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**MARCH**

*Passage of the EB-5 Reform and Integrity Act of 2022*



**SEPTEMBER**

*"Grandfathering" Deadline*



2026

2027



**SEPTEMBER**

*EB-5 Program Reauthorization Deadline*

# EB-5 Projects for the Benefit of Community and National Interests



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The EB-5 Program was established by Congress in 1990 as a response to globalization and deindustrialization, with a goal of creating jobs and attracting foreign investment in communities nationwide. A key component of the EB-5 Program is the attraction of immigrant entrepreneurs to finance job-creating projects in exchange for immigration benefits. The vast majority of EB-5 investments occurs in targeted employment areas, which are defined as high unemployment areas (areas with an unemployment rate of at least 150% of the national average), or rural areas. Rural areas are defined as any area other than an area within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) or outside of any city or town having a population of 20,000 or more (based on the most recent decennial census of the United States).

Designed to be a driver of economic impact, EB-5 investments have been catalysts for community revitalization, entrepreneurship, and small business growth in both urban and rural communities nationwide, while also generating billions of dollars of additional revenue nationwide. Additionally, EB-5 immigrant investors become US taxpayers, and add to the economic base of the country via their job-creating investments.

With EB-5 investment as a catalyzing capital source, impact-oriented developers have constructed projects with community and national benefits supporting economic development and national strategic objectives nationwide.

It is noteworthy that the Federal Opportunity Zone Program was made permanent under the new tax bill adopted by Congress, with new rules and regulations becoming effective January 1, 2027. This program has received non-partisan support. Accordingly, this is an example of why the EB-5 Program should receive permanent authorization.

Recent examples of projects leveraging EB-5 investments demonstrate the role the EB-5 Program can play in the expansion and promotion of clean energy and supply chain independence, the improvement of critical aviation infrastructure, improvements to air quality and energy (and reducing congestion) through the creation of intermodal ports to distribute freight, and for supporting national health improvement initiatives through the development of rehabilitation facilities. Given their role in supporting national interests, projects like these are eligible for EB-5 expedited processing, which ultimately accelerates the flow of positive social, economic and environmental impacts to communities across the country. Below are some examples of the types of projects that are now being funded with investments made possible through the EB-5 Program.

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### EXPANSION OF CLEAN ENERGY CRITICAL MINERAL EXTRACTION FACILITIES



The EB-5 Program is playing a key role in the expansion of clean energy resources in the United States such as the extraction of lithium, a critical mineral asset used in products such as electric vehicles, energy storage and consumer electronics. According to a 2021 analysis by US Department of Energy’s “National Blueprint for Lithium Batteries 2021-2030,” securing access to domestic lithium will further support the growth of battery manufacturing and battery energy storage, while reducing our dependence on lithium from foreign competition. State and federal incentives, such as the Advanced Energy Project Tax Credit, and the Minerals Exploration Tax Credit can also be obtained for this type of project.

### IMPROVEMENTS TO CRITICAL INFRASTRUCTURE



EB-5 investments are also being used to improve critical infrastructure around the United States. A recent example is the redevelopment of a “reliever airport” in Southern California. Reliever airports perform a vital role of reducing congestion and improving access at commercial airports. These types of reliever airports can also support international trade when located in strategic geographic areas. The EB-5 Program is able to attract private capital to supplement the development of public airfields or airport assets, which acts as a driver for economic development in underinvested, underutilized transportation infrastructure around the United States.

These types of public infrastructure EB-5 projects offer a rare opportunity to advance America’s economic and security interests simultaneously. In certain cases, these projects can also assist border and customs immigration personnel at the Mexican border by establishing strategically located joint base points for U.S. security agencies, thereby supporting the national effort to interdict illegal drug activity.

### IMPROVEMENTS TO FREIGHT DISTRIBUTION



EB-5 Investments are also contributing to the expansion of freight operations across America. These projects are designed to enhance rail access and support multimodal freight operations that link inland ports and rail facilities for transport of goods throughout the country.

These projects also expand freight and industrial capacity while improving long-term supply-chain resilience. By enabling a modal shift from long-haul trucking to rail, developing freight facilities that link to inland ports to rail transport hubs reduces highway congestion, emissions, and transportation costs for regional industries. These projects also alleviate pressure on coastal ports by creating inland distribution hubs for goods moving through coasted gateways. In addition, freight distribution projects also support new industrial building projects, container storage yards and rail infrastructure improvements throughout the surrounding areas where these projects are located.

### REHABILITATION FACILITIES



Rehabilitation facilities are critically important to the efforts of national, state and local governments to combat drug addiction, including opioid usage, alcohol addiction and other similar health issues. Robert F Kennedy Jr., Secretary of Health and Human Services, recently published the following statement: “As a result of the continued consequences of the opioid crisis affecting our nation, ... do hereby renew the determination...that an opioid public health emergency exists nationwide.” Managing this problem requires tremendous resources, and EB-5 investments have provided an important source of financing for new rehabilitation facilities throughout the nation. Medicaid, Medicare and the Department of Justice (re: reduction of crime) support these programs.

In order to be most effective, drug rehabilitation projects should include nursing homes, drug rehabilitation centers and other similar services to provide the necessary care to patients. A detailed provision of health care services being provided requires a multidisciplinary approach and advance treatments to be undertaken. Funding the construction of the facilities, developing the programs, and sourcing the teams to implement the programs faces many challenges.

With the help of EB-5 investment funds, a recovery center can build a team of highly qualified professionals from various fields of mental health and addiction treatment. This team includes psychiatrists, psychologists, licensed therapists, counselors, and addiction specialists, each bringing a wealth of experience and specialized skills. The patients served by these facilities have access to treatments including detoxification,

residential treatment, outpatient programs and after-care services. A recovery center will typically provide patients with the following care:

- **Detoxification:** Safely managing withdrawal symptoms under medical supervision.
- **Residential Treatment:** Providing intensive care and support in a live-in facility.
- **Outpatient Programs:** Allowing patients to receive treatment while living at home.
- **Aftercare Services:** Supporting long-term recovery and preventing relapse.

Overall, these projects are not just a business but a vital resource for individuals and families dealing with substance abuse and behavioral health issues.

### MINING PROJECTS



EB-5 funds are also providing an important source of funding for development of mining facilities for production of critical materials needed to support both commercial and infrastructure developments. Mining projects are being created for the production of limestone aggregate and other building products that are utilized in the construction of many public and private facilities, including roads and bridges,

rail, airports and public utilities including water and sewer systems. Mining projects support both the local economy and other geographic areas that use these products in their own construction projects.

### EXPEDITED PROCESSING AND CONCLUSION

The EB-5 Program has suffered in recent years because of processing delays and a demand from EB-5 visa applicants that far outweighs the supply of available visas. Despite these challenges, the EB-5 Program has been and continues to be a driver of positive economic, social, and environmental impacts across the country. Projects like the ones described in this article are not only bringing catalytic change to the communities they serve, but also supporting national interests.

This makes these types of projects eligible to apply for EB-5 expedited processing, which drives more EB-5 applicants to invest in these projects. Factors to be included in an expedited request include the following:

- project description;
- project location;
- project support which would include a detailed description of the unique services being provided; and
- references to publications that support the need for expedited processing as being in the material interest.

As the EB-5 investment community seeks solutions for the rapidly approaching September 30, 2026 expiration date for I-526E adjudication assurance, as well as the September 30, 2027 expiration date for the entire Regional Center Program, it is essential for the EB-5 industry to promote not just projects that create jobs for the local community and support the local economy, but also highlight the projects that have much broader impacts on US infrastructure and national interests. Further emphasis on the wide-range of benefits from EB-5 investments could prove instrumental to the future of the EB-5 Program. ■



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