

Practice Update

United States Congress Extends EB-5 Program without Changes

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In a provision in the omnibus Fiscal Year spending bill, the U.S. Congress extended the EB-5 immigrant investment program until September 30, 2016, without any changes. The bill has passed both the House and Senate today and is expected to be signed into law by the President by next week.

While EB-5 visas are part of the permanent immigration law, the regional center portion of the EB-5 program is not and must be reauthorized periodically. The last reauthorization was in September 2012 and ran until September 30, 2015, and was extended as part of the Continuing Resolution until the omnibus spending bill was to be enacted.

The proposed extension comes on the heels of a recent Government Accountability Office (GAO) **report** that was critical of the EB-5 program. Titled “Immigrant Investor Program: Additional Actions Needed to Better Assess Fraud Risks and Report Economic Benefits,” the report spurred Senate Judiciary Chairman Chuck Grassley (R-IA) to tell *The National Law Review* that, with regard to the regional center program, “The status quo is unacceptable, and we need to pass legislation to reform the program.”

Congress worked all year to reauthorize the program. A number of reform proposals were put on

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the table, but some conflicted and a consensus was not reached despite twice extending the deadline to do so. Congress instead included a provision in the FY 2016 omnibus spending bill to extend the existing EB-5 program. Work will continue toward consensus on reform, with September 30, 2016 as the deadline.

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