

H1B visa fee increases as Obama signs Omnibus spending bill into law

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Washington: US President Barack Obama signed into law a USD 1.8 trillion spending package which among other things introduces a hefty USD 4,000 fee for certain categories of H-1B visa and USD 4,500 for L1 visa.

The law comes as a shock for the Indian IT companies as they would have to pay millions of dollars while applying for H-1B visas, as they heavily rely on this work visa for highly skilled IT workers to get their work done in the U.S.

Indian IT companies have termed it as highly discriminatory and punitive as the text of the legislation has been written in such a way that such a high fee would have to be paid by only major Indian IT companies.

Companies having more than 50 employees and having more than 50 per cent of their US employees on H-1B and L1 visas would have to pay the new fee when the next visa application session kicks off on April 1, 2016.

This year's Congressional approved quota of 65,000 H-1B visas was filled up in the first few days of the start of the application process on April 1.

In fact the U.S. government had to resort to a computerized draw of lots as it received several times the quota of 65,000.

The "Consolidated Appropriations Act 2016" signed into law by Obama, includes a USD 1.1 trillion omnibus spending bill that funds the government until September 30, 2016, as well as a USD 680 billion tax package.

Among other things, the new law makes US aid to Pakistan more stringent by asking the secretaries of state and defence to certify that Islamabad is taking actions against terrorist networks and meeting other conditions.

But the provision of a national interest waiver nullifies such conditionalities.

The law also paves the way for the implementation of the long pending IMF Quota and Governance Reforms.

Approved and passed by the IMF in 2010, it could not be implemented because the Congress had not passed it.

IMF Managing Director Christine Lagarde said the adoption of legislation by the U.S. Congress to authorize the 2010 Quota and Governance Reforms is a welcome and crucial step forward that will strengthen the IMF in its role of supporting global financial stability.

US Treasury Secretary Jacob Lew said essential to this legislation are the IMF quota and governance reforms.

"The IMF has promoted stability, jobs and growth for the past 70 years, and these reforms will strengthen the US leadership position in this critical institution, while putting the Fund on a strong financial footing," he said.

"Along with passage of Trade Promotion Authority and the conclusion of the negotiations on the Trans-Pacific Partnership trade agreement this year, the IMF reforms reinforce the central leadership role of the United States in the global economic system and demonstrate our commitment to maintaining that position," Mr. Lew said.

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