



### IIUSA Statement for Ombudsman Meeting

First, I would like to thank the CIS Ombudsman, Maria Odom, and her staff – especially Fred Troncone and Gary Merson – for hosting today’s important meeting and providing IIUSA with the opportunity speak for the Regional Center industry. Founded in 2005, IIUSA is the national membership-based 501(c)(6) not-for-profit industry trade association for the EB-5 Regional Center Program (the “Program”). IIUSA’s primary mission is to make the Program a permanent and successful part of 21st century U.S. economic development policy. **To date, IIUSA represents 78 Regional Center members and 160+ Associate members, with our Regional Centers accounting for approximately 95% of all the EB-5 capital formation (billions of dollars), resulting U.S. job creation (tens of thousands of jobs), and tax revenue (hundreds of millions).**

The success of our members using the Program to capitalize economic development projects requires substantial planning to ensure the investment structure, business plan, and economic impact report meet the various requirements of the EB-5 Program. All of these components are then thoroughly detailed in a private placement memorandum that discloses risks associated with making the investment and marketed in compliance with U.S. securities laws. Our members are more than willing to undertake this expensive planning endeavor, so long as there is certainty and predictability in policy development and processing times.

Today, the Program is responsible for record-breaking economic impact all over the United States with over \$2.0 billion in capital formation in FY2012 alone. Its recent trajectory shows the Program has the potential to be one of the most utilized immigrant investor programs in the world. Our strong position in the global marketplace cannot be taken for granted, however. Competition for immigrant investors by various countries continues to grow. Due to a pervasive layer of “uncertainty” hanging over processing times and policy development, the U.S. is giving its competitors all they need to convince investors to invest elsewhere. We need to send a message to immigrant investors worldwide that the U.S. is open for business and investment.

There are two major themes that I would like to emphasize today: transparency and predictability. IIUSA sees these concepts as essential to the success of the EB-5 Program in its mission of U.S. regional economic development and job creation – all at no cost to the taxpayer. Without these concepts in place, foreign investors and domestic entrepreneurs will continue to have eroding confidence in the Program – threatening the very ability of the Program to have its intended impact in the U.S. Our Regional Center members need to be able to make credible representations to economic development partners and EB-5 investors on USCIS policy and processing times.

Some examples of where this uncertainty is coming from:

- Processing times are currently unpredictable;
- Available communication channels with USCIS are ineffective in providing substantive feedback on processing times or policy guidance; and,
- Evolving adjudication standards that are introduced through RFEs, denials, and revocations – rather than through meaningful advance consultation with industry stakeholders.

Competing immigrant investor programs around the world operate without investment or immigration risk. In the EB-5 Program, investors understand that investment risk is required. The immigration benefits associated with the at-risk investment must be transparent and predictable – or risk undermining confidence and integrity of the Program. We believe this can be fixed with consistent processing times, a transparent policy development process, and substantive communication with the industry. Our program is unique in that the principals involved in the management of Regional Centers are not seeking immigration benefits for themselves from USCIS – but rather a stable and predictable business platform from which they can provide competitive investment opportunities in a global marketplace.

IIUSA remains encouraged that USCIS' intentions for the EB-5 Program are for maximum effectiveness, efficiency, and integrity. Surely, there is a proactive means of communication that can be implemented to allow the Program to compete on a global scale and have the intended predictability that will yield the outcome of U.S. job creation. IIUSA and its members stand ready to work with USCIS to achieve these objectives and appreciate the opportunity to share this perspective here today.