

US PERM Freeze: Indian H-1B workers could lose crucial time to secure Green Cards as sponsorships stall

By Kumud, Last Updated: Oct 16, 2026, 12:55:00 PM IST

Synopsis

On October 8, the US Department of Labor announced the suspension of green card processing for eight companies, causing significant worry among Indian professionals reliant on employer sponsorship for permanent residency. While current H-1B visas remain valid, individuals are urged to examine their situations closely and explore other immigration options. Families connected to the affected workers should also evaluate their immigration standings in light of these developments.



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US PERM suspensions at eight major companies have raised concerns among Indian professionals seeking green cards, leaving workers uncertain about employment-based immigration plans and future options.

On October 8, 2026, the Trump administration, led by Vice President JD Vance and Labor Secretary Keith Sonderling under the U.S. Anti-Fraud Task Force, suspended eight major technology and IT outsourcing companies from the Permanent Labor Certification Program (PERM). Overseen by the Trump administration's U.S. Anti-Fraud Task Force, this action immediately halted the processing of all new and pending PERM applications for Microsoft, Adobe, Cognizant, [Infosys](#), [Tata Consultancy Services](#) (TCS), [Wipro](#), HCL, and Capgemini. While the action heavily disrupts the path to permanent residency for tens of thousands of corporate employees, it does not cancel existing H-1B work visas, meaning affected employees can legally continue working in their current temporary non-immigrant status.

— VP (@VP)

This pause in US employment-based green card processing has raised concerns for Indian professionals whose permanent residency applications depend on employer-sponsored labour certification. The immediate impact will depend on the stage of each application, the employer involved and how close the worker is to the end of their permitted stay in the US. The action has drawn particular attention because many Indian professionals rely on employer sponsorship to move from temporary work visas to permanent residency. The suspension does not automatically cancel existing H-1B visas or deny pending green card applications. However, it could delay cases that require Permanent Labour Certification, commonly known as PERM, and create complications for workers approaching the six-year limit on H-1B status. The action does not automatically cancel existing H-1B visas or reject pending green card applications. However, workers whose cases depend on PERM certification could face delays.

During an interview, Poorvi Chothani, who is a US-based immigration lawyer, said that the impact would depend on whether a worker's sponsorship requires certification from an affected employer. "Employees whose sponsorship requires PERM certification from a suspended employer face the immediate disruption, regardless of nationality or visa category. Possible alternatives include another employer, EB-1, a national interest waiver (but these are subject to significant delays for most Indians), family sponsorship or EB-5. Eligibility must be established separately for each route."

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The scope of the action remained unclear because the companies were named publicly rather than through a clearly defined list of legal entities. “Until the DOL puts the scope of its action in writing, we cannot say with confidence whether subsidiaries are covered. Nor do we know whether a PERM filed by a staffing vendor for a worker placed at Microsoft would be treated as an application “involving” Microsoft,” said Rajiv S. Khanna, another US-based immigration lawyer.

Pending applications are frozen, not rejected

PERM is generally the first stage of employer-sponsored green card applications under the EB-2 and EB-3 categories. It requires employers to meet specified recruitment requirements before proceeding with an immigrant petition. Khanna noted, “The DOL appeared to be relying on a regulation that permits it to suspend processing while an employer is investigated for possible fraud or willful misrepresentation.”

“Pending applications have been frozen, but nothing has been denied. The DOL appears to be acting under 20 CFR 656.31(b), which allows it to suspend processing while an employer is under investigation for possible fraud or willful misrepresentation in connection with the PERM program,” he further added.

The initial suspension can last up to 180 days, with further delays possible in certain circumstances. Khanna said suspended applications retain their filing dates, which can become the worker's priority dates if the applications are eventually certified.

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Chothani advised workers to retain proof of submission and monitor deadlines. “Covered applications remain pending, with processing halted. The suspension does not itself constitute a refusal, but cases requiring certification cannot advance. Workers should obtain proof of submission and the filing date. They should not assume that other deadlines are extended.”

Workers whose PERM applications have already been certified are in a different position. An approved PERM generally must support an I-140 immigrant petition within 180 days. I-140 petitions and I-485 applications for adjustment of status are not automatically frozen by the PERM action, although related investigations could lead to additional scrutiny.

H-1B workers nearing six years face greater uncertainty

Under the American Competitiveness in the 21st Century Act, eligible H-1B workers can obtain extensions beyond six years if a PERM application or I-140 petition was filed at least 365 days before the requested extension period begins. Workers with approved I-140 petitions who are waiting for immigrant visa numbers may qualify for extensions of up to three years. The suspension could create difficulties for H-1B workers approaching their six-year limit without a qualifying green card filing.

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A PERM application filed more than a year earlier should remain usable for the relevant extension while suspended, as the hold is not a final decision. “A PERM filed more than a year ago and merely suspended should still qualify, because these extensions remain available until the DOL makes a final decision, and a suspension is not a decision,” Khanna said. However, workers whose employers have not filed PERM applications could face greater difficulties.

“The people who are at risk are those within roughly eighteen months of the six-year limit whose employer never filed a PERM. Their 365-day clock cannot start running while the employer is suspended,” Khanna noted.

Chothani also stressed the importance of reviewing filing dates and remaining visa time. “Workers unable to secure a timely filing face greater difficulty. Those with approved I-140 petitions and unavailable immigrant visa numbers may separately qualify for extensions of up to three years.”

Can workers change employers or pursue another route?

Moving to an employer outside the suspension may be an option if the new employer is willing to sponsor the worker. However, a PERM application is tied to a particular job and employer, so a new employer would generally need to start its own process.

Workers with approved I-140 petitions may retain their earlier priority dates, subject to the applicable rules. Those whose I-485 applications have been pending for at least 180 days may be able to move to a same or similar job without restarting sponsorship, provided they meet the legal requirements.

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Other possible routes include EB-1A for people with extraordinary ability, EB-1B for outstanding professors and researchers, EB-1C for qualifying multinational managers and executives, and the EB-2 National Interest Waiver (NIW). Family sponsorship and EB-5 investor immigration may also be available to eligible applicants.

Chothani said these routes bypass PERM but have separate eligibility requirements. “EB-1 covers extraordinary ability, outstanding professors or researchers, and qualifying multinational managers or executives. A national interest waiver requires evidence supporting the proposed endeavour and its national importance. Extraordinary-ability and national interest waiver (NIW) applicants may self-petition. An existing PERM case cannot simply be redesignated.”

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Khanna said the alternative categories have demanding evidentiary requirements, and workers eligible for PERM may not necessarily qualify for EB-1A or an NIW. The NIW also falls under EB-2, which has a substantial backlog for Indian applicants. Khanna pointed to the October 2026 Visa Bulletin, which listed November 1, 2013, as the EB-2 India final action date, compared with February 1, 2023, for EB-1 India.

L-1 and O-1 workers face different challenges

The suspension could also affect L-1 and O-1 workers whose employers were sponsoring them for green cards. Their existing status is not cancelled solely because of the suspension, but their extension options differ from those available to H-1B workers.

Chothani said: “A pending green card case does not give either group the extension provisions available to H-1B workers. Their options require a separate eligibility assessment.”

Khanna noted that L-1A managers generally have a seven-year maximum stay, while L-1B specialised knowledge workers have a five-year limit. Qualifying multinational managers may consider EB-1C, which does not require PERM. O-1 workers may explore extensions based on continued qualifying work or assess whether they meet the requirements for EB-1A.

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Spouses and children could also be affected

Delays may affect family members whose immigration status depends on the primary worker. Chothani said: “If the worker cannot extend their status, dependants may need an independent basis to remain. Delays may also defer H-4 work eligibility tied to an I-140 approval or qualifying H-1B extension.”

Children approaching 21 need particular attention. The Child Status Protection Act may preserve green card eligibility in certain circumstances, but it does not automatically extend dependent non-immigrant status. Khanna additionally advised families to consider alternatives, including student status for children, well before they reach the age limit.

What should affected workers do now?

Both lawyers advised workers to review their cases and deadlines rather than wait for the suspension to end. Chothani recommended obtaining written confirmation from employers about the case stage, the sponsoring legal entity, whether the suspension applies and what alternatives are being considered. Workers should retain copies of PERM filing records, I-140 and I-485 notices, and H-1B approvals.

Khanna advised workers to gather their immigration documents and track deadlines. “Ask your employer for copies of the filed ETA-9089 showing the case number and filing date, any certification, the I-140 receipt and approval notices, any I-

485 receipts, and every H-1B approval notice. Keep your own I-94 records along with a dated list of every trip abroad, since recaptured days may decide whether you can extend.”

The suspension could continue beyond the initial 180-day period if investigations or legal proceedings remain unresolved. The government could lift it if investigations conclude without charges, while employers may challenge the action in court. For Indian professionals, the immediate priority is to establish whether their applications are covered, protect their lawful immigration status and assess alternative routes before deadlines limit their choices.

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