



The Real Estate Roundtable



January 20, 2017

President Donald J. Trump
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Trump:

A week before your inauguration, the Department of Homeland Security proposed a rule that would drastically change the EB-5 investment program. With draft EB-5 reform legislation in the works and your administration having taken office, we believe this proposed regulation is simply unripe for comment. **Accordingly, we urge you and your designees to withdraw this EB-5 “midnight rule” proposed by the Department of Homeland Security’s U.S. Citizenship and Immigration Services (USCIS) on January 13 (see 82 Federal Register 4738).**

In particular, USCIS is proposing to **dramatically increase the financial burdens placed** on EB-5 investors. The proposed rule would raise these amounts to levels that far exceed those that have been proposed and are under consideration by Congress. Substantial increases like these, unaccompanied by any transition period, will shock the program and chill EB-5 investment into U.S. companies indefinitely. We are concerned that such a change could put our country at a serious disadvantage in the highly competitive global marketplace to compete for foreign resources and bring them to our shores.

The U.S. Department of Commerce recently released a report citing significant economic and job creation benefits from the EB-5 program. The Commerce Department concluded that EB-5 investors provided \$5.8 billion in capital to invest in 562 projects located in the United States. Using data from FY12-FY13, these projects were expected to create an estimated 174,039 jobs for American workers.

USCIS stated that it could not fully consider the economic impacts of its proposed burdensome requirements, and how they might hinder the job benefits estimated by the Commerce

Department. Given the uncertainties on this critical point, this proposed rule should be withdrawn to provide more time to study these impacts. Given that new legislation in the works for over 18 months may supersede these regulations, USCIS's proposal is premature.

Moreover, Congress must reauthorize the EB-5 "regional center" program before it lapses on April 28, 2017. This will be one of the first key legislative deadlines your administration must address. Collecting comments now on USCIS's rushed proposed rule puts the cart before the horse.

EB-5 can also help unleash the vast potential for private investment capital to co-invest with public funds to modernize our nation's crumbling infrastructure—opportunities beyond the scope of USCIS's untimely proposal. We look forward to working with your administration, and to continuing our discussions on Capitol Hill regarding legislative reform, to create American jobs and re-authorize EB-5 in a manner that safeguards national security, deters investor fraud, and allows projects in diverse locations to fairly access EB-5 capital.

Thank you for considering our request to withdraw USCIS's proposed EB-5 rule. We look forward to working with you and your team and to creating American jobs.