



# DOL Proposes Major Increase to Prevailing Wages for Visa Programs: What Employers Need to Know

On March 27, 2026, [the U.S. Department of Labor \(DOL\) published a Notice of Proposed Rulemaking \(NPRM\)](#) that would significantly increase required wage levels across several employment-based visa programs. If finalized, this proposal would raise the thresholds used to calculate prevailing wages, potentially increasing labor costs and reshaping hiring strategies for employers who sponsor certain foreign workers.

## Why This Matters

If your organization sponsors foreign nationals or you are a foreign worker, this proposal could meaningfully impact your organization's salary structure, hiring decisions, and long-term workforce planning.

## Background

Under section 212(p) of the Immigration and Nationality Act, employers of foreign national workers under certain nonimmigrant and immigrant visa classifications generally must commit to paying the foreign worker at least the prevailing wage applicable to the occupational classification and geographical location of the position the worker will fill. By law, when DOL makes a governmental survey available for purposes of determining the prevailing wage, as it has for time immemorial, their survey must include at least four wage levels "commensurate with experience, education, and the level of supervision."

Historically, each wage level has corresponded with a percentile respective to the salaries of all workers in a given occupational classification and geography. For instance, under the current prevailing wage paradigm, a Level I wage corresponds to the 17<sup>th</sup> percentile, meaning 17% of workers in a given occupational classification and geography earn less than Level I wage.

As an example, under the currently operative DOL survey, the wage levels for a Software Developer in Chicago, Illinois generally are as follows:

- Level I (Entry-level): \$85,467
- Level II (Qualified): \$108,077
- Level III (Experienced): \$130,707
- Level IV (Fully competent): \$153,317

An employer who fails to pay the assigned prevailing wage risks significant liability.

## Key Changes Proposed

The DOL is proposing to increase the percentile thresholds for all four prevailing wage levels as follows:

- Level I (Entry-level): 17th → 34th percentile
- Level II (Qualified): 34th → 52nd percentile
- Level III (Experienced): 50th → 70th percentile
- Level IV (Fully competent): 67th → 88th percentile

In practical terms, this means employers may need to offer significantly higher salaries across all experience levels to meet compliance requirements.

By way of illustration, using the earlier example of the Software Developer in Chicago, the prevailing wage for an entry-level worker would increase from \$85,467 to \$108,077.

## Quantified Impact & Broader Context

DOL projects meaningful wage increases, particularly for entry-level roles, which could substantially affect hiring budgets and compensation structures.

This proposal gains significance when considered amid broader immigration policy developments—including the new wage-weighted H-1B registration selection process and increased government filing fees for certain cases. Together, these changes may reshape how employers approach foreign worker sponsorship and workforce planning.

## Who Is Affected

The proposed rule would apply to several key employment-based immigration programs, including:

- H-1B specialty occupation workers
- H-1B1 specialty occupation workers from Chile or Singapore
- E-3 specialty occupation workers from Australia
- PERM labor certifications for various categories of employment-based green cards)

Because all four wage levels would increase significantly for employers in every industrial and economic sector, employers seeking workers across a wide range of roles—from recent college graduates in entry-level positions to individuals in the most senior positions—will face higher minimum salary requirements if the DOL rule is finalized as proposed.

## Opportunity and Risk in a New Visa Landscape

While higher prevailing wages may lead to increased compensation for foreign workers, they may also make sponsorship less accessible.

Employers may respond by reducing the number or limiting the types of roles they are willing to sponsor, particularly at the entry level, limiting opportunities for foreign nationals, including international students who are recent graduates.

## Why DOL Is Proposing These Changes

According to DOL, the current wage structure may not fully reflect market wages for U.S. workers. The agency has expressed concern that some positions have been filled at wages below market rates. DOL asserts that this proposal is intended to better align prevailing wages with the broader labor market and strengthen protections for U.S. workers.

## What You Should Do Now

For Employers:

- In reviewing our current and upcoming cases, consider the proposed wage thresholds
- Assess the financial impact of higher salary requirements
- Consider timing strategies for future filings
- Work closely with immigration counsel to plan ahead
- Submit comments on the rule during the public comment period if the proposal may impact your business

For Foreign Workers:

- Be aware that required wage levels may increase
- Understand that sponsorship opportunities may shift, especially for entry-level roles
- Stay informed as the rulemaking process develops

## What Happens Next

The DOL prevailing wage rule is not final. DOL is accepting public comments for 60 days following March 27, 2026. After reviewing feedback, the agency may revise and issue a final rule.

If implemented, the new wage requirements would apply prospectively but will give employers little time to adjust. This proposal represents one of the most significant potential changes to prevailing wage requirements in recent years. Employers and foreign workers alike should, therefore, begin evaluating the potential impact now.

Proactive planning for strategic adjustments will be key to navigating these changes and maintaining compliance if the rule is finalized.