



The Honorable Kirstjen Nielsen  
Secretary  
Department of Homeland Security  
3801 Nebraska Avenue, N.W.  
Washington, DC 20528

Dear Secretary Nielsen:

FWD.us represents a community of entrepreneurs, technologists, and advocates with thousands of volunteers spanning across 22 states. We are a bipartisan advocacy organization started by key leaders in the tech and business community. Our mission is to promote policies that will keep the United States competitive in the global economy. We are firmly invested in allowing the best and brightest from around the world to contribute their ideas and skills to the United States. We are therefore deeply disappointed by the Department of Homeland Security's proposal to remove the International Entrepreneur Rule (IER), and urge for the preservation and implementation of the rule.

Rescinding IER is unquestionably a setback for the United States and stands at odds with the Administration's previously stated commitment to working with technology leaders to expand the American economy.<sup>1</sup> Countless studies illustrate the vital role immigrant entrepreneurs play to the United States' economy. Although immigrants comprise 15% of the population, they account for nearly a quarter of all entrepreneurs in the United States.<sup>2</sup> 43% of Fortune 500 companies have a founder who is an immigrant or the child of immigrants.<sup>3</sup> 51% of billion dollar startups have an immigrant co-founder, with each of them creating an average of 760 American jobs.<sup>4</sup> New American Economy recently estimated that the IER policy would specifically create over 300,000 American jobs over the course of a decade.<sup>5</sup> Given the overwhelming economic benefits to allowing foreign entrepreneurs to create new businesses, hire American workers, and stimulate the economy, it makes little sense to rescind the International Entrepreneur Rule.

IER was created based on feedback from the entrepreneurial, investment, and legal communities. Although it was not a permanent solution to the challenges international entrepreneurs face, it thoughtfully addressed an important gap in our current immigration system. There does not currently exist a straightforward pathway for international entrepreneurs, and existing pathways are insufficient for a variety of reasons. For example, the

---

<sup>1</sup> "Presidential Memorandum on the White House Office of American Innovation." *The White House*. March 27, 2017. <https://www.whitehouse.gov/presidential-actions/presidential-memorandum-white-house-office-american-innovation/>

<sup>2</sup> Kerr, Sari Pekkala and Kerr, William R. "Immigrant Entrepreneurship." *Harvard Business School Working Paper*. July 2016. <https://www.hbs.edu/faculty/Pages/item.aspx?num=51304>

<sup>3</sup> "Immigrant Founders of the 2017 Fortune 500." *Center for American Entrepreneurship*. <http://startupsusa.org/fortune500/>

<sup>4</sup> Anderson, Stuart. "Immigrants and Billion Dollar Startups." *National Foundation for American Policy*. March 2016. <http://nfap.com/wp-content/uploads/2016/03/Immigrants-and-Billion-Dollar-Startups.NFAP-Policy-Brief.March-2016.pdf>

<sup>5</sup> "International Entrepreneur Rule: What Might it Mean for U.S. workers?" *National American Economy*. July 10, 2017. <https://research.newamericaneconomy.org/report/international-entrepreneur-rule-what-might-it-mean-for-u-s-workers/>



E-2 visa is limited to nationals of treaty countries. This glaringly excludes entrepreneurs from countries such as China, India, and Chile. The EB-5 visa is specifically for investors putting forth their own capital and would not apply to international entrepreneurs who rely on funding from venture capitalists and other outside sources. The EB-2 employment-based visa is another option that would not be ideal for many entrepreneurs. Chinese and Indian applicants face significantly longer wait times and would be discouraged from this pathway. Younger entrepreneurs are also unlikely to apply for an EB-2 because of strict requirements pertaining to advanced degrees and years of experience. Considering the fact that nearly a quarter of billion dollar startups were founded by an immigrant who first came to the United States as an international student, it is important to create opportunities for recently graduated entrepreneurs to pursue their own startups.<sup>6</sup> Otherwise, we risk losing out in the global race for talent by turning away talented entrepreneurs to the benefit of our competitors abroad.

We agree that Congress will ultimately need to pass legislation to fully resolve the immigration challenges that foreign entrepreneurs face. But in the meantime, it is crucial to provide entrepreneurs the opportunity to grow their companies and create value in the United States. Eliminating IER is a clear step in the wrong direction that will hurt job creation and middle class wage growth in the United States. Letting the private sector invest in foreign-born entrepreneurs who are going to create American jobs is a win-win-win, and rescinding IER will mean fewer immigrants and fewer American jobs.

---

<sup>6</sup> Anderson, Stuart. "International Students Who Started Billion Dollar Companies." *NAFSA*. August 2016. [https://www.nafsa.org/\\_/File/\\_/ie\\_julaug16\\_frontlines.pdf](https://www.nafsa.org/_/File/_/ie_julaug16_frontlines.pdf)