage] gaps in cases where outsourcing companies pay at or near the prevailing wage."[4] This claim is incorrect. According to EIG's estimates, the default proposal increases major IT outsourcing firm representation in the H-1B program from 15 percent to 18.4 percent, thus expanding the very behavior DOL aims to address.[5] Experience Benchmarking, on the other hand, advances the Department's intended outcome, reducing the share of H-1Bs awarded to outsourcing firms to 12 percent.



The 6.4 percentage point gap in outsourcer share between the default proposal and Experience Benchmarking translates to thousands of additional visas awarded annually to relatively

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https://www.federalregister.gov/documents/2026/03/27/2026-06017/improving-wage-protections-for-the-temporary-and-permanent-employment-of-certain-foreign-nationals

[2] Restriction on Entry of Certain Nonimmigrant Workers, 2025 Daily Comp. Pres. Doc. (Sept. 19, 2025). https://www.whitehouse.gov/presidential-actions/2025/09/restriction-on-entry-of-certain-nonimmigrant-workers/

[3] Economic Innovation Group, *EIG Letter: DHS Should Revise Proposed H-1B Weighted Lottery to Prioritize Top Talent* (Oct. 24, 2025). https://eig.org/eig-letter-dhs-should-revise-proposed-h-1b-weighted-lottery-to-prioritize-top-talent/

[4] *Supra*, Note 1.

[5] Calculations by Jiaxin He.

low-earning employees at IT outsourcing firms. While the default proposal fails to address outsourcing abuse and may worsen it, Experience Benchmarking reallocates visas away from outsourcers to higher-wage positions.

Experience Benchmarking ensures all certified H-1B workers earn more than the median wage of comparable native-born workers with equivalent education and experience. Under the default proposal, an estimated 10.6 percent of H-1B lottery winners would earn less than the median wages of similarly qualified American workers, perpetuating the wage suppression concerns DOL aims to address.

The divergence stems from a fundamental flaw in existing wage levels and the default proposal. Both approaches compare H-1B applicants to all workers in their occupation and area, ignoring that H-1B holders are on average younger than the broader labor force.[6] Since wages grow with work experience and education attainment, this allows H-1Bs making less than comparable native workers, often older, educated abroad, and employed at outsourcing firms, to still receive visas under the default proposal.

Under the Default Proposal, Some H-1Bs Still Make Less than the Median Wage of Their Native-born American Counterparts

Based on FY2022-2024 approved H-1B lottery winners who would also qualify under the default proposal

Wage Compared to Native-born Americans	Mean Age	Mean Wage	Share of Outsourcers	Share of F-1s
≥ Median Wage of Equivalent Workers	31	$139K	14.7%	61.2%
< Median Wage of Equivalent Workers	37	$118K	17.3%	45.5%

Note: H-1Bs making less than median are defined as those earning less than the median wage of native-born American workers with the same experience, education, occupation, and location, derived from Mincer regressions outlined in the NPRM.

Source: FY2022-2024 I-129 Applications, Bloomberg. LCA Performance Data, Department of Labor. 2023 American Community Survey Microdata, IPUMS.

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Experience Benchmarking eliminates the H-1B wage gap identified in recent economic research used to justify policy changes. We tested the proposal's effectiveness using Professor George

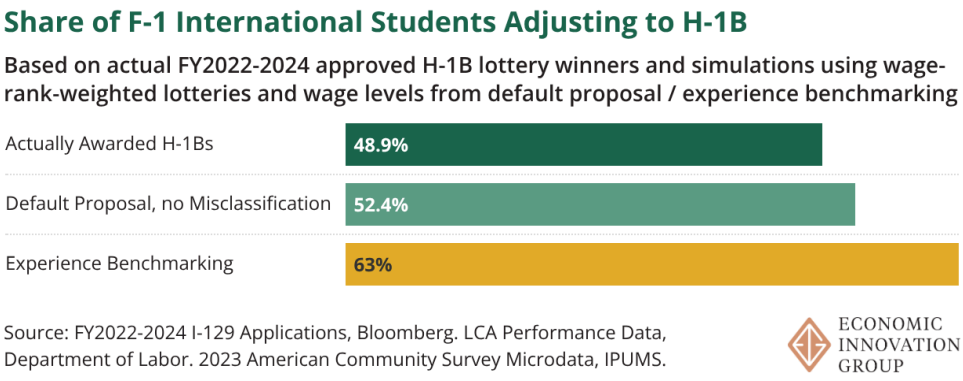
[6] *See* Jiaxin He and Sam Peak, *If International Students Don't Get H-1Bs, IT Outsourcers Will*, Agglomerations (Jan. 22, 2026). https://agglomerations.eig.org/p/if-international-students-dont-get.

Borjas's wage regression model, the analytical framework that informed the administration's $100,000 H-1B fee policy.[7]

Borjas found that new H-1B awardees from 2021 to 2024 earn 15 percent less on average than comparable native-born workers with equivalent age, gender, education, occupation, and location. When EIG applied the exact same model specifications as the Borjas analysis to simulated lottery outcomes under Experience Benchmarking, the wage gap entirely disappeared. And when EIG applied an alternative specification[8] that corrected methodological limitations in Dr. Borjas' paper, Experience Benchmarking produced an average H-1B premium of 12.8 percent relative to comparable American workers.

Overall, EIG's empirical findings validate the Department's assessment that Experience Benchmarking "essentially ends the practice of wage arbitrage" and "substantially improves the ability of the visa programs to screen for exceptional talent and ability" compared to the default wage-level proposal.[9]

Beyond curtailing wage arbitrage, Experience Benchmarking also raises the net present value of H-1B workers' average expected lifetime earnings by 23 percent, or $720,000 in 2024 dollars. These additional earnings represent added spending in the communities where these workers live, powering local economies. They will also translate into considerable increases in federal and state tax revenue over H-1B holders' working lives.



[7] George J. Borjas, "The H-1B Wage Gap, Visa Fees, and Employer Demand," No. w34793, National Bureau of Economic Research (Feb. 9, 2026). https://www.nber.org/papers/w34793
[8] Jiaxin He and Adam Ozimek, "The Flawed Paper Behind Trump's $100,000 H-1B Fee," Economic Innovation Group (Feb. 21, 2026). https://eig.org/the-flawed-paper-behind-trumps-100000-h-1b-fee/
[9] *Supra*, Note 1.

Finally, Experience Benchmarking raises the share of international students transitioning to H-1B to 63 percent from approximately 50 percent under current policy and the default proposal, retaining talent trained at American universities and enabling these graduates to contribute their expertise in the United States rather than relocating to competing nations.

Section 2: Experience Benchmarking is more resilient to job description manipulation.

The NPRM correctly points out that "[t]he current prevailing wage structure distorts hiring incentives and compensation by setting entry-level wages far below market rates for positions requiring specialized skills, which incentivizes employers to classify jobs at the lowest permissible level." The Department asserts that the default rule will correct this problem by "recalibrat[ing] wage levels to better reflect the education, experience, and responsibility required for H-1B positions."[10] However, the default rule still incentivizes firms to design job descriptions that appear less specialized and require less experience, allowing them to certify positions and enter the visa lottery under lower wage thresholds.

To illustrate how employers can manipulate job descriptions, consider a Level II (qualified) software developer earning 40th percentile wages locally. This beneficiary would not qualify under the proposed 52nd percentile prevailing wage floor for Level II jobs. However, companies could reclassify the position as Level I (entry-level), where the worker would be certified under the 34th percentile threshold, enabling the same hire at the same wage through job description manipulation. Less commonly, employers may also inflate job descriptions to qualify for higher experience levels and increase their chances in the wage-level-weighted lottery if the position pays sufficiently high wages.

The default proposal maintains a flawed prevailing wage scheme that remains highly vulnerable to strategic job description manipulation. Assuming 100 percent honest classification, 40 percent of qualified petitions would be Level II and 33 percent Level III (experienced). However, if employers game the system by altering job descriptions, 60 percent of qualified petitions shift to entry-level jobs at Level I, directly undermining DOL's wage-raising objective.

[10] *Id.*

H-1B Wage Level Distribution by Proposals and Misclassification Assumptions

Estimates of assigned wage levels based on profiles of 2022–2024 new H-1B visa recipients linked with 2019–2024 Labor Condition Applications

Proposed H-1B Wage Level Systems	Level I	Level II	Level III	Level IV
Default Proposal, no Misclassification	21.1%	40.1%	32.6%	6.3%
Default Proposal, with Misclassification	60.5%	22.3%	15.2%	2%
Experience Benchmarking	22.4%	26.4%	30.5%	20.7%

Source: 2022–2024 I-129 Applications, Bloomberg. LCA Performance Data, Department of Labor.

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Experience Benchmarking, on the other hand, completely eliminates skill-level classification manipulation by tying level determinations directly to wages adjusted for experience and education. A worker's years of experience (inferred from age and years of schooling) and highest degree attainment, two objective attributes the Department can readily verify, would decide the skill level of their position at wage percentiles relative to native-born workers with equivalent credentials.

Applying an experience-benchmarked wage system to H-1B approvals from 2022 to 2024 reveals a roughly even distribution across all four skill tiers, with wage thresholds set at the 50th, 62nd, 75th, and 90th percentiles relative to native-born Americans in the same occupation, education, experience, and location. Under the default wage-level proposal, just 7 percent of qualified petitions reach Level IV (fully competent) — the top tier reserved for the highest-skilled workers — and that share could fall to as low as 2 percent once job-description manipulation is factored in. Experience Benchmarking places 21 percent of H-1B workers at Level IV: three times the default proposal's headline figure, and ten times its manipulation-adjusted estimate. By comparing wages against native-born workers with equivalent credentials, Experience Benchmarking also more accurately identifies workers who rank in the top 10 percent of their age-education cohort, the exceptional talent the H-1B program was designed to attract.

Simulations using FY2022–2024 H-1B data further expose the default proposal's critical vulnerability to job description manipulation. If employers systematically misclassify experience levels, mean wages among admitted H-1B workers could fall by 7.9 percent, and average expected lifetime earnings could fall by 11.6 percent. The share of H-1B workers earning below

the median wage of comparable native-born Americans could rise from 10.6 percent to 26 percent. The loophole thus undercuts the Department's stated goal of raising H-1B compensation and entrenches the wage suppression the rule was designed to eliminate.

Alternatively, if the Department adopts Experience Benchmarking, this particular loophole would be closed. Workers admitted under the experience-based system would earn, on average, $320,000 more over their lifetimes than those who would qualify under the default proposal if skill level manipulation is taken into account.

Section 3: The proposed rule's wage gap methodology contains major flaws.

The proposed rule contains numerous data analyses attempting to identify the H-1B wage gap relative to native workers to justify the policy change. However, these analyses contain substantial factual, conceptual, and methodological errors.

The Department analyzed FY2020–2025 Labor Condition Application (LCA) data and found the average prevailing wage was $111,717 while the average wage paid to beneficiaries was $121,908. DOL interprets this $10,000 gap as evidence that "the prevailing wage is set below the market value of comparable U.S. workers." The rulemaking also noted that the mean wage of Level I LCA certifications is roughly $83,000, approximately $10,000 above the average Level I prevailing wage. DOL characterized this gap as a "very large premium" that should not exist under a properly functioning prevailing wage system.[11] These conclusions reflect a fundamental misunderstanding of how wage floors function in labor markets.

Prevailing wages operate as eligibility thresholds, not wage targets. They are designed to filter out job offers that "will not adversely affect" the labor conditions of "similarly employed workers" by establishing minimums below which employers cannot certify positions for foreign workers.[12] The average wage of certified positions will mathematically always exceed the prevailing wage floor, just as the average height of rollercoaster riders will always be higher than the height requirement to get on it.

If prevailing wages equaled actual mean wages, the program would become non-functional. Only the single highest-paid worker in each occupation-location-experience category could qualify for certification. The observed gap between prevailing wages and actual wages is therefore an inherent mathematical property that provides no meaningful evidence that current thresholds are set inappropriately.

[11] *Id.*
[12] *See* INA § 212(a)(5)(A) and INA § 212(n).

The Department's stronger evidence for raising prevailing wages rests on a wage comparison between H-1B workers and the overall American workforce. When Occupational Employment and Wage Statistics (OEWS) worker counts are adjusted to match the state-by-occupation distribution of LCAs, the reweighed OEWS mean wage is at $130,219, around $9,000 higher than the actual LCA mean wage. It is understandable for the Department to be concerned about this gap. If the H-1B program is truly selecting for exceptional foreign talent, admitted workers should, on average, out-earn equivalent native-born workers. But the methodology used to establish this fact is deeply flawed and must be addressed in a final rule.

The Department's $9,000 average wage gap estimate overstates the true disparity between H-1B wages and the wages of the U.S. workforce. The LCA asks employers to estimate intended wages for submitted positions as a range, with lower and upper bounds.[13] Because only half of LCA filings include an upper bound, the NPRM defaults to each entry's lower bound as the actual offered wage.[14] For the entries where upper bounds are available, however, the midpoint between the two bounds would more accurately approximate the true wage.

The consequences of this analytical choice are substantial. Using FY2020–2025 LCA data, annualized and filtered to exclude wages below $20,000 or above $500,000, we found the mean LCA wage incorporating midpoints wherever upper bounds are available run approximately $9,000 higher than the mean wage derived from lower bounds alone.[15] This gap roughly equals the entire H-1B wage deficit the Department identified. In other words, the $9,000 disparity between LCA and OEWS mean wages may be fully explained by the choice to use lower bounds only, which artificially widens the gap between reported H-1B compensation and the OEWS benchmark.

LCA wage data carry two additional limitations that compound the comparability problem: time lags and speculative filings. Under current rules, employers may file LCAs based on projected wages up to three years before positions are actually filled. Not all certified LCAs convert to actual H-1B visas, so a meaningful share of the wage data underpinning the Department's analysis reflects offers that never materialized. By contrast, the I-129 forms collected by USCIS, when restricted to approved H-1B lottery winners, represent wages tied to actual visa issuance. They are a more accurate and timely measure of real H-1B compensation.

[13] LCA Boxes F(a)(10) and 10a.
[14] *Supra*, Note 1.
[15] Calculations by Jiaxin He.

It is understandable for the Department to include renewals and job changes in addition to new H-1B approvals. LCA data remain the most comprehensive source for that broader sample. But the inherent imprecision of proffered LCA wages deserves explicit acknowledgment when drawing policy conclusions from the resulting wage analysis.

However, the OEWS-to-LCA comparison at the heart of the Department's analysis has a more fundamental problem than data coverage. The two populations are not directly comparable, even after adjusting for state and occupation. H-1B workers differ from the broader labor force along two dimensions that directly affect wages.

H-1B holders skew younger. Among software developers — by far the largest H-1B occupation — workers in the 2021–2024 American Community Survey averaged 38.4 years of age after adjusting for the same state-level distribution as LCA filers. New H-1B software developers from the same period averaged just 32.3 years.[16] Since LCA filings include both new hires and three-year renewals, the true average age of software developers in the LCA pool falls somewhere between 32.3 and 35.3, meaningfully below that of ACS and OEWS. Similar age gaps can be observed across other occupations.

As the NPRM correctly points out, H-1B workers are required to have at least a bachelor's degree or equivalent. However, OEWS also includes non-college educated workers, hence the better educational attainment of H-1Bs pushes their wages higher.

Comparing H-1B wages against the full state-occupation labor pool without controlling for age and education conflates genuine wage gaps with predictable compositional differences. The $9,000 gap found by the Department tells us more about who H-1B workers are than whether they are actually underpaid relative to their American peers.

The Department has already developed a superior comparison method, embedded in the design of Experience Benchmarking itself.[17] The Mincer equations used to calculate experience-benchmarked prevailing wages directly account for the three confounders: years of work experience, which proxies for age and tenure, and educational attainment. The share of H-1B workers earning below the experience-and-education adjusted median wage for their occupation and location is a far more precise measure of the extent to which the program undercuts American compensation.

[16] Calculations by Jiaxin He.
[17] *Supra*, Note 1.

While the data problems in the Department's H-1B wage-gap analysis are significant, the methods DOL uses to derive optimal prevailing wage precentiles pose an even more fundamental problem.

The Department seeks to "set prevailing wage levels that would result in an average prevailing wage level that was equal to the average of the mean salaries assuming the same composition as the LCA-program." In other words, the rule is trying to find the Level I and Level IV prevailing wage percentiles (p1, p4) such that the mean wage of H-1B LCA filings implied by those thresholds matches the mean of OEWS wages reweighted to reflect the same state-occupation distribution as the LCA program (referred to as the "Benchmark Value" in the rule). This objective ignores the compositional differences between H-1B applicants and the broader American workforce captured in OEWS, and drifts from the H-1B program's core purpose of selecting high-skilled workers.

Optimizing for equal means across LCA and OEWS data implicitly assumes that the two populations share the same demographic and socioeconomic characteristics once state-occupation composition is held constant. They do not. As the evidence above demonstrates, H-1B workers are younger and better educated than the broader OEWS workforce. These structural differences would confound the true gap between LCA mean wage and the OEWS benchmark, casting doubt on the validity of the Department's analysis. A Mincer regression model that explicitly accounts for years of experience and levels of education provides a more rigorous basis for evaluating prevailing wage systems than an aggregate mean comparison that leaves the confounders unaddressed.

Even if the new wage floors successfully equalize average LCA and OEWS wages in aggregate, individual H-1B workers could still be paid anywhere between the Level I floor and that benchmark mean, leaving a substantial share earning below what comparable native-born Americans make. The optimization target guarantees an aggregate outcome while leaving the distribution of wages beneath it largely unaddressed.

The data bear this out. The default proposal, optimized to match LCA and OEWS means, would actually increase the outsourcer share of H-1B recipients from 15 to 18.4 percent. Between 10.6 and 26 percent of H-1B workers would still earn less than the median wage of native-born Americans with equivalent experience, education, occupation, and location, depending on the degree of job-description manipulation employers deploy.

Experience Benchmarking resolves this directly. By anchoring Level I to the experience-and-education adjusted median wage of comparable American workers, it eliminates

the gap between the aggregate target and individual outcomes. There is no room beneath the floor for wage arbitrage to persist.

The loss function itself contains a technical problem that warrants clarification. As written, it minimizes the gap between the average of mean wages across individual LCA rows implied by the first and fourth prevailing wage percentiles.

$$\mathcal{L}(p_1, p_4) = \left| \frac{1}{N} \sum_{i=1}^{N} W_i(p_1, p_4) - W_{\text{target}} \right|.$$

But LCA rows vary considerably in the number of workers they represent. An unweighted average across entries treats a filing covering one worker identically to one covering hundreds. The loss function, as specified, is therefore not equalizing mean wages between the LCA program and the OEWS benchmark.

The Department should clarify whether the equation was transcribed incorrectly in the rulemaking, or whether the optimization was in fact run without weighting LCA entries by worker count. Either possibility has significant implications for the validity of the derived wage percentiles.

The rulemaking acknowledges a further vulnerability in its optimization approach. Its gradient descent algorithm is sensitive to initial input values. The Department's own analysis shows that initializing the algorithm at p1 equals 17 percent and p4 equals 67 percent produces wage levels at the 45th, 56th, 66th, and 76th percentiles.

This sensitivity raises an obvious question the rulemaking leaves unanswered: how much of the default rule's wage structure reflects genuine optimization, and how much reflects the arbitrary choice of initial conditions? The Department should publish results across a range of starting values and demonstrate that the 34th, 52nd, 67th, and 88th percentile thresholds are robust, not an artifact of where the algorithm happened to begin.

In conclusion, the Department's optimization approach rests on a flawed premise from the outset. Using an input-sensitive gradient descent algorithm to equalize mean wages between LCA filings and OEWS data ignores the structural differences between H-1B workers and the broader American labor force. Calibrating wage floors to match H-1B wages to a benchmark derived from a non-comparable population does not effectively protect American workers. Experience

benchmarking, on the other hand, successfully accomplishes this goal without glaring methodological errors.

Section 4: The proposed rule contains logical inconsistencies and factual errors.

The NPRM's justification for the default proposal also contains many logical inconsistencies that the Experience Benchmarking alternative would avoid. For example, the NPRM raised the Level I prevailing wage from the 17th to the 34th percentile, in part to correct for a compositional problem in the underlying OEWS data. Occupational wage distributions in the OEWS include workers without college degrees, even though the H-1B visa universally requires one. "It would be inappropriate to consider the wages of the least educated and experienced workers in these occupational classifications in setting the prevailing wage levels" because some of these workers "do not have the level of specialized knowledge required of H-1B workers."[18]

While DOL is correct that the H-1B program's speciality occupation prerequisite requires "at least a bachelor's degree or its equivalent," this is not true for the "other worker" category of the EB-3 immigrant visa who would also be subject to the new wage levels. As the NPRM acknowledges, the EB-3 program includes "occupations such as food service managers, meat processing workers, and mushroom pickers — roles that typically require limited formal education or training." The NPRM concedes that the Wage Levels in the default proposal are "not perfectly tailored to the lower-skilled component of the EB-3 classification" but still asserts that they are appropriate because they "fall near the middle part of the wage distribution."[19]

This explanation, however, does not address the fact that DOL's basis for raising the Wage Levels for the "other worker" category of EB-3 visas contradicts its justification for raising them for the H-1B and other visa categories whose positions have the speciality occupation requirement. Because the Department's rationale for raising the prevailing wage is to exclude workers unlikely to have a bachelor's degree, it is logically inconsistent to apply the new prevailing wage to visa categories for positions that require less than a bachelor's degree.

Unlike the default proposal, Experience Benchmarking can apply to visa categories both with and without the speciality occupation requirement. Rather than arbitrarily excluding a segment of the workforce believed to lack a bachelor's degree, Experience Benchmarking would set prevailing wages at the 50th percentile relative to a worker's occupation, worksite location, education, and experience.

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[18] *Id.*
[19] *Id.*

The Department misinterprets recent employment indicators as evidence of structural labor market slack justifying restrictions on work visas. The rulemaking cites New York Federal Reserve unemployment statistics by degree field derived from 2023 American Community Survey microdata.[20] While the ACS is a large survey, the New York Fed narrowed its sample to college graduates aged 22–27 with specific majors, producing significant statistical uncertainty that undermines the utility of these estimates for policy analysis.[21]

The 95 percent confidence interval around the 7.5 percent unemployment rate for computer engineering majors spans 4.0 percent to 11.0 percent. For computer science majors reporting 6.2 percent unemployment, the confidence interval ranges from 4.8 percent to 7.6 percent. These intervals encompass both the Great Recession and the late-2010s tech boom, rendering point estimates inadequate for assessing current employment conditions.[22] Basing policy decisions on estimates with such wide confidence intervals risks systematic error driven by sampling variation rather than actual job market dynamics.

The cited 20 percent decline in employment for software developers aged 22–25 since 2022 comes from a research paper using an AI-exposure model applied to payroll processor data rather than straightforward administrative employment statistics.[23] Economists have critiqued the paper's causal interpretation, noting the timing coincides with decreases in hiring following the post-pandemic surge and Fed interest rate increases — standard cyclical adjustment rather than structural displacement by AI or immigration.[24] Hence, the papers' findings are inappropriate to serve as justification for labor policy.

Tech employment has softened since 2022 but remains strong by historical standards. The employment-to-population ratio for young computer and information sciences graduates reached 88.8 percent in 2024, down from the 2022 peak but statistically indistinguishable from 2019 and 2021 levels.[25] A larger share of new computer science graduates are able to find jobs today than during the boom years of the late 2010s.

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[20] *Id.*
[21] Connor O'Brien, *A Viral Chart on Recent Graduate Unemployment Is Misleading*, Agglomerations (Aug. 13, 2025), https://agglomerations.eig.org/p/a-viral-chart-on-recent-graduate.
[22] *Id.*
[23] Erik Brynjolfsson, Bharat Chandar, and Ruyu Chen, *Canaries in the Coal Mine? Six Facts about the Recent Employment Effects of Artificial Intelligence,* Stanford University (Aug. 26, 2025). *https://digitaleconomy.stanford.edu/wp-content/uploads/2025/08/Canaries_BrynjolfssonChandarChen.pdf*
[24] Zanna Iscenko and Fabien Curto Millet, "Looking for the Ladder: Is AI Impacting Entry-level Jobs?" Economic Innovation Group (Jan. 14, 2026). https://agglomerations.eig.org/p/looking-for-the-ladder
[25] Calculations by Jiaxin He based on Connor O'Brien, *A Viral Chart on Recent Graduate Unemployment Is Misleading*

Broad labor market indicators for young college graduates confirm a cyclical pattern, not structural deterioration for tech-related workers specifically. Unemployment among college graduates aged 22 to 27 rose from a post-pandemic low of 3.6 percent to 4.2 percent in 2024, a return to roughly 2015 levels. Their employment-to-population ratio slipped from a post-pandemic peak of 91.3 percent to 90.4 percent, a level last seen in 2017.

This parallel reversion in employment among both young computer and information sciences graduates and young college graduates broadly points to macroeconomic tightening. It does not indicate an ongoing structural collapse in demand for the tech-adjacent occupations that H-1B holders predominantly fill. Both groups are shedding the exceptional gains of the overheated post-COVID labor market and settling near mid-2010s norms.

Calibrating long-term high-skilled immigration policy to a temporary hiring pullback would be short-sighted. When economic conditions normalize, the underlying demand for high-skilled labor will reassert itself, and restrictions put in place during a cyclical reversion will constrain American competitiveness when the tech sector's labor needs increase again.

Conclusion

If DOL still intends to raise the prevailing wages for the aforementioned visa categories, the Department should do so using the Experience Benchmarking alternative in lieu of the default proposal. By utilizing Experience Benchmarking to determine prevailing wages, the Department's final rule will more closely align with the objectives stated in the NPRM. EIG thanks the Department for the opportunity to comment on the proposed rule.

Sincerely,

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