



EB-5 INVESTMENT COALITION

COMMON-SENSE REFORMS FOR A STRONGER, MORE EFFECTIVE EB-5

The EB-5 Investment Coalition supports legislation to reauthorize the EB-5 Regional Center Program while also enacting common-sense reforms to further strengthen and enhance it. A key engine for driving job creation and economic growth, we believe that the EB-5 platform – and the Regional Center Program in particular – can be reformed in a manner that robustly addresses national security, improves program integrity through evaluation of business plans and econometric employment modeling, and puts Americans to work on development and infrastructure projects. In short: National security, fraud deterrence, and American job growth are compatible objectives. Responsible EB-5 reforms can further them all. To these ends we support important measures to make the program even more effective, accountable and secure. The reforms we are advocating for include:

More Robust Standards for Ensuring Security, Transparency and Compliance

- Requiring pre-approval of project business plans for regional centers and related entities.
- Requiring regional centers and affiliate entities to disclose financial statements related to EB-5 projects to promote greater transparency and accountability in how EB-5 related funds and fees are used.
- Instituting a more robust screening process for vetting the backgrounds of the owners and managers of regional centers and related entities to ensure program integrity.
- Strengthening oversight to assure compliance with federal and state securities laws including broker/dealer laws and regulations.
- Requiring foreign finders to register with USCIS to further enhance transparency and compliance.
- Creating a new process for reviewing and evaluating foreign ownership of regional centers, new commercial enterprises, and job creating entities/projects to further strengthen national security safeguards.
- Implementing new mechanisms for preventing, identifying and addressing cases of undue influence at the agency level, including acceptable protocols for communication by and with the DHS/USCIS.

Strengthening and Updating EB-5 to Reflect Today's Global Economy

- Creating permanent authorization of the EB-5 Regional Center Program to give American businesses the certainty they need to plan new projects and secure new investments.
- To broaden the pool of global investment available to American businesses, clarifying the numerical limits for investor applicants to allow realization of the currently authorized visa pool by: eliminating per country quotas; removing qualified immediate family members from the count; and recapturing unused immigrant visas for the past 20 years and allowing a proportionate share to be reallocated across all employment-based visa programs, including EB-5.
- Implementing reasonable capital requirement adjustments for both base investment amounts and those in Targeted Employment Areas to better reflect the current economic landscape and individual community needs.
- Redefining Targeted Employment Areas for a lower capital contribution amount to provide the right balance between rural and urban projects.
- Identifying accepted economic modeling methods for accurately measuring project job creation, including metrics for gauging the value of indirect and induced jobs as well as direct jobs.
- Creating a process for grandfathering in new substantive program changes so as not to disrupt current projects and investor processing.
- Other reforms that address and reform Issues of Investor Entry into the U.S. and Adjustment of Status to Permanent Residence.

Contact info@eb5ic.org for more information.