



February 1, 2022

The Honorable Alejandro Mayorkas
Secretary of Homeland Security
Department of Homeland Security
Washington, DC 20528

RE: U.S. Innovation and Job Creation through International Entrepreneur Parole (IEP)

Dear Secretary Mayorkas:

As the U.S. recovers from the COVID-19 pandemic, it is essential that we take advantage of every opportunity for economic growth and job creation. One of the biggest untapped resources to create new opportunities for Americans is international entrepreneurs' and students' strong motivation to launch their startup businesses in the United States. Over half of the billion-dollar startups launched in the United States were founded by immigrants—despite the incredibly challenging and outdated immigration system.¹ Immigrants also start businesses at higher rates than native-born Americans.²

We commend the Biden Administration for its recent actions reviving International Entrepreneur Parole (IEP).³ It is the last remaining action item of your predecessor, Secretary Jeh Johnson's 2014 plan to

¹ Stuart Anderson, "Immigrants and Billion-Dollar Companies," *National Foundation for American Policy*, October, 2018, <https://nfap.com/wp-content/uploads/2018/10/2018-BILLION-DOLLAR-STARTUPS.NFAP-Policy-Brief.2018.pdf>.

² Pierre Azoulay et al., "Immigration and Entrepreneurship in the United States," *National Bureau of Economic Research*, September, 2020: 2, <https://www.nber.org/papers/w27778>.

³ Michelle Hackman, "Foreign Entrepreneurs to Gain More Access to Immigration Program," *The Wall Street Journal*, May 10, 2021, <https://www.wsj.com/articles/foreign-entrepreneurs-to-gain-more-access-to-immigration-program-11620647100>.

support high skilled businesses and workers.⁴ This announcement strongly signaled to the world that the United States welcomes talented minds from around the globe and strives to lead the world in technological and scientific achievement.

For the United States to stay competitive and remain attractive to talented individuals all over the world, it is vital that the IEP application process be as efficient and smooth as possible. It is currently our best option to bring innovative entrepreneurs to our country and allow those who are already here to stay. Unlike many of our international rivals, the United States does not have a dedicated visa for startup entrepreneurs. There are limited pathways for international students transitioning from their student visas to start their own businesses. But, if it were functioning smoothly, IEP could fill this gap and has the potential to create a million jobs over ten years.⁵

Unfortunately, there are several procedural issues which make the IEP process volatile, uncertain, complex, and ambiguous. As currently situated, it is very difficult to actually use the program. Some of these barriers, such as the large backlogs at U.S. consulates, will lift as the COVID-19 crisis recedes, but others will continue to make the program ineffective.

As experienced immigration lawyers, venture capitalists, and policy experts, we have five key recommendations to improve the efficacy of IEP:

1. Immediately establish premium processing for IEP applications so qualified entrepreneurs can rapidly launch their businesses in the United States.
 - a. USCIS has in the past agreed to adhere to a 14-day processing time for certain cases without premium processing (e.g. O and P visas⁶). Additionally, a clear procedure was established to allow applicants to follow-up should processing times exceed that timeframe. We would encourage the USCIS to implement a similarly defined and prompt timeframe for the adjudication of these cases.
 - b. Establish and communicate suitable processing systems at the USCIS service centers. Currently, IEP applications are adjudicated at the EB-5 Immigrant Investor Program Office. We respectfully suggest that the agency consider whether IEP applications should be redirected to officers who routinely adjudicate and are familiar with L-1 and E-2 cases as IEP applications are more similar to E-2 and L-1 petitions.
2. Incorporate the use of the Validation Instrument for Business Enterprises (VIBE) program to streamline the qualification process for investors. This program is already being used to validate

⁴ Jeh Johnson, "Policies Supporting U.S. High-Skilled Businesses and Workers," *Department of Homeland Security*, November 20, 2014: 4, https://www.dhs.gov/sites/default/files/publications/14_1120_memo_business_actions.pdf.

⁵ Caleb Watney, Lindsay Milliken, and Doug Rand, "Long Live The International Entrepreneur Rule," *Progressive Policy Institute*, February 3, 2021, <https://innovationfrontier.org/long-live-the-international-entrepreneur-rule/>.

⁶ Office of Public Engagement, "Listening Session – O and P Nonimmigrant Visas," *U.S. Citizenship and Immigration Services*, September 1, 2010, <https://uploads.fas.org/2021/12/14123739/14-Day-Review-USCIS.pdf>.

information about companies petitioning to employ nonimmigrant and immigrant workers through Forms I-129 (for the H-1B, for example), I-140, I-360, and I-485.⁷

3. Modify USCIS guidance on the term “qualified investor” to ensure that investors with passive foreign limited partners are not unnecessarily excluded.
4. Restart the USCIS Entrepreneur in Residence initiative to develop routine feedback loops with stakeholders and consider a hybrid model with both virtual and in-person activities to improve entrepreneurs’ ability to participate and decrease the agency’s administrative and badging burdens.
5. Establish regular interaction with stakeholders in the academic, entrepreneur, legal, and investment communities to further refine the program. As the IEP program continues to develop, there will certainly be additional administrative or procedural hurdles that come to light, and the communities most impacted by these hurdles will be able to most readily and reliably recognize these hurdles ahead of time. Increased interaction can include more events hosted by the Public Engagement Division, or the creation of an entrepreneurship subcommittee for the Homeland Security Academic Advisory Council (HSAAC).⁸

To build our economy back better than before, we need immigrant entrepreneurs and innovative startup founders. By making these changes, the United States will have the opportunity to maintain its reputation as the top destination for entrepreneurship and innovation in the world and continue to be able to create new jobs for our citizens.

Sincerely,

Coalition for International Entrepreneurship

1. American Immigration Council
2. American Immigration Lawyers Association
3. Angel Capital Association
4. Carnegie Mellon University Graduate Student Assembly
5. Center for American Entrepreneurship
6. Consumer Technology Association (CTA)
7. Digital Irish Inc
8. Economic Innovation Group
9. Federation of American Scientists
10. FWD.us
11. Illinois Institute of Technology
12. Illinois Science & Technology Coalition

⁷ “Validation Instrument for Business Enterprises (VIBE) Program,” Working in the United States, U.S. Citizenship and Immigration Services, last modified March 5, 2020, <https://www.uscis.gov/working-in-the-united-states/information-for-employers-and-employees/employer-information/validation-instrument-for-business-enterprises-vibe-program>.

⁸ “Homeland Security Academic Advisory Council (HSAAC),” Department of Homeland Security, last modified October 21, 2021, <https://www.dhs.gov/homeland-security-academic-advisory-council-hsaac>.

13. Information Technology Industry Council (ITI)
14. Institute for Progress
15. National Immigration Forum
16. National Venture Capital Association
17. Niskanen Center
18. Nova Credit
19. Presidents' Alliance on Higher Education and Immigration
20. TechNet
21. Washington Technology Industry Association
22. Katie Allen, Senior Vice President, Center for American Entrepreneurship
23. John R. Dearie, President, Center for American Entrepreneurship
24. Brad Feld, Partner, Foundry Group
25. Kumar Garg, Vice President, Schmidt Futures
26. Elizabeth Goss, Esq., Goss Associates LLC
27. Troy Henikoff, Managing Director, MATH Venture Partners
28. Jaclyn Hester, Foundry Group
29. Billy Lawless
30. Brienne Maner, Executive Director of Startup Sioux Falls
31. Fiona McEntee, Managing Attorney of McEntee Law Group
32. Blake Patton, Founder and Managing Partner of Tech Square Ventures
33. Nik Rokop, Coleman Foundation Clinical Associate Professor of Entrepreneurship, Stuart School of Business, Illinois Institute of Technology
34. Leslie Lynn Smith, National Director, GET Cities
35. Tahmina Watson, Immigration Attorney, Author of *The Startup Visa*; Watson Immigration Law
36. Stephen Yale-Loehr, Of Counsel, Miller Mayer