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COMMITTEE ON THE JUDICIARY WASHINGTON, DC 20510-6275

September 24, 2025

Mr. Satya Nadella Chief Executive Officer, Microsoft Corp. One Microsoft Way Redmond, WA 98052

Dear Mr. Nadella,

We are concerned about some troubling employment trends in the tech industry. Earlier this year, the *Wall Street Journal* reported that the tech sector's unemployment rate was "well above" the overall jobless rate. The Federal Reserve also found that recent American graduates with STEM majors now face higher unemployment rates than the general population.

In evaluating the high unemployment rate for American tech workers, we cannot ignore the massive, ongoing layoffs ordered by you and your peers in Big Tech C-suites over the past few years. *Newsweek* and other outlets have reported that Microsoft has laid off 16,000 employees this year.³

At the same time you have been laying off thousands of American employees, you have been filing H-1B visa petitions for thousands of foreign workers. In fiscal year 2025, you applied for and received approval to hire 5,189 H-1B employees, making Microsoft the third-largest employer of newly approved H-1B beneficiaries in the nation. With all of the homegrown American talent relegated to the sidelines, we find it hard to believe that Microsoft cannot find qualified American tech workers to fill these positions.

When you received criticism for conducting mass-layoffs while Microsoft enjoyed record revenue and profits, you characterized your actions as an "enigma of success." Your hiring and firing decisions are certainly an enigma to us, so we would like to give you an opportunity to explain yourself. Please provide answers to the following questions, with accompanying data where appropriate, by October 10, 2025:

1. Why is Microsoft hiring foreign tech workers when hundreds of thousands of American tech workers have been laid off over the past few years?

1

¹ Belle Lin, *IT Unemployment Rises to 5.7% as AI Hits Tech Jobs*, WALL ST. J. (Feb. 7, 2025), https://www.wsj.com/articles/it-unemployment-rises-to-5-7-as-ai-hits-tech-jobs-7726bb1b.

² Federal Reserve Bank of New York, *Labor Market Outcomes of College Graduates by Major*, https://www.newyorkfed.org/research/college-labor-market#--:explore:outcomes-by-major (showing unemployment rates for recent graduates with STEM majors like computer science (6.1%) and computer engineering (7.5%) that are well above the general unemployment rate of 4.3%).

³ Dan Gooding, *Microsoft's H-1B Visa Applications Questioned Amid Mass Layoffs*, NEWSWEEK (July 3, 2025), https://www.newsweek.com/microsoft-layoffs-h1b-visa-applications-2094370.

- 2. Does Microsoft make a good faith effort to fill open positions with Americans before filing H-1B petitions? Explain in detail.
- 3. Does Microsoft hide H-1B recruitment ads by listing them separately from general hiring ads?
- 4. Has Microsoft displaced any American employees with H-1B employees?
- 5. Are your company's H-1B hires provided the same salary and benefits as your American workers with the same qualifications? Please provide specific details.
- 6. How many H-1B workers at Microsoft were recruited and hired at level one wages? How many of those workers are still working at level one wages?
- 7. Does Microsoft outsource any hiring to contractors or staffing firms that place H-1B workers within your organization?
- 8. Of the H-1B workers currently working at Microsoft, how many of those workers are employed and paid directly by Microsoft?

Sincerely,

Sen. Charles E. Grassley

Chairman

Senate Judiciary Committee

Sen. Richard J. Durbin

Ranking Member

Senate Judiciary Committee