

May 23, 2017

Mr. President:

We, the undersigned, are startup founders, investors, economic development organizations, and civic leaders dedicated to growing our local economies. We write in support of the *International Entrepreneur Rule*, which goes into effect on July 17, 2017, and strongly encourage the Department of Homeland Security (DHS) to begin accepting applications on that date, as the final rule anticipates. Our communities are poised to reap the considerable economic and job-creation benefits of attracting and retaining more of the world's most talented entrepreneurs to build great companies here in the United States.

We share your goal of spreading economic prosperity across our country. New, dynamic companies are essential to our national economic well-being, as these firms are responsible for nearly all net new job creation, and companies less than one year old have created an average of 1.5 million jobs per year over the past three decades.¹ California, Massachusetts, and New York receive considerable attention for their innovation economies, but it is important to understand that the exciting startup ecosystems we hail from are located beyond the traditional hubs, and employ millions of Americans in high-quality jobs. In fact, nearly half of all U.S. startups raising venture capital funding last year were located outside those top three states.

Immigrant entrepreneurs are a critical driver of increased economic activity, as they play an outsized role in new company creation in communities all across our country. A recent study reveals that “[i]mmigrants constitute 15% of the general U.S. workforce but they account for about a quarter of U.S. entrepreneurs, and [immigrant startups] that survive do grow at a faster rate in terms of employment, payroll, and establishments for the next six years” than startups founded by natives.² Another study found that fully one-third of U.S. venture-backed companies that went public between 2006 and 2012 had at least one immigrant founder.³ More than 40 percent of Fortune 500 companies have at least one founder who either immigrated to the U.S. or who was the child of immigrants.⁴ Finally, immigrants have started more than half of America's privately-held startup companies valued at \$1 billion or more.⁵

¹ Kauffman Foundation, *The Importance of Young Firms for Economic Growth*, available at <http://www.kauffman.org/what-we-do/resources/entrepreneurship-policy-digest/the-importance-of-young-firms-for-economic-growth>.

² Harvard Business Review, *Immigrants Play a Disproportionate Role in American Entrepreneurship*, Sari Pekkala Kerr and William R. Kerry (October 3, 2016), available at <https://hbr.org/2016/10/immigrants-play-a-disproportionate-role-in-american-entrepreneurship>.

³ National Venture Capital Association and National Foundation for American Policy, *American Made 2.0: How Immigrant Entrepreneurs Continue to Contribute to the U.S. Economy* (“American Made 2.0”) at 4, available at <http://nvca.org/?download=668>.

⁴ New American Economy, “Entrepreneurship,” available at <http://www.newamericaneconomy.org/issues/entrepreneurship/?type=&state=pennsylvania>.

⁵ Stuart Anderson, National Foundation for American Policy, *Immigrants and Billion Dollar Startups*, available at <http://nfap.com/wp-content/uploads/2016/03/Immigrants-and-Billion-Dollar-Startups.NFAP-Policy-Brief.March-2016.pdf>.

Despite these contributions, the United States has pushed away many promising would-be immigrant entrepreneurs because we lack a dedicated “startup visa” that would help attract more of the world’s top entrepreneurs to create jobs in our communities. While no substitute for legislation, the *International Entrepreneur Rule* would allow entrepreneurs to remain in the U.S. for up to five years if they form a new business that has significant potential for rapid growth and job creation.⁶ We believe this rule will unleash considerable pent-up entrepreneurial energy, spur new companies and produce high-quality jobs in communities all across the United States.

The *International Entrepreneur Rule* is indisputably a job creation tool because an immigrant could *only* qualify for discretionary presence in the U.S. if she forms a startup that has “significant potential for rapid growth and job creation” and has received significant capital investment from U.S. investors with established records of successful investments, or significant funding from federal, state, or local government entities, among other comparable factors. The rule is limited to ensure that only the most promising job creators are eligible.

The Department of Homeland Security (DHS) estimates that 2,940 entrepreneurs annually will be eligible to launch their new enterprises under this rule, and we believe this may be an underestimate. That would mean well over 2,940 people annually scaling new companies that will employ Americans who will be hard at work solving our most pressing challenges in technology, healthcare, manufacturing, and more.

The *International Entrepreneur Rule* is desperately needed at a time when U.S. entrepreneurial leadership is being challenged by other countries. In the last five years, at least half of the top ten largest venture investments in the world occurred *outside* the U.S. Our share of global venture investment dropped to 54% in 2016, when it was 81% only ten years earlier and 90% twenty years before that.⁷ Other countries understand that U.S. immigration policy often pushes away incredibly talented job creators, and our competitors are taking advantage. The *International Entrepreneur Rule* will help reverse this alarming trend by allowing more of the world’s most talented entrepreneurs to start and scale companies in the U.S., rather than overseas.

By ensuring that DHS begins accepting applications in July under this rule, your Administration will pave the way for thousands of entrepreneurs to unleash economic activity and create high-quality jobs for U.S. workers. Thank you for your attention to this critical issue.

Sincerely,

⁶ Department of Homeland Security, *International Entrepreneur Rule*, DHS Docket No. USCIS-2016-0006, available at <https://www.gpo.gov/fdsys/pkg/FR-2017-01-17/pdf/2017-00481.pdf>.

⁷ Pitchbook-National Venture Capital Association data.

Arizona Bioindustry Association
Chandler, Arizona

BioSTL
St. Louis, Missouri

Bridgepoint Investment Partners
Des Moines, Iowa

Connecticut Technology Council
East Hartford, Connecticut

CSA Partners
Milwaukee, Wisconsin

Flywheel Ventures
Santa Fe, New Mexico

Global Insurance Accelerator
Des Moines, Iowa

Greater Des Moines Partnership
Des Moines, Iowa

Illinois Business Immigration Coalition
Chicago, Illinois

Illinois Technology Association
Chicago, Illinois

Iowa Chamber Alliance
West Des Moines, Iowa

JumpStart
Cleveland, Ohio

Launch NY
Buffalo, New York

Medical Alley Association
Golden Valley, Minnesota

Mid-Atlantic Venture Capital Association
(firms across mid-Atlantic)

Ben Franklin Technology Partners
Harrisburg, Pennsylvania

BioUtah
Salt Lake City, Utah

Community Venture Foundation
Fayetteville, Arkansas

Council for Entrepreneurial Development
Durham, North Carolina

Enterprise Center of Johnson County
Fairway, Kansas

Gener8tor
Madison & Milwaukee, Wisconsin
Minneapolis, Minnesota

Golden Angels Investors
Brookfield, Wisconsin

iCardiac
Rochester, New York

Illinois Science & Technology Coalition
Chicago, Illinois

Illinois Venture Capital Association
Chicago, Illinois

Iowa Venture Capital Association
Des Moines, Iowa

KC Rise
Kansas City, Missouri

Launch Tennessee
Nashville, Tennessee

Michigan Venture Capital Association
Ann Arbor, Michigan

New England Venture Capital Association
(firms across New England)

NexusLA
Baton Rouge, Louisiana

Prairie Angels
Des Moines, Iowa

Pittsburgh Venture Capital Association
Pittsburgh, Pennsylvania

Rocky Mountain Venture Capital Association
Erie, Colorado

Startup Junkie Consulting
Fayetteville, Arkansas

Technology Association of Iowa
Des Moines, Iowa

Venture Investors LLC
Madison, Wisconsin

VentureOhio
Columbus, Ohio

Washington Technology Industry Association
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Wisconsin Technology Council
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Rev1 Ventures
Columbus, Ohio

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Westerville, Ohio

Sultan Ventures
Honolulu, Hawaii

The Water Council
Milwaukee, Wisconsin

VentureAtlanta
Atlanta, Georgia

Watson Immigration Law
Seattle, Washington

Wichita Technology Corp.
Wichita, Kansas

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Tioga County Commissioner
Wellsboro, Pennsylvania

Brad Feld, Co-Founder
Foundry Group
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Julio Fuentes, President & CEO
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Wellington, Florida

Becca Hardin, President
Bay Economic Development Alliance
Panama City, FL

Michael Kim, President
Korean Chamber of Commerce
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Andrea Young, President
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John Zadrozny, Domestic Policy Council
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