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"Creating Jobs Through Investments"

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May 13, 2013

VIA EMAIL

The Honorable Patrick Leahy
Chairman
Senate Judiciary Committee
Washington, DC 20510

RE: Appreciated Leadership on the EB-5 Program

Dear Mr. Chairman:

On behalf of the Association to Invest In the USA (IIUSA) and the EB-5 Regional Center Program (the "Program") industry that we represent, thank you for your thoughtful and continued leadership on EB-5 issues and for introducing a package of EB-5 Program reforms for consideration in the Comprehensive Immigration Reform legislation currently before your Committee. Our **85** EB-5 Regional Center members, operating in 33 states, make up approximately 95 percent of all capital raised through the EB-5 Program. We are encouraged by the substance of your proposed legislation and believe it will improve the Program's ability to achieve its intended economic impact.

We have worked closely for many years under your leadership to secure permanent authorization for the EB-5 Regional Center Program (the "Program") and to address needed improvements and reforms. This has been a complex process involving many stakeholders from all around the country and across sectors. We are aware that you have listened to important concerns raised by your colleagues including Ranking Member Grassley, Immigration Subcommittee Chairman Schumer and Ranking Member Cornyn, all of whom have large and active Regional Centers in their states. We also thank them for their support in keeping this important program going and contributing ideas to this legislation and toward the betterment of this job-creating program overall.

Your proposed legislation would effectively address many important issues and greatly improve the ability of the program to do what it was intended to do – create jobs for U.S. workers at no cost to the US taxpayer. Permanent authorization for the program is the single most important step for the program to realize its full job creation potential. Short- term program authorizations of three years do not provide the time required to establish a regional center, develop a project and raise the investor capital. The life cycle of an EB5 project is measured in years and the uncertainty surrounding expiring authorization has severely hampered the Program.

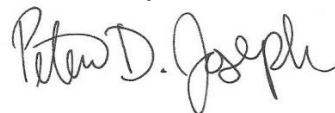
Second, IIUSA anticipates that the EB5 program will reach the 10,000 visa cap this or next year – absent Congressional action. A fully subscribed EB-5 Program with the changes you envision would create a minimum of 100,000 new American jobs annually. Your legislation finds multiple ways to alleviate the pressure on this forthcoming backlog by maximizing the available visas to more than triple the Program’s capacity for economic impact in the U.S.

The EB-5 Program has grown dramatically over the past several years and has been very effective in creating jobs for U.S. workers. However the EB-5 Program holds a great deal of promise that is not realized as a result of operational, administrative and bureaucratic inefficiencies. For example, we estimate there is current backlog of over 7,000 un-adjudicated I-526 petitions pending at USCIS. This represents a minimum of 70,000 jobs not created and \$3.5 billion of foreign investor capital not invested in communities across the U.S. – even though over \$11 million has been collected in filing fees on these backlogged investor applications. Regional Centers, related businesses, and other stakeholders require clear guidelines, predictability and consistent and timely application of EB-5 regulations and processes. The proposed legislation provides the government oversight agencies with additional tools they require to more efficiently administer the program – though more may be necessary.

Lastly, your legislation also addresses important concerns over national security, enforcement procedures and compliance. As an industry we applaud your efforts to ensure that the Program is not abused and that malfeasance is punished – so those utilizing the Program properly are able to continue doing so permanently.

As our members and stakeholders review the legislation for operational and policy implications we would like to provide additional comments as the legislation moves forward. Thank you again for all of your efforts to improve and make this job creating Program more efficient and effective. Again we are grateful for your leadership and look forward to working with you to help secure permanent passage of the EB-5 Program. Please contact me with any questions.

Sincerely,

A handwritten signature in black ink that reads "Peter D. Joseph". The signature is written in a cursive, flowing style.

Peter D. Joseph
Executive Director

CC: Senate Committee on the Judiciary