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Report finds rapid growth in foreign-student work program

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The number of international students taking advantage of a program that lets them stay in the U.S. and work after graduating increased dramatically between 2008 and 2016.
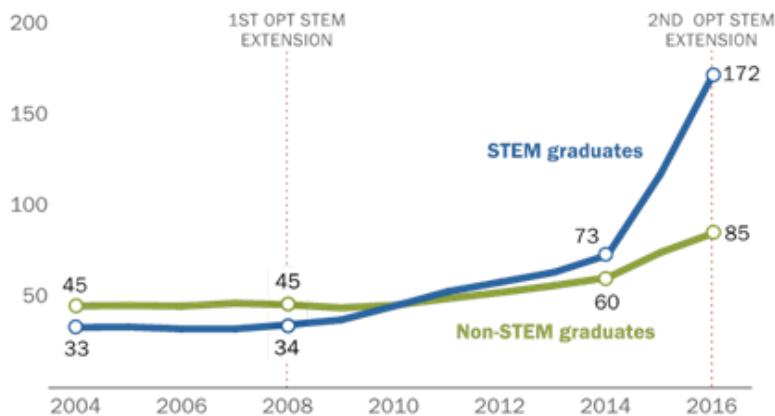
A new report [1] from the Pew Research Center found that the number of international students with degrees in science, technology, engineering or mathematics fields who participated in the optional practical training program grew by 400 percent after 2008, when the George W. Bush administration used executive rule making to extend the period for which STEM graduates could work from 12 months to 29 months. The Obama administration subsequently issued a rule extending that period by an additional seven months, so foreign graduates in STEM fields from American colleges can now work in the U.S. for up to three years after completing their programs while staying on their F-1 student visas.

The rising popularity of STEM OPT suggests that the ability to work for three years after graduation without applying for a new visa has become an increasingly attractive part of the package American universities present to prospective foreign students. The availability of postgraduation work opportunities -- which, even if temporary, give students a window of opportunity to apply for H-1B visas and the chance to potentially stay permanently -- helps the U.S. to compete for international students against other countries that also offer postgraduation work options and in some cases clearer pathways between education and immigration. The rapid growth of the OPT program, however, has also brought with it new scrutiny -- from both organized labor on the left and anti-immigration groups on the right.

A lawsuit challenging the OPT program brought by the Washington Alliance of

Number of foreign students graduating American colleges and obtaining authorization to work in the U.S. grows, especially among those in STEM fields

Number of OPT approvals from 2004-2016, in thousands

Note: Figures are students with an associate degree or higher. STEM categories are based on fields outlined by the U.S. Department of Homeland Security.
Source: Pew Research Center analysis of U.S. Immigration and Customs Enforcement data received August 2017 through a Freedom of Information Act request.
"Number of Foreign College Students Staying and Working in U.S. After Graduation Surges"

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Technology Workers argued among other things that the program created unfair competition for U.S. workers because students on F-1 visas and their employers don't pay Medicare and Social

Security taxes, so the students are therefore "inherently cheaper to employ." The case was dismissed [2] by a U.S. District Court judge in April 2017 and is currently being appealed.

More recently, the Trump administration published a notice [3] stating its intent to issue a new rule governing practical training programs to "reduce fraud and abuse" and "to improve protections of U.S. workers who may be negatively impacted by employment of nonimmigrant students on F and M visas."

The summary of the planned action says the "proposed provisions include increased oversight of the schools and students participating in the program to ensure compliance with requirements of the program."

Growth in OPT

The Pew report, which is based on Immigration and Customs Enforcement data obtained via a Freedom of Information Act request, found that the number of new approvals for OPT has grown in recent years to surpass initial approvals for the H-1B skilled-worker visa program. The number of H-1B visas that American companies can sponsor is capped by law at 85,000 per year, while there is no cap on OPT participation.

OPT only provides for temporary work authorization in a job related to a student's field of study, whereas the H-1B, while also temporary, can serve as a stepping-stone to a green card. However, one key benefit to the extension of OPT for STEM graduates is that it gives them two additional chances to try their luck in the annual lottery for the limited number of H-1B visas available.

"The [OPT] program has grown to become the primary way the U.S. has retained foreign students, especially STEM students who have graduated from its colleges and universities," said Neil G. Ruiz, the associate director for global migration and demography at Pew Research Center and an author of the report. "This 400 percent increase of STEM foreign students really happened after 2008 when policy changes were made by the George W. Bush administration after attempts in Congress to pass legislation on the issue of increasing H-1Bs or giving green cards to STEM graduates did not go anywhere."

The growth in OPT participation has largely been among students who studied STEM fields, who account for just over half (53 percent) of all OPT participants. While the number of OPT participants with STEM degrees increased by 400 percent from 2008 to 2016, the percentage of OPT participants with non-STEM degrees -- who are only eligible for a one-year period of OPT, as opposed to the three years afforded STEM students -- increased by just 49 percent.

During this same time period, new international student enrollments in the U.S. increased by 104 percent.

Characteristics of OPT Participants

Pew found that the growth in OPT was highest among graduates of master's programs in STEM fields. The number of master's-level OPT graduates increased by 337 percent between 2004 and 2016, compared to a 187 percent increase at the doctoral level, a 115 percent increase at the bachelor's level and just a 21 percent increase at the associate level.

Further, the growth in OPT participation after the master's level has taken place almost entirely since the first extension for STEM graduates was put in place in 2008: Pew found that the number of master's graduates participating in OPT actually dropped by 7 percent from 2004 to 2007 before increasing by 322 percent between 2008 and 2016.

Although Indian students are the second-largest group of international students in the U.S., after students from China, those from India make up the largest group of participants in OPT, accounting for 30 percent between 2008 and 2016. Chinese students were the next-largest group of OPT participants, accounting for 21 percent, followed by students from South Korea (6 percent), Taiwan (4 percent), Japan (3 percent), Canada (2 percent), Nepal (2 percent), Turkey (1 percent), Mexico (1 percent) and Brazil (1 percent).

Saudi Arabia, which has been one of the leading senders of international students to the U.S. over the past decade, doesn't factor in the top 10 in terms of countries of origin for OPT participants. The Middle East as a whole only accounts for 4 percent of participants in the program.

More than three-quarters of OPT participants with doctorates (78 percent) specialized in STEM fields, while 60 percent of OPT participants at the master's level were STEM graduates. At the bachelor's level, about a third of participants (33 percent) had STEM degrees, and at the associate level it was just 12 percent.

At the associate and bachelor's level, the top field of study for OPT participants was business/marketing. At the master's level, the largest share of OPT participants studied engineering (accounting for 27 percent of all participants), followed by computer and information sciences (22 percent), and business-related fields (22 percent). Among OPT participants with doctoral degrees, engineering was also the most popular field of study (34 percent), followed by physical sciences (16 percent) and biological and biomedical sciences (13 percent).

Below is a chart of the institutions with the largest numbers of OPT participants. More than half (56 percent) of all OPT participants attended public institutions.

Notably, among those institutions that are not classified by the Carnegie Classification of Institutions of Higher Education (identified on the chart below as "non-CCIHE-classified institutions"), three of the top five universities in terms of the number of OPT participants -- Silicon Valley University, the University of Northern Virginia and Herguan University -- have shut down amid questions about their practices regarding student visas [4] (the University of Northern Virginia was ordered to close by state regulators in 2013; the California Bureau for Private Postsecondary Education reported last month that state approval for Silicon Valley and Herguan Universities expired when both institutions lost their accreditation). The top producer of OPT participants within that category, Northwestern Polytechnic University, was the subject of a 2014 *BuzzFeed* investigation [5] that characterized the institution as an "upmarket visa mill."

Over all, nearly 1.5 million international students gained authorization to work through the optional practical training program between 2004 and 2016.

Institutions With the Most OPT Participants, by Type

Public Universities	Number of OPT Participants, 2004-2016	Private Universities	Number of OPT Participants, 2004-2016
1. Baruch College, City University of New York	18,500	1. University of Southern California	27,100
2. University of Michigan, Ann Arbor	13,700	2. New York University	26,800
3. University of California, Los	13,600	3. Columbia University	22,600

Angeles			
4. University of Illinois at Urbana-Champaign	13,600	4. Carnegie Mellon University	14,100
5. University of Texas at Dallas	13,500	5. Illinois Institute of Technology	12,900
Non-CCIHE-Classified Institutions		**Private, For-Profit Institutions**	
1. Northwestern Polytechnic University	11,700	1. Academy of Art University	6,800
2. Silicon Valley University	4,500	2. Stratford University	5,900
3. University of Northern Virginia	2,400	3. New York Film Academy	4,100
4. Virginia International University	2,300	4. School of Visual Arts	3,000
5. Herguan University	1,000	5. Strayer University	2,700

Source: Pew Research Center

Source URL: https://www.insidehighered.com/news/2018/05/11/report-finds-rapid-growth-foreign-student-work-program?width=775&height=500&iframe=true

Links:
[1] http://www.pewglobal.org/2018/05/10/number-of-foreign-college-students-staying-and-working-in-u-s-after-graduation-surges/
[2] https://www.nafsa.org/_/file/_/amresource/washtechdecision20170419.pdf
[3] https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=201710&RIN=1653-AA76
[4] https://www.insidehighered.com/news/2018/05/04/tale-troubled-accreditor-and-questionable-college
[5] https://www.buzzfeed.com/mollyhensleyclancy/inside-the-school-that-abolished-the-f-and-raked-in-the-cash?utm_term=.uoKyxAQD8#.tnI56vIY2