

Federal Policy Developments Digest

October 24, 2025

New Guidance Clarifies \$100,000 H-1B Fee Applies Only to Petitions Filed Abroad (10.20.25)

Following weeks of uncertainty, the US Citizenship and Immigration Services (USCIS) issued new [guidance](#) on the scope of the \$100K H-1B fee, stating that the fee applies to new petitions filed for workers outside the US who do not currently hold a valid H-1B visa. The guidance [clarifies](#) that the \$100K fee does *not* apply to:

- 1) recent international graduates in F-1 status applying for a change to H-1B
- 2) current H-1B holders applying for amendments, extensions, or changes of employer
- 3) workers reentering the US on an existing, valid H-1B visa
- 4) petitions filed before September 21, 2025

USCIS confirmed that exceptions only will be granted in “extraordinarily rare” cases. Employers can pay the fee via the federal government’s [online portal](#).

Implications/next steps: This is the first detailed [clarification](#) from the Trump administration since the Sept. 19 proclamation announcing the new H-1B fee, which employers [warned](#) could disrupt hiring pipelines across higher education, technology, and healthcare. For colleges and universities, the guidance offers partial relief: institutions can continue hiring foreign professionals already in the United States – such as those in university pipelines – without paying the \$100K fee. In practice, the fee primarily targets new hires recruited from abroad, so institutions attempting to expand globally or fill roles from abroad would be the most impacted. For research-intensive institutions, this may mean diverting research funds toward personnel costs for new hires rather than direct research activities. Several lawsuits have been [filed](#) challenging the legality of the Sept. 19 proclamation and the administration’s authority to impose the fee without congressional approval; plaintiffs have [requested](#) an immediate injunction to halt the fee’s enforcement, but none has been granted to date.

Institutions Continue To Decline Trump Administration’s “Compact for Academic Excellence in Higher Education” (10.23.25)

Despite renewed outreach from the Trump administration, most institutions continue to decline the “Compact for Academic Excellence in Higher Education.” The administration convened a [meeting](#) on Oct. 17 with institutional leaders who had not yet responded – and also invited representatives from Washington University in St. Louis, the University of Kansas, and Arizona State University – but since that meeting, more institutions have publicly [declined](#) to sign the Compact. Institutions that have issued statements declining to sign are: Massachusetts Institute of Technology, Brown University, the University of Pennsylvania, the University of Southern California, Dartmouth College, the University of Virginia, the University of Arizona, and Washington University in St. Louis, although WashU has [reportedly](#) not outright rejected the Compact. (Separately, UVA [struck](#) a [deal](#) with the Trump administration on Oct. 22 in order to halt federal investigation.) Vanderbilt has yet to officially accept or reject the Compact, and the University of Texas System, the University of Kansas, and Arizona State University have not yet issued public responses. Please see the table on the following page for a summary of public responses from institutions. Additionally, more than 30 higher education associations have [released](#) a joint statement opposing the Compact, stating that the Compact’s conditions “run counter to the interests of institution, students, scholars, and the nation itself” and amount to “excessive federal overreach and regulation.”

Implications/next steps: The invited institutions were asked to submit feedback by Oct. 20, 2025, with a final decision due by Nov. 21, 2025. Brian Rosenberg, president emeritus of Macalester College, [noted](#) that institutions withholding signatures are likely discussing legal concerns, as the Compact could invite legal challenges. Erin Hennessy, vice president at TVP Communications, [suggested](#) that silence signals

internal negotiating and that non-responders may be more likely to sign. Most of the public institutional responses emphasize merit, which Rosenberg interprets as an effort to highlight the “logical inconsistency” in the federal government’s stance. Many responses also mention institutional neutrality, academic freedom and autonomy, and adherence to institutional values. However, the tone of the responses varies across institutions.

Institution	Date of Response	Summary of Response
Massachusetts Institute of Technology	Oct. 10, 2025	President Sally Kornbluth sent a letter to Secretary McMahon rejecting the Compact, stating that Compact “includes principles with which we disagree, including those that would restrict freedom of expression and our independence as an institution. And fundamentally, the premise of the document is inconsistent with our core belief that scientific funding should be based on scientific merit alone.” President Kornbluth also noted examples of MIT’s values that “meet or exceed” standards outlined in the Compact.
Brown University	Oct. 15, 2025	President Christina Paxson declined to sign the Compact, noting in a letter to Secretary McMahon that it “would restrict academic freedom and undermine the autonomy of Brown’s governance, critically compromising our ability to fulfill our mission.” Paxson also noted Brown’s continued commitment to the July agreement with the federal government.
University of Pennsylvania	Oct. 16, 2025	President J. Larry Jameson informed the campus community that Penn “respectfully declines to sign” the Compact and provided feedback to the administration regarding areas of alignment and concern. Penn has not provided a copy of its response.
University of Southern California	Oct. 16, 2025	Interim President Beong-Soo Kim wrote in a letter to Secretary McMahon that although the Compact contained some areas of alignment with USC values, tying research benefits to the agreement “would, over time, undermine the same values of free inquiry and academic excellence that the Compact seeks to promote.” President Kim also noted that USC would be eager to contribute to a national conversation about the issues raised.
University of Virginia	Oct. 17, 2025	Interim President Paul Mahoney stated in a letter to Secretary McMahon that the University declined the Compact invitation, clarifying that the University seeks “no special treatment in exchange for our pursuit of those foundational goals. The integrity of science and other academic work requires merit-based assessment of research and scholarship.” He also noted areas of agreement with the Compact’s principles.
Dartmouth College	Oct. 18, 2025	President Sian Leah Beilock announced the college would not sign the Compact, stating: “I do not believe that a compact — with any administration — is the right approach to achieve academic excellence, as it would compromise our academic freedom, our ability to govern ourselves, and the principle that federal research funds should be awarded to the best, most promising ideas.” President Beilock also welcomed engagement with the administration.
University of Arizona	Oct. 20, 2025	President Suresh Garimella announced the University did not agree to the terms of the Compact, noting that principles such as “academic freedom, merit-based research funding, and institutional independence are foundational and must be preserved,” while noting that the higher education system would benefit from reforms. UA also submitted a “ Statement of Principles ” to the administration, which focuses on UA’s commitment to reforms that benefit students, advance national interests, and protect taxpayers.
Washington University in St. Louis	Oct. 20, 2025	Chancellor Andrew D. Martin shared a letter with the campus community that WashU accepted an invitation to participate in a conversation about higher education with the Trump administration, but noted that WashU has not endorsed or signed the Compact. In a follow up email to the Faculty Senate Council, Chancellor Martin confirmed that they “won’t sign the

		proposed Compact,” but WashU has reportedly been reluctant to publicly call the email a rejection.
Vanderbilt University	Oct. 20, 2025	Chancellor Daniel Diermeier wrote in a letter to the campus community that Vanderbilt was not “asked to accept or reject the draft compact,” and thus has only provided feedback and comments. Chancellor Diermeier has suggested concerns about the Compact.