Manufacturers Fighting Disruptive Immigration Reform

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The National Association of Manufacturers (NAM), along with several prominent business organizations, filed a lawsuit in federal court to stop the Department of Homeland Security's (DHS) regulations governing the H-1B nonimmigrant visa program that would disrupt manufacturers' ability to hire and retain critical high-skilled talent.

By way of background DHS announced an interim final rule that revises the definition of H-1B specialty occupation to include the requirement of a specific relationship between the required degree field(s) and the duties of the offered position. It also restricts eligibility for the program in several additional ways, including requiring employers to provide contracts, work orders, itineraries or similar evidence to prove employer-employee relationship when sending H-1B workers to third party worksites, ultimately providing the U.S. Citizenship and Immigration Services (USCIS) with the ultimate discretion on who meets the definition of employer and employee. The other rule issued by the Department of Labor increased the wage floor companies are required to pay employees to historically high rates.

These rules make H-1Bs more difficult to qualify for and more expensive for employers. And, the new rules have bypassed the usual process for how rules are added by forgoing the typical period of comment from the public. In fact, the Department of Labor's rule increasing wage levels for nonimmigrant workers went into effect immediately.

Understanding the negative implications for the manufacturing industry, NAM responded to these H-1B reforms by filing a lawsuit. NAM Senior Vice President and General Counsel Linda Kelly stated: "These overreaching, unlawful restrictions don't just limit visas—they will restrain our economic recovery at a time when the very future of our country hangs in the balance. Manufacturers and program sponsors are going to court because these restrictions are far outside the bounds of the law and would deal a severe blow to our industry. We cannot let this stand."

Immigration is absolutely critical to the nation's economic growth in all industries and, particularly, the manufacturing industry. While it was said in a report by the National Academies of Sciences, Engineering and Medicine, The Economic and Fiscal Consequences of Immigration in 2016, the sentiment still applies today: "The inflow of labor supply has helped the United States avoid the problems facing other economies that have stagnated as a result of unfavorable demographics, particularly the effects of an aging workforce"

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