

New Price Tag on OPT: Proposed \$70,000 Fee and What It Means for Institutions

October 19, 2026

Comments on the proposed rule are due by November 9, 2026.

On October 8, 2026, the US Department of Homeland Security (DHS) [published a notice of proposed rulemaking \(NPRM\)](#) that would impose substantial new fees on schools that recommend F-1 students for optional practical training (OPT). Under the proposal, a school would owe \$70,000 for a student's first OPT recommendation and \$30,000 for each subsequent OPT recommendation for that same student, including a STEM OPT extension. The rule is not final, and institutions, employers and students that rely on OPT should understand what is being proposed, seriously consider submitting a comment and start planning now in case it is adopted. Comments are due by November 9, 2026, and can be submitted at the link above.

What is OPT, and how did we get here?

Generally, with limited exceptions, students studying in the United States on an F-1 visa may not work in the US. For decades, one of those limited exceptions has been OPT, which currently allows students to engage in practical training related to their major for up to 12 months per educational level, either before completing their program or after. Students who complete a qualifying STEM degree may apply for an additional 24-month STEM OPT extension. DHS's July final rule eliminating the duration of status framework, [summarized here by Cooley](#), did not make substantive changes to OPT, but the final rule did explain post-completion OPT may require an extension of stay or readmission.

To obtain OPT, a school's designated school official (DSO) must first recommend the student on an endorsed Form I-20, confirming that the student is maintaining F-1 status, and that the proposed training is directly related to the student's major field of study. The student then files Form I-765 with US Citizenship and Immigration Services (USCIS) to obtain an employment authorization document (EAD) and may only begin work once the EAD is issued. Currently, schools certified by the Student and Exchange Visitor Program (SEVP) pay only modest administrative Student and Exchange Visitor Information System (SEVIS) fees in connection with this process, and no fee is tied to the OPT recommendation itself.

DHS has raised fraud and labor market concerns about OPT, and the NPRM highlights a string of enforcement actions related to OPT. DHS reports that OPT participation has grown faster than its compliance resources: 194,554 F-1 students were authorized for pre- or post-completion OPT in 2024, up from 160,627 in 2023, while roughly 6,186 schools are SEVP-certified, with only about 60 field representatives to oversee them nationwide.

Beyond fraud, DHS frames the proposed fee as a measure to protect the US labor market. The agency notes that H-1B visas are capped at 65,000 per year (plus 20,000 for advanced degree holders), while OPT carries no comparable numerical limit, and states that by 2024, STEM OPT participation alone (165,524 participants) was nearly double the annual H-1B cap. DHS also points to the Federal Insurance Contributions Act (FICA) tax exemption that generally applies to F-1 students during OPT as a potential incentive for employers to hire OPT participants over similarly situated US workers. NAFSA: Association of International Educators [publicly opposed the proposal](#), arguing that OPT supports US competitiveness for international talent and citing economic contribution and labor market studies it says show no measurable harm to US workers from OPT participation.

Key provisions of proposed rule

- **Two-tier fee structure:** The rule would require an SEVP-certified school to pay \$70,000 before a DSO may issue a student's first OPT recommendation (whether pre-completion or post-completion), and \$30,000 before any subsequent OPT recommendation for that same student, including a STEM OPT extension. DHS expects schools to adjust their practices accordingly, and acknowledges that schools may pass these costs on to participating students, other students generally, or employers. Per the rule, these fees would be deposited in the US treasury as a miscellaneous receipt and would not be maintained by US Immigration and Customs Enforcement (ICE).
- **Fee is tied to recommendation, not employer:** The fee attaches when a school's DSO recommends a student for OPT, regardless of the employer and regardless of how the student obtained F-1 status (including by change of status). USCIS would not issue employment authorization until the applicable fee is paid, and SEVIS would not

accept a DSO's OPT recommendation without confirmation of payment.

- **Limited refunds:** A school could seek a refund if a student recommended for OPT does not ultimately receive an EAD. No refund would be available once an EAD has issued. SEVP would review refund requests case by case, and its determination would be final and not subject to appeal.
- **Open question on degree-level changes:** DHS is specifically seeking comment on an alternative approach under which the \$70,000 initial fee would apply again each time a student begins OPT tied to a new, higher degree level (for example, once after a bachelor's degree and again after a master's degree).
- **Impact on current students:** If finalized, the rule would take effect 60 days after publication of the final rule. The \$70,000 fee would apply to a DSO recommendation for any OPT dated on or after the effective date. Students who already hold OPT approval, are currently engaged in previously approved OPT, or received a DSO recommendation before the effective date would not be subject to the fee for that period of OPT, but any subsequent OPT recommendation for the same student made on or after the effective date would trigger the applicable fee.

What schools should be doing now

The proposed rule remains subject to change and has already received more than 2,000 comments. With the 30-day comment period closing November 9, 2026, institutions, employers and students with an interest in the outcome should consider the following:

1. **Submit comments.** DHS has specifically invited input on the core fee structure, potential exemptions, treatment of students moving between degree levels and the rule's impact on small institutions.
2. **Model the financial impact.** Institutions should assess how a \$70,000 – \$100,000 per-student cost structure would affect international recruitment, budgeting and OPT recommendation practices if the rule is finalized substantially as proposed.
3. **Communicate with students and employers.** Students and employers who are planning to rely on OPT in the near term should understand that the proposed effective date and transition rules could affect the cost and timing of their plans.

If you have questions or would like assistance in preparing for these changes, please reach out to our team at Cooley.

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