

US Congress revives EB-5 regional center program; minimum investment sum stands hiked to \$800,000

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Investors, such as high-networth individuals based in India and Indian nationals holding H-1B visas who had applied under the EB-5 investment-linked green card program via 'regional centers' can now breathe easy. According to an appropriations legislation passed by the US Congress, the EB-5 'Regional Centre' Program will be reauthorised through the fiscal year 2027.



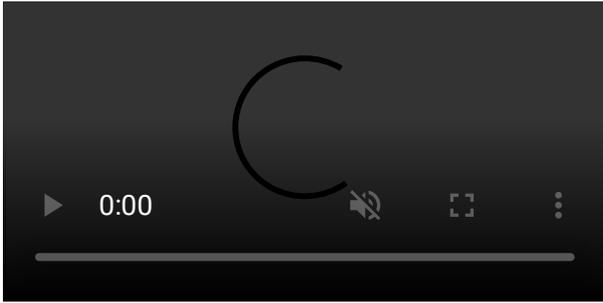
This program had lapsed on June 30, 2021. Since then, nearly 80,000 investors (the majority of them from China, followed by India), had been caught in limbo as the processing of their green card applications had come to a standstill. They faced an uncertain future and had feared the loss of their investment money.

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The EB-5 Reform and Integrity Act, 2022, also allocates a portion of the EB-5 immigrant visa quota to investments in rural areas, high unemployment areas, and infrastructure projects.

Lately, the EB-5 program has become increasingly popular among US-based Indians owing to a short wait of ten-odd years as compared to a decades-long wait of obtaining an employment-based green card. Traditionally, under the EB-5 program, 90% of

investments are routed via regional centers as opposed to the other available route of direct investment, where the investor sets up his own business in the US.



According to Mitch Wexler, partner at Fragomen, a global immigration law firm, “With the reauthorization, US Citizenship and Immigration Services (USCIS) will be able to accept new Regional Center filings and continue to adjudicate pending cases that were suspended after last year’s program expiration, but it is not yet clear when the agency will do so. An announcement is expected in the coming weeks.”

The Act contains grandfathering provisions to protect the existing investors. Wexler explains that it prohibits the denial applications based on the expiration of the ‘regional center’ program and directs USCIS to continue to allocate green cards to applications whose regional-center cases were filed before September 30, 2026. The new law also permits good-faith investors to complete the permanent residence process despite the termination or debarment of an EB-5 entity or Regional Center,

Stakeholders have largely welcomed the new regulation. Suresh Rajan, Executive Chairman and Founder, LCR Capital Partners, said, “The Act brings welcome changes that will impact investors, regional centers, and third parties. We look forward to operating in an environment with improved processing times, additional compliance measures, and more protection for investors.”

“We, alongside all our investors, are thrilled that a long-term reauthorization of the EB-5 Program has finally been won. The predictability that a long-term reauthorization, along with sought-after provisions like grandfathering, will protect our investors,” said Tom Rosenfeld, President, and CEO of CanAm.

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