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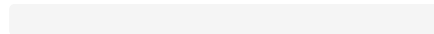
# EB-5 Program Updates & Hot Topics

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*2016 Spring Conference  
AILA Texas Chapter  
April 2016*

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# Proposed Legislative Changes to the EB-5 Program

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- TEA Policy
  - Reform can achieve consensus among the industry and the Senate.
  - Dan Healy before Congress on 4/14/16 to discuss the issues and potential solutions related to the definition of Targeted Employment Area
  - Senators Leahy and Grassley want the reduced amount available in limited places
- Investment Amounts – From \$500,000 to \$800,000? Or higher
  - Support for raising the minimum investment amounts for both standard and TEA locations is nearly universal, we need to find the right balance.
- Integrity Measures – EB-5 Integrity Act of 2015
  - Transparency, increasing responsibilities for Regional Centers
  - All stakeholders agree this is good
- Effective Dates
- **Necessary Change: More Visa Numbers**

# EB-5 and the Securities and Exchange Commission

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- SEC fraud case announced against Jay Peak affiliated entities
  - Focus and misappropriation of funds in a "ponzi" like scheme
  - Who was tracking the funds?
- Paying Finder Fees?
  - Sourcing investors for EB-5 projects
- General Solicitation or Advertising –
  - The blurry line between referring and selling projects. Who is introducing the project to the investor?
- Unregistered Brokers
- Use of foreign migration agents
- Transparency in the offerings

# Considerations for Immigration Attorneys

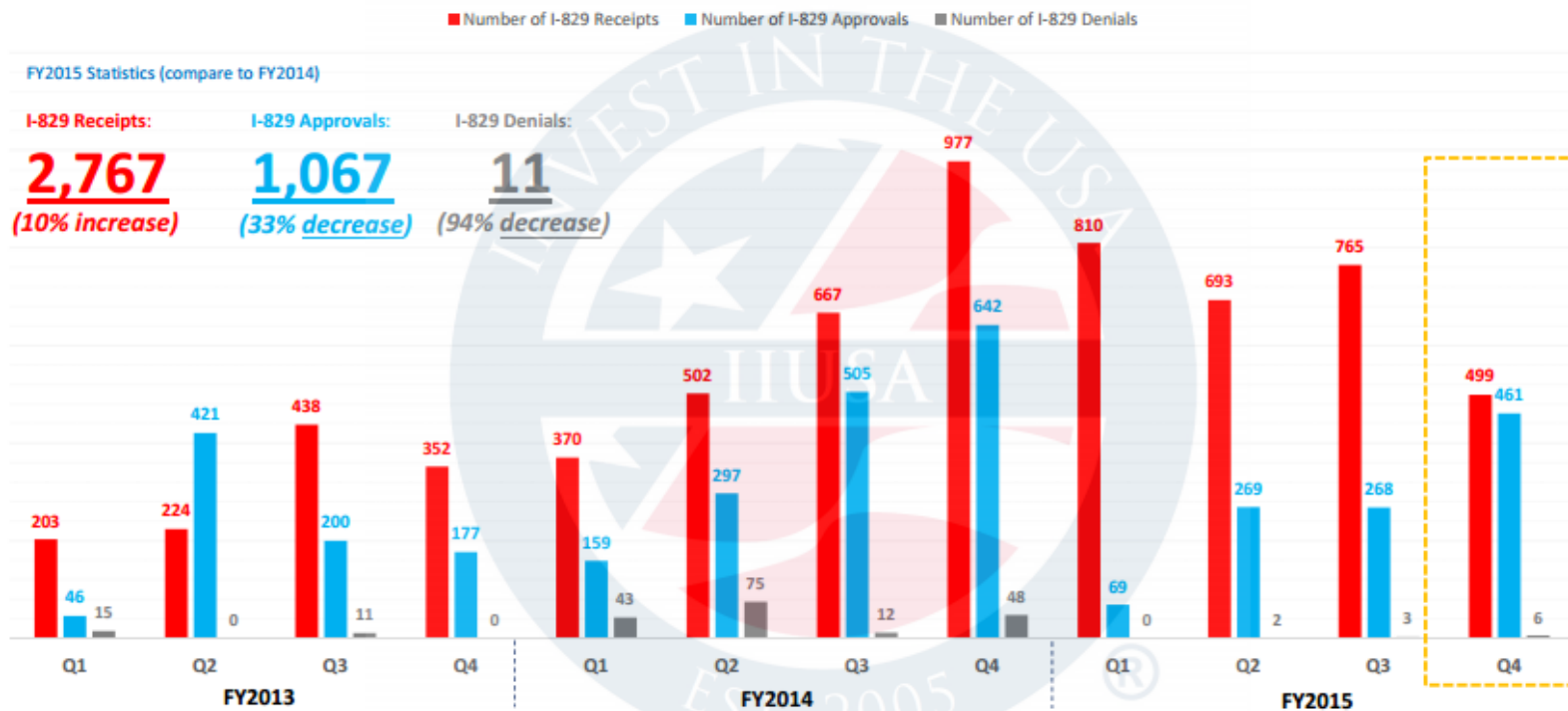
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- Who can "recommend" projects?
- Licensed investment advisors can evaluate the merits of the project
- Other professionals can review the strength of regional center and the other players
- Immigration lawyers can provide focused immigration due diligence
- EB-5 is an interdisciplinary area of law
  - Should review all documents in the offering as well as the economic analysis and business plan
  - Should be able to explain the immigration impacts to client
- Redeployment and Retrogression

# I-829 Filings and Issues

- Material changes - when to refile?
- Substantial compliance
- Job creation
- Redeployment

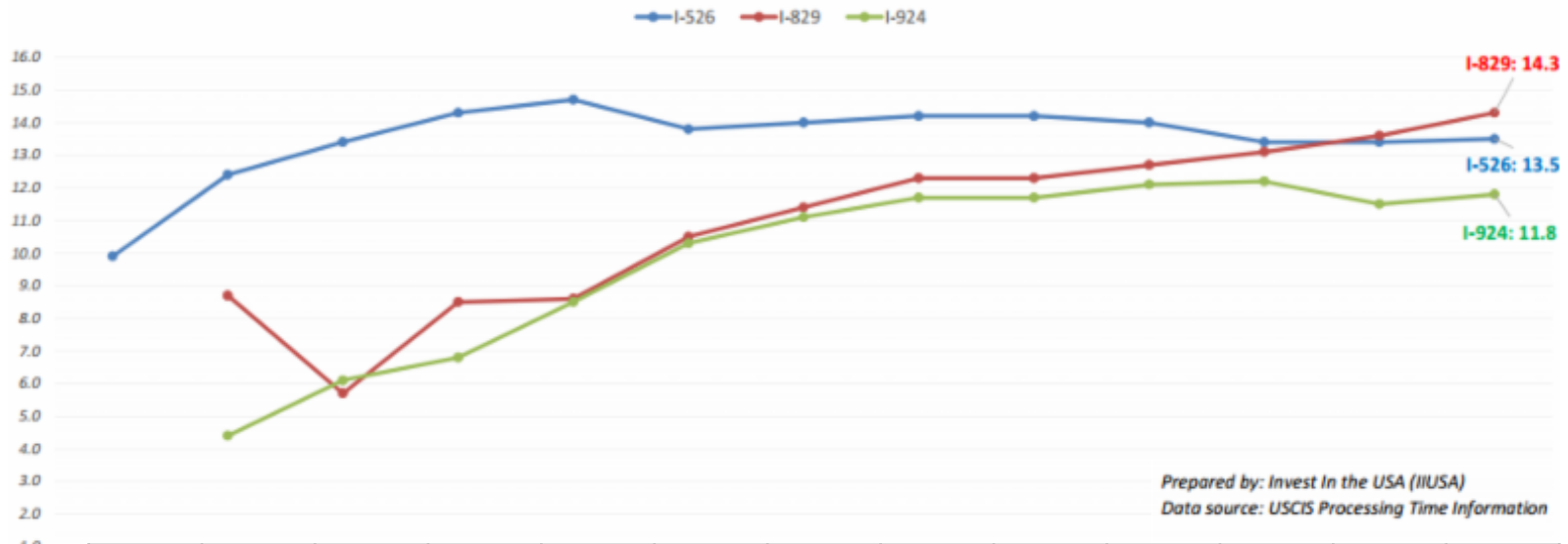
I-829 Petition Quarterly Statistics (FY2013 - FY2015, Q4)



# Managing Expectations and the Difficult Investor

- Documenting the source and Trace of funds – Understanding the process and the amount of information needed
- Predictability – USCIS processing times and Retrogression

USCIS EB-5 Petition Processing Times (Months)  
- January 2014 to June 2015



	As of 01/31/2014	As of 04/30/2014	As of 06/30/2014	As of 09/30/2014	As of 10/31/2014	As of 11/30/2014	As of 12/31/2014	As of 01/31/2015	As of 02/28/2015	As of 03/31/2015	As of 04/30/2015	As of 05/31/2015	As of 06/30/2015
I-526	9.9	12.4	13.4	14.3	14.7	13.8	14	14.2	14.2	14	13.4	13.4	13.5
I-829		8.7	5.7	8.5	8.6	10.5	11.4	12.3	12.3	12.7	13.1	13.6	14.3
I-924		4.4	6.1	6.8	8.5	10.3	11.1	11.7	11.7	12.1	12.2	11.5	11.8

# THANK YOU!

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