

Optional Practical Training (OPT)

OPT gives employers a discount for not hiring American workers.

- Employers save roughly 8 percent when they hire foreign students or graduates instead of U.S. workers because they don't have to pay FICA or Medicare taxes under the Optional Practical Training program (OPT).¹

OPT denies Americans jobs.

- Employers may hire through the OPT program as long as the job is related to the student/worker's area of study.²
- Job ads specifically seek OPTs, who - by definition - cannot be American.³

OPT costs the Social Security and Medicare trust funds billions of dollars.

- OPT workers often hold jobs in the \$60-\$90,000 a year range, but they cost Social Security and Medicare about \$4 billion dollars every year.⁴

OPT workers are not guaranteed a prevailing wage.

- There are no enforceable wages protections, allowing employers to undercut local prevailing wages by exploiting foreign students/workers.⁵

¹ IRS, "Foreign student liability for Social Security and Medicare taxes," 2024.

<https://www.irs.gov/individuals/international-taxpayers/foreign-student-liability-for-social-security-and-medicare-taxes>. See also: David North, "OPT Program Provides Laborers to Contractors at 8.25% Discount," Center for Immigration Studies, 2018. <https://cis.org/North/OPT-Program-Provides-Laborers-Contractors-825-Discount>; The Ohio State University Office of Business and Finance, <https://busfin.osu.edu/faq/fica-tax-and-exemptions>

² U.S. Citizenship and Immigration Services. <https://www.uscis.gov/working-in-the-united-states/students-and-exchange-visitors/optional-practical-training-opt-for-f-1-students>

³ Ibid. See example of job ads: <https://cis.org/sites/default/files/MonsterIbmJob.jpg>; <https://normsaysno.wordpress.com/2015/12/29/another-12hour-story-with-an-opt-twist/>; <https://normsaysno.wordpress.com/2015/12/30/another-job-ad-seeking-opts/>

⁴ Jon Feere, "Optional Practical Training for Foreign Students Now a \$4 Billion Annual Tax Exemption," Center for Immigration Studies, 2024: "The rough math: A \$50,000 salary with the 12.4 percent Social Security tax rate (employee and employer combined) and the 2.9 percent Medicare tax rate (employee and employer combined) is 15.3 percent, or \$7,650. That amount times 539,382 foreign students is over \$4.1 billion." <https://cis.org/Feere/Optional-Practical-Training-Foreign-Students-Now-4-Billion-Annual-Tax-Exemption>

⁵ Daniel Costa and Ron Hira, "The Department of Homeland Security's proposed STEM OPT extension fails to protect foreign students and American workers," Economic Policy Institute, 2015. <https://www.epi.org/blog/the-department-of-homeland-securitys-proposed-stem-opt-extension-fails-to-protect-foreign-students-and-american-workers/>

Congress never voted to create the OPT program as we know it today.

- A Microsoft lobbyist pitched the idea to the Secretary of Homeland Security at a dinner party in 2008.⁶
- The idea was to extend the length of existing “practical training” regulations so they could function as a new guest worker program that could help employers get around the cap placed on H-1B visas for white-collar jobs.⁷
- The Bush administration created the current OPT program by executive fiat⁸; the Obama administration expanded it further⁹; the Biden administration added 22 new fields of “study” to the program.¹⁰

More employers are taking advantage of the government discount on not hiring Americans.

- Use of the program grew by 400% between 2008 and 2016; 1.5 million foreign graduates of U.S. schools used the program; 53 percent were in STEM fields; surpassing the H-1B program in size.¹¹
- Over 500,000 foreign students were authorized to work the practical training program in 2023.¹²

The U.S. government even offers the don't-hire-a-citizen discount to employers in sensitive areas such as Strategic Intelligence, Undersea Warfare, and Combat Systems Engineering.¹³

⁶ Michelle Malkin and John Miano, *Sold Out* (2016), pp. 229-230. <https://www.amazon.com/Sold-Out-Billionaires-Bipartisan-Crapweasels/dp/1501115952>. See also: John Miano, “A History of the 'Optional Practical Training' Guestworker Program,” CIS, 2017. <https://cis.org/Report/History-Optional-Practical-Training-Guestworker-Program>

⁷ Microsoft letter to DHS Secretary Michael Chertoff, 2008. <https://www.numbersusa.com/wp-content/uploads/2024/11/DHSLetter.pdf>

⁸ Miano, “A History of the 'Optional Practical Training' Guestworker Program.”

⁹ Norm Matloff blog, “OPT Expansion on List of Examples of Obama “Leadership” in Tech,” 2016. <https://normsaysno.wordpress.com/2016/06/22/opt-expansion-on-list-of-obama-leadership-in-tech/>

¹⁰ White House press release, January 21, 2022: <https://www.whitehouse.gov/briefing-room/statements-releases/2022/01/21/fact-sheet-biden-harris-administration-actions-to-attract-stem-talent-and-strengthen-our-economy-and-competitiveness/>

¹¹ Ruiz, Neil G., and Abby Budiman, “Number of Foreign College Students Staying and Working in U.S. After Graduation Surges,” Pew Research Center, 2018. <https://www.pewresearch.org/global/2018/05/10/number-of-foreign-college-students-staying-and-working-in-u-s-after-graduation-surges/>

¹² Department of Homeland Security, 2024. https://www.dhs.gov/sites/default/files/2024-05/24_0510_hsi_sevp-sevis-btn-2023-total-pt-auth.pdf

¹³ David North, “Firms Get a Bonus for Hiring Aliens with Degrees in Undersea Warfare,” CIS, 2012. <https://cis.org/North/Firms-Get-Bonus-Hiring-Aliens-Degrees-Undersea-Warfare>