



Explainer: Proposed OPT Fees Could Limit Opportunities for International Students and American Employers

Introduction

On October 8, 2026, the Department of Homeland Security (DHS) published a Notice of Proposed Rulemaking (NPRM) titled “[Optional Practical Training Fees](#),” proposing significant new fees for international students seeking to participate in the [Optional Practical Training \(OPT\) program](#). Under the proposal, American colleges and universities would be required to pay \$70,000 for an international student's initial OPT authorization and \$30,000 for subsequent authorizations, including extensions for graduates in science, technology, engineering, and mathematics (STEM) fields. Currently, international students seeking initial OPT authorization or an OPT extension must pay a \$470 application fee to U.S. Citizenship and Immigration Services (USCIS), with no additional fees for educational institutions.

OPT is a [longstanding program](#) – created nearly eight decades ago – that allows international students with [F-1 visas](#) to obtain temporary employment authorization and remain in the United States after graduating from an American university. OPT allows these recent graduates to gain practical experience directly related to their academic studies. Eligible students may generally work for up to 12 months through OPT, while graduates with qualifying STEM degrees may obtain an additional 24-month extension, allowing them to work in the United States for up to three years. The program provides an important opportunity for international graduates to apply their education in professional settings while helping American employers recruit workers with specialized skills.

If finalized, the proposed rule would significantly increase the financial barriers to participating in OPT, potentially making the program inaccessible to many international students. Economic analysts [project](#) that the new fees could reduce OPT participation by approximately 80%. The proposed fees could also [discourage](#) prospective students from pursuing higher education in the United States and make it more difficult for American employers to recruit and retain foreign-born talent. DHS argues that requiring universities to pay substantial fees would discourage fraudulent OPT applications by incentivizing institutions to more carefully review students before recommending them for employment authorization. However, it remains unclear whether imposing such significant financial burdens would meaningfully reduce fraud rather than disincentivizing participation in the program generally. Critics have also [questioned](#) whether the proposed fee would be utilized for fraud detection and have [expressed concern](#) that the rule will undermine the international talent pipeline.

The public comment period for the [proposed rule](#) is open until November 9, 2026.

Overview of Optional Practical Training (OPT)

[Optional Practical Training \(OPT\)](#) is a federal program that allows eligible international students with F-1 visas to obtain temporary employment authorization to gain practical experience directly related to their field of study. Established through [federal regulations](#), OPT has become an important component of the U.S. higher education system and a pathway for [American businesses](#) to recruit graduates of U.S. colleges and universities.

Under [current regulations](#), eligible F-1 students may generally participate in OPT for up to [12 months](#). Additionally, graduates with [qualifying degrees](#) in science, technology, engineering, or mathematics (STEM) may apply for a 24-month extension, allowing them to work in the United States for up to three years through OPT and STEM OPT combined.

To participate in OPT, students must obtain a recommendation from a [designated school official \(DSO\)](#) at their educational institution and apply for employment authorization through USCIS. The training must be directly related to the student's major area of study.

The OPT program [benefits](#) both international students and the American economy. It allows graduates to gain professional experience, helps employers recruit workers with specialized skills, and strengthens the connections between American universities and the nation's workforce. For many foreign-born graduates, OPT also [serves as a bridge](#) between their academic studies and longer-term employment opportunities, including potential sponsorship for H-1B visas.

Current OPT Costs Compared to the Proposed Fees

Under the current framework, international students seeking OPT must file [Form I-765](#), Application for Employment Authorization, with USCIS. Students are generally responsible for paying the application fee, which currently costs \$470 when filed online or \$520 when filed on paper. Students seeking a STEM OPT extension must submit another application and pay the applicable filing fee. Educational institutions are not currently required to pay a separate fee for recommending students for OPT.

The [proposed rule](#) would dramatically increase the cost of participating in OPT by establishing new fees payable by educational institutions, in addition to the existing USCIS application fees paid by students. Universities would be required to pay \$70,000 for an initial OPT recommendation and \$30,000 for a subsequent STEM OPT extension.

These fees would be paid to the [Student and Exchange Visitor Program \(SEVP\)](#), a federal program administered by U.S. Immigration and Customs Enforcement (ICE) that oversees international students and the schools authorized to enroll them. Students would remain responsible for paying the existing USCIS application fees.

OPT authorization	Current fee paid by student to USCIS (online filing)	Proposed fee to be paid by university to SEVP	Proposed combined cost
Initial OPT (up to 12 months)	\$470	\$70,000	\$70,470
STEM OPT extension (additional 24 months)	\$470	\$30,000	\$30,470
Combined OPT and STEM OPT	\$940	\$100,000	\$100,940

Under the [proposal](#), the combined cost of obtaining initial OPT authorization would increase nearly 150-fold, from \$470 to \$70,470. For an international graduate seeking both initial OPT and a STEM extension, the total cost would rise from \$940 to \$100,940. These fees would be paid to the [Student and Exchange Visitor Program \(SEVP\)](#), a federal program administered by U.S. Immigration and Customs Enforcement (ICE) that oversees international students and the schools authorized to enroll them.

Although universities would be legally responsible for paying the new fees, DHS acknowledges that institutions could obtain funding from international students, employers, or other sources to cover these expenses. However, the proposed rule does not create a mechanism for employers or students to cover the new fees. Consequently, to the extent OPT would still be available, students would likely bear some or all of the additional financial burden, potentially making OPT inaccessible to most qualified international graduates.

Number of OPT Authorizations Issued Annually

OPT has become an [increasingly important program](#) for international students and American employers. According to DHS, in calendar year 2024, approximately [194,554 international students](#) received or held authorization for pre-completion or post-completion OPT and reported employment. Additionally, DHS recorded [95,384 STEM OPT authorizations](#) with employment start dates in 2024. Together, these figures represent approximately 290,000 OPT and STEM OPT authorizations associated with employment start dates in one year. The agency also identified [2,478 educational institutions](#) with students participating in OPT between 2022 and 2024.

DHS [acknowledges](#) that the proposed fees could significantly reduce participation in OPT, particularly among international students who do not qualify for STEM extensions

and would therefore have fewer opportunities to work in the United States. According to DHS's estimates, the proposed rule would generate approximately [\\$4.1 billion](#) in annual economic costs, including administrative expenses and other economic losses associated with reduced OPT participation.

According to a [recent study](#) from the Institute for Progress (IFP) the loss of highly skilled STEM workers that would result from the proposed rule could reduce U.S. GDP by approximately \$362 billion annually after a decade, based on the average estimates across several scenarios. Over that period, the nation's high-skilled STEM workforce is projected to shrink by 6.3%, resulting in a 1.2% reduction in GDP. These economic losses would amount to an average of \$2,680 per U.S. household each year.

Potential Consequences and Areas of Concern

The proposed rule could have [significant consequences](#) for international students, American universities, and employers. Requiring institutions to pay \$70,000 for initial OPT authorization could make the program inaccessible for many students, particularly those attending smaller universities with limited resources. Faced with these substantial costs, some universities could stop recommending students for OPT or significantly reduce the number of students they support. Alternatively, institutions could pass these costs on to international students, creating additional financial barriers to participation. The substantial fees could also discourage international students from enrolling in American universities, potentially reducing tuition revenue and weakening the United States' ability to attract talented students from around the world.

American employers could also [face challenges](#). OPT serves as an important pathway for businesses to recruit graduates of U.S. universities, particularly in industries requiring specialized skills. By making participation substantially more expensive, the proposal could limit employers' access to foreign-born talent, increase recruitment costs, and discourage business investment. Importantly, restricting access to OPT would not necessarily mean that these jobs would go to American workers. Employers unable to recruit qualified international graduates could instead scale back their operations, leave positions unfilled, or relocate certain activities abroad, potentially reducing employment opportunities for U.S. workers as well. DHS itself [acknowledges](#) that reduced OPT participation could result in lost productivity, foregone earnings for international students, and declining university enrollment.

Conclusion

The proposed rule would substantially increase the cost of participating in OPT, potentially making the program inaccessible to thousands of international students. While DHS maintains that the fees would strengthen program integrity and protect American workers, the proposal could impose significant financial burdens on universities, discourage international enrollment, and limit employers' access to skilled

workers. Given OPT's longstanding role in attracting international talent and supporting American competitiveness, the proposal raises serious questions.