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# How to respond to H-1B and 401k policy changes

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A new change to the H-1B visa program for skilled workers will add a one-time $100,000 application fee for new applicants. For employers, the most urgent task is communicating proactively and clearly with current employees who may be uncertain about how the changes affect their visa status, says Shaun Staller, business immigration attorney at Eckert Seamans, a law firm.

He offers a few points to stress:

- Leaders should "proactively communicate with their foreign national workforce to assure them that they are aware of, and looking out for, the interests of those employees and doing what is possible to ensure their immigration status remains valid," he says.

- Communicate what we do know: "Individuals who are already in valid H-1B status are able to extend their status without being subject to the new $100k fee; similarly, we know that individuals in valid H-1B status with valid H-1B visa stamps in their passports may continue to travel internationally without impact," says Staller.

- Encourage visa-dependent employees to proactively communicate any international travel plans or a change of address. Ensure that all records about employees' immigration status and expiration dates are stored in a central location, with a dedicated staff member to manage deadlines, support, and resources.

In the long term, the H1-B changes will likely "have a widespread chilling effect across companies of all sizes and industries on the hiring of foreign nationals," says
Min Suh, also an immigration attorney with Eckert. While larger companies will have the option of hiring remote workers outside the US or offering global mobility programs that allow employees outside the US to move here via the L-1 visa program for intracompany transfers, she notes that many businesses will likely need to dedicate more resources into recruitment, compensation, and benefits to recruit and retain a smaller pool of workers.

Starting in 2026, workers older than 50 who earn more than $145,000 annually will no longer be able to make extra pre-tax catch-up contributions to their 401k accounts. Savers above that income threshold will still be able to make extra contributions—$7,500 for workers over 50 and $11,250 for workers between 60 and 63—but they will have to deposit post-tax income into a Roth account, which allows tax-free withdrawals during retirement but no up-front tax benefits.

"This is NOT a loss of the ability to save, but a change in the tax treatment of those savings," says David Feinberg, senior vice president of risk and insurance programs at Justworks, an HR and payroll platform. He points out that these changes may add financial stress for older employees and recommends investing in and communicating about programs including financial coaching services, caregiving benefits, and phased retirement programs, "which allow employees to gradually transition to part-time work, or even offer formal mentorship programs where older employees can be compensated for sharing their invaluable institutional knowledge with younger workers."

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