

Question#:	1
Topic:	Terminating Regional Centers
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: Under current federal law USCIS cannot terminate a regional center solely on the basis of criminal or national security concerns. While USCIS may terminate a regional center's designation if the regional center is no longer promoting economic growth or submitting required information to USCIS, criminal and national security concerns alone do not present a basis for termination. Currently, in instances where USCIS has criminal or national security concerns USCIS has to demonstrate those concerns are related to the regional center's failure to promote economic growth. This is an unnecessarily lengthy process that allows dangerous activity to continue.

Are there regional centers currently in operation that present criminal and national security concerns that you would terminate if USCIS had the necessary authority? If the answer is yes, how many regional centers do you estimate could be terminated on those grounds alone?

Response: Yes, currently some regional center principals or affiliates have criminal convictions and/or have been investigated or continue to be investigated by law enforcement authorities for fraud and other criminal offenses. Terminating such regional centers based specifically on criminal or security concerns in accordance with express statutory authority would result in a more streamlined and efficient process. USCIS cannot accurately provide a specific estimate of how many could be terminated on those grounds alone for several reasons. Without knowing how the authority would be written, it would be difficult for USCIS to predict how it would apply.

Question: How does USCIS determine a regional center presents a criminal or national security threat?

Response: USCIS determines that a regional center presents a criminal or national security threat through a variety of methods, including through information from law enforcement agencies, our own background security checks, and our site visit program. We are increasing the frequency of site visits and stepping up efforts to perform compliance reviews of regional centers, which will aid in our ability to better understand how and with whom some regional centers operate.

Question: If such a threat is present, does USCIS refer the regional center-and those associated with it, including investors-to the Department of Justice and other federal authorities?

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Response: USCIS refers cases to U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) and frequently refers and coordinates with various law enforcement agencies, including the U.S. Department of Justice (DOJ), Federal Bureau of Investigation (FBI) and the U.S. Securities and Exchange Commission (SEC) on cases involving alleged criminality and/or fraud related to regional centers and individual investors.

Question#:	2
Topic:	Regional Center Program
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: The Regional Center Program has been operating on a series of short-term authorizations since 2015. These authorizations have extended the Regional Center Program in conjunction with government funding. The current authorization for the Regional Center Program is set to expire on September 30, 2018. In your written testimony, you stated that "in the absence of legislative safeguards, Congress should consider allowing the program to expire."

What legislative reforms do you think are necessary in order for the program to operate as Congress originally intended: as a vehicle for rural and urban distressed economic development?

Response: USCIS has provided technical assistance to Congress on several reform bills, including to Chairmen Grassley and Goodlatte and Ranking Members Leahy and Conyers on their EB-5 reform bill. USCIS notes that a number of reforms proposed in that piece of legislation were designed to provide incentives for economic development in distressed rural and urban areas.

In addition, USCIS has been working within the authorities it already has to address areas in need of reform. On January 13, 2017, DHS published a notice of proposed rulemaking (NPRM) titled EB-5 Immigrant Investor Program Modernization. This proposed rulemaking detailed several changes to the EB-5 program, including proposals specifically designed to address rural and high unemployment areas. USCIS is actively working to finalize this rule DHS proposed to reform the Targeted Employment Area (TEA) designation standard and process to ensure consistency in TEA adjudications and ensure that designations more closely adhere to Congressional intent. The NPRM proposed new rules for determining when a geographic or political subdivision could qualify as a TEA. DHS proposed that a specially designated high unemployment area may consist of a census tract or directly adjacent census tracts in which the new commercial enterprise is principally doing business, if the weighted average of the unemployment rate for the tract or tracts is at least 150 percent above the national average. This proposal is similar to the priority urban investment areas that Congress has defined in some of its proposed EB-5 reform bills. Moreover, DHS proposed that if the project tract(s) does not independently qualify under this analysis, a specially designated high unemployment area may also be designated if the project tract(s) and any or all additional tracts that are directly adjacent to the project tract(s) comprise an area in which the weighted average of the unemployment rate for all of the included tracts is at least 150 percent of the national average. These proposed amendments were meant to curb the

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Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

practice of petitioners relying on an unlimited number of census tracts to gerrymander an area that qualifies as a TEA under the current process.

DHS also proposed to eliminate the ability of a state to designate certain geographic and political subdivisions as high-unemployment areas; instead, USCIS would make such designations directly. The proposals were intended to help address inconsistencies between and within states in designating high unemployment areas, and to better ensure that the reduced investment threshold is reserved for areas actually experiencing sufficiently high levels of unemployment.

Additionally, DHS proposed to increase the standard minimum investment to \$1.8 million. DHS also proposed to increase the minimum investment amount for high unemployment areas from \$500,000 to \$1.35 million, which is 75 percent of the proposed standard minimum investment amount. To strike a better balance between investments at the standard and reduced thresholds, and to reduce the degree to which the differential between the thresholds affects investment decisions, DHS proposed to reduce the difference between the two investment thresholds. In so doing, DHS sought to reduce the investment imbalance caused by the 50 percent differential on the one hand, while continuing to effectuate the congressional intent of incentivizing investments in rural and high unemployment areas on the other.

Finally, DHS is considering making regulatory changes to the EB-5 Immigrant Investor Regional Center Program to improve program integrity. On January 11, 2017, DHS issued an Advance Notice of Proposed Rulemaking (ANPRM) to seek comment from all interested stakeholders on several topics, including a potential requirement for regional centers to utilize an exemplar filing process, and further clarification on requirements for regional center designation and termination. However, USCIS would benefit from more explicit statutory authority in several areas that impact program integrity; specifically:

Authorizing USCIS to Act Quickly on Criminal and Security Concerns: The governing statutes do not expressly provide specific authority to terminate a regional center for criminal or security concerns. Under current regulations, USCIS may terminate a regional center's designation if the regional center is no longer promoting economic growth or fails to submit required information to USCIS (on an annual basis, on a cumulative basis, and/or as otherwise requested) on Form I-924A. Criminal activity or national security concerns are not expressly provided as a basis to terminate a regional center. Currently, in instances where USCIS has criminal or security concerns about a regional center, USCIS has to either demonstrate these concerns are related to the regional center's failure to promote economic growth or demonstrate the regional center's failure to promote

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economic growth separately from any criminal or security concerns, which is an unnecessarily lengthy and circuitous route to terminate a regional center.

Protecting Investors by Regulating Regional Center Principals and Associated Commercial Enterprises: USCIS should be specifically authorized to prohibit persons from participating in regional centers and associated commercial enterprises based upon certain criminal violations and fraud or securities-related civil violations. In addition, all regional center principals should be required to be U.S. citizens or lawful permanent residents. Currently, USCIS is able to vet regional center principals; however, USCIS does not have the authority to exclude individuals from operating as regional center principals solely on the basis of their past criminal history, though this factor could come into play in assessing whether a regional center should be designated or terminated.

Enhancing Reporting and Auditing: USCIS should be authorized to enhance the regional center annual reporting process, including requiring, as appropriate, certification of the regional center's continued compliance with U.S. securities laws; disclosure of any pending litigation; details of how investor funds were utilized in a project; an accounting of jobs created; and the progress toward completion of the investment project.

Providing Sanction Authority: USCIS needs sanction authority to act proportionately where warranted, and should be authorized to sanction regional centers with fines or temporary suspensions where appropriate.

Question#:	3
Topic:	TEA Reform
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: Based on USCIS's experience, what is the best way to end Targeted Employment Area (TEA) gerrymandering? What criteria-single census tracts, new market tax credits, etc.-should Congress include in any TEA reform.

Response: Studies have shown that almost all investments by EB-5 petitioners are made in TEAs. On January 13, 2017, DHS published a notice of proposed rulemaking (NPRM) titled EB-5 Immigrant Investor Program Modernization. This proposed rulemaking details several changes to the EB-5 program, including proposals specifically related to mitigate TEA gerrymandering. DHS proposed to reform the TEA designation standard and process to ensure consistency in TEA adjudications and ensure that designations more closely adhere to Congressional intent. The NPRM proposed new rules for determining when a geographic or political subdivision could qualify as a TEA. DHS proposed that a specially designated high unemployment area may consist of a census tract or directly adjacent census tracts in which the new commercial enterprise is principally doing business if the weighted average of the unemployment rate for the tract or tracts is at least 150 percent above the national average. This proposal is similar to the priority urban investment areas that Congress has defined in some of its proposed EB-5 reform bills. Moreover, DHS proposed that if the project tract(s) do not independently qualify under this analysis, a specially designated high unemployment area may also be designated if the project tract(s) and any or all additional tracts that are directly adjacent to the project tract(s) comprise an area in which the weighted average of the unemployment rate for all of the included tracts is at least 150 percent of the national average. These proposed amendments were meant to curb the practice of petitioners relying on an unlimited number of census tracts to gerrymander an area that qualifies as a TEA under the current process.

DHS also proposed to eliminate the ability of a state to designate certain geographic and political subdivisions as high-unemployment areas; instead, USCIS would make such designations directly.

The proposals were intended to help address inconsistencies between and within states in designating high unemployment areas, and to better ensure that the reduced investment threshold is reserved for areas actually experiencing sufficiently high levels of unemployment, while also establishing guidelines that are clear to both adjudicators and the public. If Congress chooses to legislate in this area, USCIS stands ready to provide technical assistance.

Question#:	4
Topic:	Rural and Urban Distressed Areas
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: What are the best incentives to attract capital to rural and urban distressed areas? In other words, should we consider a higher investment differential, set-aside visas, or a combination of both?

Which is the best incentive for rural and urban distressed areas: higher investment differentials or permanent set-aside visas?

Response: DHS has proposed to change the way special high unemployment areas are designated to ensure that investment goes to true rural and high unemployment areas. Reliance on state TEA designations has resulted in inconsistency. Some of this may be motivated primarily by the desire to promote economic development in the relevant state, rather than by the desire to fulfill Congressional intent with respect to the EB-5 program. The deference to state determinations provided by current regulations has resulted in the acceptance of some TEAs that consist of areas of relative economic prosperity linked to areas with lower employment, and some TEAs that have been criticized as gerrymandered. DHS has proposed removing the ability for states to make TEA designations and limiting specially designated high unemployment areas to a single census tract and one or more adjoining tracts.

In addition to proposing changes to the standards for specially-designated high unemployment areas, USCIS believes higher investment differentials and permanent visa set-asides for certain categories of investments – such as investments in rural and urban distressed areas – also have a role to play to further incentivizing investment in those areas. USCIS notes that currently, the vast majority of EB-5 petitioners (as high as 99%, as reported by the GAO) invest in a targeted employment area, and thus it is difficult to anticipate how much of an incentive through investment differentials and visa set-asides would impact investment in rural and distressed areas. USCIS believes that reforming the TEA designation process will largely address the problem of gerrymandering and that Congress can consider further incentives. If Congress intends to continue to explore ways in which investment differentials, visa allocations, and job creation requirements can provide further incentives for certain categories of investments, USCIS stands ready to provide technical assistance.

Question#:	5
Topic:	Law Enforcement Vetting
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: (U) At the hearing, Chairman Grassley mentioned a 2017 national security assessment U.S. Citizenship and Immigration Services completed on the agency's ability to identify national security threats and other types of financial fraud in the EB-5 program.

(U) The report confirmed cases with national security concerns primarily from China, Iran, and Russia, but concluded the program "isn't a gateway" for individuals who pose a risk to national security. The report also concluded that current vetting by law enforcement data systems may have missed national security concerns, which casts into doubt the accuracy and reliability of the numbers of national security cases discovered.

(U) Have the problems with law enforcement vetting that caused the agency to miss certain national security concerns have been remedied? Please explain. What form changes to collect all critical information has DHS made since this assessment?

Response:

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[The FOUO//LES response has been sent separately]

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Question#:	6
Topic:	Updated FDNS Assessment
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: (U) Please provide an update to the 2017 Fraud Detection and National Security Directorate's assessment. If an update cannot be provided at this time, please explain when the update will be provided.

Response:

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[The FOUO//LES response has been sent separately]

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Question#:	7
Topic:	Denial Rates
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: David North, a Fellow at the Center for Immigration Studies, has analyzed data from Citizenship and Immigration Services and points out an interesting trend in the denial rates in the EB-5 regional center applications. For regional centers the denial rate increased, on average, from 21% under the Obama Administration to 38.7% under the Trump Administration. North concludes the denial rate is due to more careful screening of the regional center applications.

In contrast, North discovered that fewer individual EB-5 investor applications were denied. Under the Obama Administration, 15.3% of individual investor applications were denied and only 7.9% were denied under the Trump Administration.

Can you explain why more I-924 regional center applications are being denied and why fewer I-526 individual investor applications are being denied? What explains the changes in denial rates?

Is your agency finding increased fraud in the regional center program?

Response: With respect to the increase in Form I-924 denials, the data on which David North, a Fellow at the Center for Immigration Studies, relies for Form I-924 denials is from USCIS's website, in which a single number is used to represent terminated, withdrawn and denied I-924 and I-924A forms. Given that the data encompasses much more than the adjudication of a regional center's application for initial designation, it is not useful as a basis for drawing conclusions about USCIS's adjudication of regional center applications for initial designation, and does not support Mr. North's conclusions that the increase results from a change in the screening of I-924 applications.

A further examination of denial rates indicates an increase in I-924 denials in the 3rd and 4th quarters of FY2017 due to an increase in regional center applications filed that were deficient. As the sunset of the regional center program approached at the end of FY2015, USCIS received the equivalent of two and one-half years' worth of regional center applications in the two months of September and October 2015. In examining the 803 applications received in this period, USCIS discovered that a great many were apparently prepared in haste. These applications experienced a higher denial rate as many were deficient in presenting the credible evidence required for approval of an application.

Judging from the timeframe in which this large volume of I-924 applications was received and the general published processing time for I-924 applications (at that time, approximately 20 months); the 803 applications received in September and October 2015, would have been adjudicated beginning around May 2017 (the 3rd Quarter of FY2017)

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which is precisely where we see the largest spike in the regional center denial rates in the data cited: 86.8 percent denials for 3rd Quarter and 72.2 percent denials for 4th Quarter, FY2017.

With respect to the alleged decrease in I-526 denials, USCIS notes that the article takes average denial rates under each administration, which obscures the fact that there might be quarters where there were a significantly higher number of denials that skews the overall average as was the case with I-924 applications noted above. For example, due to the way USCIS manages its workflow for efficiency of processing, USCIS often adjudicates large numbers of petitions by one team of adjudicators when the petitions are all based on the same large project with the same material facts.

There is no data to support an increase in fraud in the regional center program over the past four years. We have tracked the number of open law enforcement investigations in the EB-5 program since 2014 and that number has remained stable over the past four years (approx. 55-60) while the number of cases focused on regional centers has declined. Today a greater proportion of such cases are focused on single investors.

Question#:	8
Topic:	Chinese Backlog
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: China is currently the largest user of EB-5 visas. Demand for EB-5 visas from that country has been three to four times higher than EB-5 visa availability since 2011. The excess demand for visas, when coupled with per country caps, has resulted in an EB-5 "backlog" or "wait list" for Chinese nationals of approximately a decade. As a result, Chinese interest in EB-5 visas has started declining and the EB-5 market has started shifting to India and, to a lesser extent, Brazil.

What is the current backlog for both principal investors and their derivatives?

What is the current wait-time for Chinese nationals? Approximately how many years can they expect to be in limbo before their visas become available?

If the investors deem their wait times to be excessive, are they allowed to withdraw their investment from the regional center? Do they have any other causes of action against either the regional center or the federal government?

Response: The September 2018 Department of State Visa Bulletin,¹ reflects that Chinese nationals with a priority date² on or before October 1, 2014 are eligible to apply for an EB-5 immigrant visa and those with a priority date on or before August 8, 2014 may apply for adjustment of status.

USCIS has approved 24,655 Form I-526 EB-5 immigrant visa petitions filed after August 1, 2014 by a Chinese national. Additionally, USCIS has approximately 20,000 Form I-526 EB-5 immigrant visa petitions pending. The Department of State's Visa Office estimates that it is unlikely China will be able to use more than 3,500 visas in FY2019 as demand from other countries expands, thereby minimizing the amount of visas over the per-country limit available for use by Chinese nationals. Based on the number of approved petitions and those pending with USCIS, the Visa Office further estimates that a Chinese national EB-5 petitioner filing today would have a 15-year or more wait to obtain an immigrant visa.

If an immigrant investor deems his or her wait time to be excessive, the investment agreement would dictate how and when the immigrant investor could seek a return of

¹ <https://travel.state.gov/content/travel/en/legal/visa-law0/visa-bulletin/2018/visa-bulletin-for-september-2018.html>

² The priority date is the date the petitioner properly files his or her EB-5 immigrant visa petition (Form I-526) with USCIS. See 8 C.F.R. § 204.6(d).

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their investment. However, the investor's ability to seek a return of their investment may impact certain eligibility requirements and will be reviewed by USCIS when adjudicating the I-526 petition. Separately, a petitioner may request to withdraw his or her immigrant visa petition at any time regardless of their ability to seek a return of their investment from a new commercial enterprise.³

³ See 8 C.F.R. § 103.2(b)(6).

Question#:	9
Topic:	Retrogression
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: As the EB-5 market is shifting to India and, to a lesser extent, Brazil, if the trends that were present in China hold true how soon will those nations experience retrogression in the EB-5 program? What could their expected wait times be in the next few years?

Response: The U.S. Department of State Visa Office estimates that India will reach its per-country limit no later than June 2019, followed by Brazil, South Korea, and possibly Taiwan during the summer, with all then being subject to the established China-mainland date. For these countries, the expected wait times in the next few years would range from two to six years.

Question#:	10
Topic:	FDNS Site Visits
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: In your written testimony, you stated the Fraud Detection and National Security Directorate (FDNS) conducted 232 site visits in FY 2017. As a result of these site visits and compliance reviews that occur during the annual certification, USCIS decertified 80 regional centers in FY 2017.

Generally, what occurs during the course of a site visit? What is USCIS looking for, and what kind of documentation do you require a regional center to provide in order to demonstrate job creation and that investments are actually at risk?

Response: USCIS terminated 78 regional centers in FY 2017 for failure to submit required information, pay the associated fee; and/or promote economic growth. In evaluating a regional center's promotion of economic growth, USCIS reviews all relevant evidence in the record, including forms received by USCIS and FDNS site visit reports and regional center compliance reviews, if applicable. Although site visits are conducted at the New Commercial Enterprise (NCE) / Job Creating Entity (JCE) where job creation takes place, the information obtained by FDNS staff in the site visit process is used to verify regional center claims in their filings, such as the Form I-924A (Annual Certification of Regional Center) and provide clarity regarding the progress or status of projects sponsored by regional centers.

Prior to conducting a site visit, FDNS staff conduct research and analyses on the case and review the petition, business plan, attorney memorandum(s), W-2s and pay stubs to determine if the business is operating as expected, including with respect to job creation and at-risk investment.

Officers conducting EB-5 site visits ask questions and make observations at the site of the NCE or JCE. Officers observe: 1) the nature of the new commercial enterprise or job-creating entity; 2) the status of the operation(s) and scale of the entity; and 3) the number of full-time jobs for U.S. workers that have been created.

Currently, when USCIS IOs conduct site visits they may ask to see a variety of relevant documentation such as: 1) the most-current list of employees, 2) schedules of all full time employees, 3) most-current I-9's, W2s, and/or Tax Statements, 4) business cards of individuals in which they make contact with and/or 5) any other documents that would show in good faith, that the business is operating successfully.

While each individual petitioner is required to submit evidence establishing eligibility for the benefit sought (e.g. job creation, etc.), petitioners associated with a regional center

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Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

typically obtain such evidence from the regional center, new commercial enterprise and/or job-creating entity(ies). In appropriate cases, evidence submitted by individual petitioners will be compared to what is observed during the site visits. USCIS generally verifies job creation and at risk investments by requesting documentation that shows that petitioners have invested the total amount required for the project, sustained the investment, and that 10 full-time jobs have been created or maintained. Generally, we receive wire transfer records, bank records, and/or receipts showing that the petitioner has indeed placed the requisite amount of capital at risk within the NCE as well as documentation showing the transfer of the requisite investment amount to the bank pursuant to the escrow agreement in the original I-526 petition where funds were held pursuant to USCIS' approval of I-526 petition. Job creation may be demonstrated by producing I-9s, W-2s for relevant years, organizational charts listing names, job positions, payroll information, etc.

Question#:	11
Topic:	2017 Terminations
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: In general, what were the most common reasons regional centers were terminated in FY 2017? Were there any common themes or trends among the 80 regional centers that were terminated?

Response: Of the 80 regional centers that were terminated in FY17, 46 were terminated for failure to promote economic growth, 32 were terminated for failing to file the I-924A for FY17; and 2 indicated that they wished to withdraw from the EB-5 Immigrant Investor Regional Center Program.

Question#:	12
Topic:	Foreign Government Ownership
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Charles E. Grassley
Committee:	JUDICIARY (SENATE)

Question: (U) Current federal law does not prohibit a foreign government or sovereign wealth fund from having an ownership interest in a Regional Center. Since regional centers secure financing by selling an expedited path to U.S. citizenship, this creates the potential for massive fraud and other national security concerns. Chinese nationals pose a particular risk.

(U) Currently, Chinese investors account for 85% of EB-5 petitioners. China's sovereign wealth fund invests in multiple EB-5 regional centers and those centers rely heavily on Chinese paid state agents to secure investors. This symbiotic relationship ensures the Chinese government is, in many instances, the single largest financial beneficiary of a program that provides their nationals with U.S. citizenship.

(U) What national security, fraud, and corruption concerns does allowing a foreign government or sovereign wealth fund to own a regional center present? What is USCIS doing to address these concerns?

(U) Does your agency, or any agency of the executive branch for that matter, have the ability to limit a foreign government's involvement in a regional center?

(U) What authority do you have to provide heightened review for regional centers with foreign government ownership and involvement? If you lack that authority, can you explain what steps you would like to see Congress take to address this issue?

Response:

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Question#:	13
Topic:	Even Distribution
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Amy Klobuchar
Committee:	JUDICIARY (SENATE)

Question: The EB-5 program is intended in part to facilitate investment in rural areas. But certain economic challenges facing some rural areas - including higher unemployment and depopulation - can make it harder for them to attract EB-5 investment compared to major cities.

Should we be doing more to ensure that EB-5 capital is more evenly distributed across rural areas?

Response: Only a small percentage of Targeted Employment Area (TEA) investments are in rural areas, as evidenced by the GAO's finding that 99% of total EB-5 investments were in TEAs, but only 3% of those TEA investments were in rural areas (with the remainder in what currently qualifies as "high unemployment areas"). DHS has proposed regulations that would change the way high unemployment areas are designated to ensure that investments purportedly in targeted unemployment areas (thus qualifying for the discounted investment threshold) go to rural and true high unemployment areas. Specifically, DHS has proposed removing the ability for states to make TEA designations and limiting specially designated high unemployment areas to a single census tract and one or more adjoining tracts. The proposal to tighten the standards for specially designated high unemployment areas may allow the investment differential between standard and TEA investment thresholds to serve as a more effective incentive to investing in both rural and high unemployment areas. USCIS also notes that under the current statute, there are no specific provisions made for investments in rural areas beyond the set aside for visas that applies to TEAs generally.

Question#:	14
Topic:	Consider Other Factors
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Amy Klobuchar
Committee:	JUDICIARY (SENATE)

Question: Do you believe that we should consider other factors besides employment rates in determining whether an area is defined as economically distressed?

Response: Section 203(b)(5)(ii) of the Immigration and Nationality Act (INA) currently defines a targeted employment area (TEA) as, “at the time of investment, a rural area or an area which has experienced high unemployment (of at least 150 percent of the national average rate).” If Congress wished to consider legislation amending the definition of a TEA, USCIS would certainly be willing to participate in that discussion and would provide any technical assistance Congress may request. In January 2017, DHS published a notice of proposed rulemaking (NPRM) that included amendments to the process by which USCIS reviews petitioner requests for investments in a TEA. These proposals were meant to curb the gerrymandering of TEAs and to bring consistency and reliability to the process of designating TEAs. The proposed changes, however, continue to reflect the current INA definition of a TEA, in that petitioners outside of rural area designations would still be required to show the unemployment rate of the area is at least 150 percent of the national average rate.

Question#:	15
Topic:	Multi-Year Reauthorization
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: The current extension for the EB-5 Immigrant Investor Program expires on September 30, 2018. My colleagues in the Senate have introduced bills providing for a multi-year reauthorization of the program; however, these bills have encountered some resistance. As a result, there is great concern that Congress will not reauthorize the program before it expires.

If Congress fails to pass a multi-year reauthorization of the EB-5 program, how will that affect investments that require long-term planning?

Response: The current extension of the EB-5 Immigrant Investor Regional Center Program expires on September 30, 2018. Because it is not uncommon for financial institutions lending to EB-5 projects to make their financing contingent on the availability of EB-5 capital, industries that rely on EB-5 capital, particularly real estate development, could face difficulties in securing their overall financing or higher costs of borrowing if Congress fails to pass a multi-year reauthorization of the EB-5 Immigrant Investor Regional Center Program.

Although entities that rely on EB-5 investments, including the real estate industry, may find it more difficult to secure EB-5 financing absent a multi-year reauthorization, it is more important to correct the deficiencies of the EB-5 program now. The EB-5 Immigrant Investor Regional Center Program has several deficiencies, including the lack of express provisions in the governing statutes providing specific authority to terminate a regional center for criminal or national security concerns and to impose sanctions as well as the lack of specific authority of USCIS to enhance the regional center annual reporting process and to prohibit persons from participating in regional centers and associated commercial enterprises based upon certain criminal violations and fraud or securities-related civil violations.

While a multi-year or permanent reauthorization would greatly assist U.S. businesses in their capital planning, without further legislative reforms, it would not address possible threats to national security or the risks of fraud, abuse and mismanagement present under the current EB-5 Immigrant Investor Regional Center Program.

Question#:	16
Topic:	Speeding Up Adjudications
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: According to USCIS's processing time chart, as of November 30, 2017, the application adjudication time was at least two years to apply for EB-5 status or for a regional center designation - a record high that makes it harder for EB-5 investors to obtain financing for their projects.

What can USCIS do to speed up its adjudicatory process for EB-5 applications while ensuring compliance with the law?

Are there features of other countries' immigrant investor programs that USCIS can adopt to reduce processing times for EB-5 applications?

Response: Without question, the largest factor in the length of time required to process Form I-924, Application for Regional Center Designation Under the Immigrant Investor Program, applications is the increasing number of Form I-924 applications filed. Beginning in FY2015, the volume of Form I-924 applications increased dramatically because of uncertainties, most notably whether the regional center program would be reauthorized as shown in the chart below. In the two months of September and October of 2015 immediately prior to the scheduled sunset of the regional center program, USCIS received 803 Form I-924 applications, the equivalent of the average amount received over 2.5 years. In FY2016, the 439 Form I-924 applications received prior to the sunset date were almost twice the annual intake from FY2011 through FY2014. And in FY2017, USCIS received 380 Form I-924 applications reflecting the increased demand for EB-5 capital from the FY2011 to FY2014 period.

Similarly, Form I-526 petitions have increased at an average annual compound growth rate of 31.7 percent per year in the period from FY2007 to FY2017. Similar to the spike in Form I-924 applications, Form I-526 petitions also spiked in 2015 with the possible sunset of the EB-5 Immigrant Investor Regional Center Program, increasing from 10,923 petitions in FY2014 to 14,373 in FY2015.

Beginning in FY2013, USCIS has increased the number of staff that review, adjudicate and investigate Form I-924 applications and immigrant investor petitions. Additionally, USCIS has taken steps to increase efficiency including:

- Concentrating resources to review and adjudicate aging cases. USCIS has reduced the number of aging cases (those outside of posted processing time) and continues to focus on reducing processing times.

Question#:	16
Topic:	Speeding Up Adjudications
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
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- Improving operational efficiencies. USCIS continued to focus on standardizing and better managing assignment of EB-5 cases in FY 2017 and early FY2018 to improve adjudication of cases.

Regarding the features of other countries' immigrant investor programs that could reduce processing times; many such programs are less complex than the EB-5 program, with eligibility based on the simple purchase of government securities or an investment in a government-sponsored enterprise. The EB-5 program, however, is generally more complex because it requires the investment of capital in a private enterprise and the creation of full-time employment for particular types of employees. Moreover, the statutory framework for EB-5 allows for eligibility based on prospective investment and job creation, different capital investment amounts based on the area in which the investment is made and, for certain investors, estimated job creation shown through reasonable methodologies.

Question#:	17
Topic:	Counting Investor Visas
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: USCIS counts derivative visas - that is, visas that are obtained through a parent or spouse who qualifies for his/her own investor visa - toward the annual limit of 10,000 visas for the EB-5 program. This practice appears to be contrary to the clear text of the Immigration Act of 1990, which states that the visas that count toward the cap "shall be reserved for qualified immigrants who invest." At the time of the bill's passage, both Democratic and Republican legislators said that that language clearly means only investor visas count toward the EB-5 cap. Nonetheless, USCIS has decided to count derivative visas towards the 10,000 visa cap.

Will you consider changing USCIS policy to count only investor visas toward the annual cap of 10,000 EB-5 visas?

Response: Section 203(b)(5)(A) of the Immigration and Nationality Act (INA) provides up to 7.1% of the annual worldwide limit on employment-based (EB) immigrant visas of 140,000 for the EB-5 program, or 9,940 visas. As with the other EB categories, the percentage limitation provision refers to principal immigrants, but under section 203(d) of the INA, derivative spouses and children of EB immigrants, including EB-5 principals, who are accompanying or following to join the principal immigrant are "entitled to the same status, and the same order of consideration" as the principal. This means that a spouse or child can obtain one of the 9,940 annual visa numbers for the EB-5 program on the same terms as a principal. As with all other EB categories (as well as the family preference and diversity categories, for that matter), derivatives as well as principals are counted toward annual immigrant visa caps. USCIS has no statutory authority to use all the EB-5 numbers for principals, while either (1) providing uncapped EB-5 derivative visas; (2) taking EB-5 derivative visa numbers from some other immigrant visa category; or (3) not providing EB-5 derivative visas at all.

Question#:	18
Topic:	Releasing Data
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: One concern of both supporters and opponents of the EB-5 program is that USCIS does not collect and publicly release enough data about the program. Many in the stakeholder community would like to know where these visas are going and what types of projects they are funding.

Does USCIS track the locations where EB-5 visas are used and the projects that these visas support?

If so, can it release that information to the public?

Response: USCIS is working to enhance its data capabilities and increase the information provided to the public. However, at this time, USCIS does not track this information. We are making every effort to include more data on all immigration programs on our website and hope to have additional EB-5 data posted in the near future.

Question#:	19
Topic:	Improving Coordination and Outreach
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: Some EB-5 scholars and stakeholders have questioned whether USCIS should be required to consult or partner with other agencies to discharge its EB-5 responsibilities. In 2013, the Department of Homeland Security Office of Inspector General (DHS OIG) recommended that USCIS improve its coordination with the Department of Commerce, the Department of Labor's Bureau of Labor Statistics, and the Securities and Exchange Commission.

Many EB-5 observers have also said that USCIS could improve the EB-5 program by reaching out more often to the stakeholder community to discuss issues such as bridge financing, mezzanine loan structures, and loans as sources of investment for EB-5 petitioners. To avoid showing favoritism, USCIS could conduct stakeholder outreach on a non-case-specific basis.

Does USCIS have plans to improve its coordination with the SEC and the Departments of Commerce and Labor?

How can USCIS improve its outreach to the stakeholder community?

Response: USCIS is an active partner with a number of departments and agencies. The USCIS Ombudsman 2018 Annual Report issued June 28, 2018, notes that USCIS has “improved coordination with other government components including the DOJ, FBI, SEC, and Financial Crimes Enforcement Network.” USCIS has worked diligently to address the recommendations made by the DHS Office of Inspector General (OIG), and as a result of its efforts, in October 2015 the DHS OIG closed a recommendation regarding collaboration with other agencies.

The recent alignment of the USCIS External Affairs Directorate has offered several traditional and non-traditional opportunities for our stakeholders to engage with the agency, such as virtual web assistance and other online resources. We continue to provide resources and tools to EB-5 stakeholders.

Question#:	20
Topic:	Ending DACA
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: In September 2007, President Trump formally announced that he would abolish the Deferred Action for Childhood Arrivals program, or DACA, which shields roughly 700,000 DREAMers from deportation. The President has said that he would consider preserving some form of DACA - but only as a part of a larger immigration deal that includes changes such as the construction of a border wall. Although many in Congress, including myself, would like to see an immigration deal, I am not confident that one will pass in time to protect DREAMers from deportation.

If Congress fails to pass an immigration bill that protects DREAMers, does USCIS plan to proceed with ending the DACA program?

Response: DHS cannot comment as the matter is the subject of ongoing litigation.

Question#:	21
Topic:	Documents Removed
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: According to a new report from the Sunlight Foundation's Web Integrity Project, USCIS removed twenty-six documents for training asylum officers from its website between March 2 and April 27 of last year - just a few months after President Trump took office. The deleted documents, which according to Sunlight "ran to several hundred pages," included a primer on international human rights law, a guide on gender-based claims for asylum, and a six-part series on the asylum interview process.

Why were these documents removed?

Response: In Fiscal Year 2013, the USCIS Refugee, Asylum and International Operations (RAIO) Directorate took steps to standardize and integrate the training programs across its three divisions: Refugee Affairs, Asylum, and International Operations. As a result, the RAIO Directorate Officer Training program replaced the former Asylum Officer Basic Training Course. As part of this effort, lesson plans were updated and nearly all the lesson plans linked to the archived webpage from March 2017 were outdated and no longer being used at that time.

During this same period, the RAIO Directorate received FOIA requests regarding the outdated lesson plans and what guidance was in effect, as the public site contained materials that pre-dated the establishment of this training program. In order to address the concerns raised, in April 2017, the outdated lesson plans were removed from the public website.

The public retains access to current lesson plans through the FOIA Electronic Reading Room. As has been discussed with practitioners and stakeholders, in response to FOIA requests, the lesson plan guidance can be found at these locations:

- https://www.uscis.gov/sites/default/files/files/nativedocuments/Legal_standards_governing_Asylum_claims_and_issues_related_to_the_adjudication_of_children.pdf
- https://www.uscis.gov/sites/default/files/USCIS/About%20Us/Electronic%20Reading%20Room/Policies_and_Manuals/RAIO_Directorate_Officer_Training_Manual.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/Asylum_and_Female_Genital_Mutilation.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/One_Year_Filing_Deadline_Asylum_Lesson_Plan.pdf

Question#:	21
Topic:	Documents Removed
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

- https://www.uscis.gov/sites/default/files/files/nativedocuments/ABC_NACAR_A_Asylum_Lesson_Plan.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/Corps_Values_and_Goals_Asylum_Lesson_Plan.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/Sources_of_Authority_RAIO_Lesson_Plan.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/Reading_and_Using_Case_Law_RAIO_Lesson_Plan.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/International_Human_Rights_Law_RAIO_Lesson_Plan.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/Nexus_minus_PSG_RAIO_Lesson_Plan.pdf
- https://www.uscis.gov/sites/default/files/files/nativedocuments/Reasonable_Fear_Asylum_Lesson_Plan.pdf

Question: What impact does the removal of twenty-six guidance documents about asylum have on the asylum-seeking process?

Response: As the public retains access to lesson plans through the FOIA Electronic Reading Room, there is no impact on the asylum-seeking process.

Question#:	22
Topic:	Denaturalization
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

Question: According to The Washington Post, USCIS, due to a memo you authored, is taking "unprecedented" steps to denaturalize immigrants who lied or falsified information on their naturalization forms. This effort conflicts with the agency's previous practice of reserving denaturalization for foreigners who have committed egregious crimes or acts of fraud or who pose a threat to national security.

Is this memo publicly available? If not, would you share it with the Judiciary Committee?

Is it true that your memo breaks with precedent reserving denaturalization for perpetrators of egregious criminal misconduct?

Response: The policy memorandum is still being drafted but it will outline a prioritization order for the review of all types of immigration cases, not just naturalization cases, with multiple identities revealed by biometric matches. USCIS will review these cases to determine if immigration benefit requests were lawfully obtained, and take appropriate action to cancel, revoke, rescind, or terminate any benefit that was unlawfully obtained.

As a critical part of the USCIS mission, we strive to combat instances of fraud, abuse, and other activities threatening the integrity of our nation's immigration system and ensure faithful execution under the rule of law.

Thousands of decades-old fingerprints—in legacy Immigration and Naturalization Service (INS) paper files—were never digitized into the Automated Biometric Identification System (IDENT). These findings were reported in an OIG Report dated September 8, 2016. The report included the following recommendations:

- Complete review and digitization of the fingerprint records;
- Create a plan to review all cases, document decisions made, and track actions taken.
- The OIG report is available here:
<https://www.oig.dhs.gov/assets/Mgmt/2016/OIG-16-130-Sep16.pdf>.

As a result of these recommendations, hundreds of thousands of fingerprint records have been uploaded from paper fingerprint cards into IDENT, the DHS fingerprint repository. USCIS can now identify thousands of previously naturalized individuals with potential multiple identity fraud. To date, 2,536 naturalization cases have been determined to

Question#:	22
Topic:	Denaturalization
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	The Honorable Richard Blumenthal
Committee:	JUDICIARY (SENATE)

require an in-depth review for possible denaturalization and, as of August 2018, 111 of those cases have been formally referred to the DOJ for civil denaturalization.

The OIG Report, its recommendations, and the efforts that align with addressing its concerns preceded the current administration. The current efforts continue and flow from the same initiative to mitigate the risks associated with the vulnerabilities identified by the report.

The U.S. Government can pursue criminal denaturalization or civil denaturalization. Criminal denaturalization must be initiated within 10 years of naturalization and is generally reserved for more egregious cases that warrant criminal penalties in addition to the loss of citizenship. The DHS refers criminal denaturalization cases to local U.S. Attorneys Offices for prosecution. In a criminal denaturalization case, the burden of proof is the same as any other criminal case, proof beyond a reasonable doubt.

Civil denaturalization can be pursued at any time since there is no statute of limitations to bring such an action and is generally pursued where individuals have illegally procured naturalization or procured naturalization by willful misrepresentation or concealment of material facts. Cases that have been declined for criminal prosecution may be referred for civil denaturalization. DHS refers civil denaturalization cases to DOJ's Office of Immigration Litigation, which generally litigates those cases on behalf of the United States after obtaining authorization to file the case from the appropriate U.S. Attorney's Office. Civil denaturalization requires an order from a federal district court and must be proven by clear, unequivocal, and convincing evidence.

Prior to referring any case to DOJ for possible denaturalization, USCIS investigates an individual's entire immigration history, and officers carefully analyze the facts of each case to ensure there is sufficient evidence that U.S. citizenship was unlawfully obtained. The determination to refer a case to DOJ for possible denaturalization is made on a case-by-case basis. In addition, the USCIS Office of the Chief Counsel reviews each case to ensure it is legally sufficient and supported by appropriate evidence before the case is referred to DOJ for consideration, where appropriate, of denaturalization proceedings.

Question#:	23
Topic:	Counting Census Tracts
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Question: Under the draft EB-5 Reform Act, 1,450 visas are set aside for priority urban investment areas, which are defined as a census tract or adjacent tracts in a metropolitan statistical area (MSA) meeting at least two of the following three criteria: an unemployment rate of at least 150 percent of the national average, a poverty rate of at least 20 percent, and a median family income less than 80 percent of the area median. MSAs are delineated decennially by the Office of Management and Budget (OMB) according to standards applied to Census Bureau data.

However, these criteria are problematic in that a population must exist within an EB-5 project's census tract for the project to be deemed eligible for the priority urban visa set aside. This requirement discounts projects in former brownfields and other promising industrial sites, like the Research Triangle Park in Durham, the Crossroads Distribution Center in Mecklenburg County, and the Second Ward of Charlotte, that have no population existing within their assigned census tracts but are surrounded by distressed communities. What is the Agency's position on counting urban zero population census tracts toward priority urban visa eligibility?

Response: USCIS has not stated a position on counting urban zero population census tracts toward priority urban visa eligibility as defined in the draft EB-5 Reform Act. However, the agency continues to welcome the chance to provide technical assistance when requested by Congress. Should the statutory authority for the EB-5 program change with respect to incentivizing investment into distressed areas, USCIS regulation and policy will follow the requirements established by legislation.

Question#:	24
Topic:	TEA Definition
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Question: Target employment areas (TEAs), which require a lower minimum investment to qualify for an EB-5 visa, include urban census tracts which have an unemployment rate of at least 150 percent of the national average. The Department of Homeland Security (DHS) is currently finalizing a rule that would expand the current TEA definition to a set of adjacent census tracts with a weighted average of at least 150 percent of the national average. Would urban zero population census tracts benefit from this rule? And if not, would further rulemaking be required?

Response: USCIS is currently working to finalize the EB-5 Immigrant Investor Program Modernization NPRM, so we cannot comment on the potential impact of the proposed rule regarding zero-population tracts. The comment period for the NPRM closed on April 11, 2017.

Question#:	25
Topic:	Regional Center and Project List
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Question: Can you please provide a list of all Regional Centers and EB-5 Projects in the United States, broken down by state?

Response: USCIS currently does not have the ability to separate projects by state. As of July 24, 2018, the number of regional centers designated to pool EB-5 investments in each state is:⁴

State	Number of Regional Centers
Alabama	4
Alaska	1
Arizona	14
Arkansas	1
California	218
Colorado	12
Connecticut	10
Delaware	1
District of Columbia	4
Florida	98
Georgia	22
Guam	2
Hawaii	7

⁴ Some regional centers are designated for geographic areas that cover more than one state.

Question#:	25
Topic:	Regional Center and Project List
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Idaho	2
Illinois	29
Indiana	3
Iowa	1
Kansas	1
Kentucky	3
Louisiana	6
Maine	1
Maryland	19
Massachusetts	7
Michigan	2
Minnesota	2
Missouri	5
Montana	2
Nebraska	2
Nevada	17
New Hampshire	2
New Jersey	12
New Mexico	4
New York	125
North Carolina	14

Question#:	25
Topic:	Regional Center and Project List
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

North Dakota	1
Northern Mariana Islands	5
Ohio	12
Oklahoma	3
Oregon	12
Pennsylvania	19
Puerto Rico	4
Rhode Island	2
South Carolina	6
Tennessee	2
Texas	94
Utah	4
Vermont	2
Virginia	10
Washington	74
West Virginia	1
Wisconsin	5
Grand Total	909

Question#:	26
Topic:	Incompliance
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Question: Can you please provide a list of all Regional Centers and EB-5 Projects that are currently not in compliant with the program or may give you reason to believe they are falling out of compliance with the program?

Can you please list the reasons for the incompliance of each Regional Center or EB-5 Project?

Response: As of July 10, 2018, USCIS had issued Notices of Intent to Terminate (NOITs) to the following regional centers for not complying with program requirements: (Note, a regional center is afforded an opportunity to respond to a NOIT to rebut its grounds.)

American Altin Regional Center
AeroSpace Port International Regional Center (ASPI)
Build America Capital Partners Regional Center
Central Arizona Regional Center
Central Texas Regional Center
Chicago Healthcare Fund Regional Center
Chicagoland Foreign Investment Group Regional Center
Civitas Alabama Regional Center
Civitas Atlanta Regional Center
Civitas Great Plains Regional Center
Civitas Illinois Regional Center
Civitas Laredo Regional Center
Civitas Louisiana Regional Center
Civitas Miami Regional Center
Civitas Michigan Regional Center
Civitas Philadelphia
Civitas Rio Grande Regional Center
Civitas Washington
E Development Corporation
EB-5 United West Regional Center
Encore Pennsylvania Regional Center
Encore Texas Regional Center
Future Resources, Inc.
Great Ocean Regional Center, LLC
Greater Houston Regional Center
L Global Regional Center

Question#:	26
Topic:	Incompliance
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
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Mid American Regional Center LLC
 Nevada Development Fund, LLC
 Northeast Ohio Regional Center
 Rio Grande Regional Investment Center, LLC
 San Francisco Regional Center
 Texas Investment Regional Center
 U.S. Gateway Regional Center
 Washington State Regional Center.

As of July 10, 2018, five regional centers that had been issued termination notices for not complying with program requirements had appeals pending with the USCIS Administrative Appeals Office:

- Southwest Florida Regional Center, LLC
- California Development Regional Center
- Ark of the Ozarks, LLC
- LIGTT Regional Center
- Collegiate Regional Center LLC.

Question#:	27
Topic:	Green Cards
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Question: Can you please provide a list of how many green cards each EB-5 project in the United States has generated, broken down by state?

Response: USCIS does not maintain data, by location of the underlying investment, on immigrant visas, either those granting conditional permanent residence or those removing conditions to permanent residence that are issued.

Question#:	28
Topic:	EB-5 Backlog
Hearing:	Citizenship for Sale: Oversight of the EB-5 Investor Visa Program
Primary:	Senator Thom Tillis
Committee:	JUDICIARY (SENATE)

Question: What is USCIS doing to process the significant backlog of EB-5 visas for investors that have already invested in the program through regional centers years ago?

Response: Beginning in FY2013, USCIS increased the number of staff that review, adjudicate and investigate immigrant investor petitions. We have made several process improvements, and in May of this year we completed just over 1,400 adjudications for new immigrant investors while only receiving 200 new petitions. Putting the number into context, the approval of approximately 3,500 petitions is sufficient to ensure that the annual statutory quota of approximately 10,000 visas is met. USCIS' May 2018 production amount alone was about 40% of the annual statutory quota. In completing over 12,000 adjudications per year, we are processing in one year roughly four times the number of petition adjudications necessary to reach the annual statutory quota on EB-5 visas. EB-5 visa oversubscription is a function of the demand exceeding the current statutory quota on the visa category.

In response to the significant increase in application and petition receipts, USCIS has taken many actions to improve overall efficiency, including:

- **Concentrating resources to review and adjudicate aging cases.** USCIS has reduced the number of aging cases (those outside of posted processing time) and continues to focus on reducing processing times.
- **Continued hiring of adjudicators and economists to reduce the backlog.** As of December 31, 2016, IPO had 155 full-time employees, an increase of almost 12 percent from the date of the Ombudsman's report. By the end of FY 2017, IPO had 184 full-time employees.
- **Improving operational efficiencies.** USCIS continued to focus on standardizing and better managing assignment of EB-5 cases in FY 2017 and early FY2018 to improve adjudication of cases.