

# EB-5 Myth vs Fact

It is important to identify the myths versus the facts in the EB-5 Program, which is an important economic driver for American communities.

## MYTH:

*EB-5 is “buying a green card”*

## FACT:

While it is true that an EB-5 petitioner must invest \$500,000 or \$1,000,000 to participate in the EB-5 Program, it is just that, an investment. These immigrant investors are providing capital for economic development projects all around the country that, by statutory requirement, must create at least 10 American jobs. Failure to prove the job creation requirement at the end of the 2-year period disqualifies the investor from applying for permanent residency and they would have to leave the U.S.

## MYTH:

*EB-5 immigrant investors get a “fast track” to citizenship*

## FACT:

Every visa category has its own “waiting line” and allocation of visas available for any given year. For EB-5, there are 10,000 visas available annually. Until 2014, EB-5 did not reach its annual 10,000 visa limit, therefore any petitioner who had an I-526 approved would have a visa available to them and their family. Since 2014 when Mainland China-born petitions reached retrogression because they hit their 7.1% per country cap for visas, Chinese applicants are now experiencing a wait of 8-10 years to obtain their EB-5 visa. Petitioners from any other country do not have this wait, but still must go through the process of applying, awaiting adjudication and consular processing.

## MYTH:

*EB-5 is a way for criminals and terrorists to circumvent authorities and get into the U.S.*

## FACT:

EB-5 applicants are subject to the same checks and requirements as any other immigrant seeking to live in the U.S. In fact, there is an additional level of screening for EB-5 applicants as they need to prove a legal path of funds for their EB-5 investment. For more information, read our helpful “Understanding the Immigration Process” document.

## MYTH:

*EB-5 is plagued with fraud*

## FACT:

While there have been cases of fraud and abuse in the Program that have surfaced, EB-5 is largely a successful Program that creates jobs, brings investment to communities and improves their economies, all at no cost to the taxpayer. Unfortunately the media tends to focus on the negative stories, but there are countless success stories happening in all corners of the country in all types of industry sectors – from healthcare and education to alternative energy, senior housing and transportation, to name a few. It is also important to remember that in the cases highlighted by the media, the systems of law enforcement are working. Additionally, IIUSA has long-supported measures to improve Program integrity that enhance oversight to ensure EB-5 is a viable and sustainable capital investment program for the long term.