

# GAO Highlights

Highlights of [GAO-23-106452](#), a report to congressional requesters

## Why GAO Did This Study

The EB-5 Immigrant Investor Program enables foreign investors and their eligible family members to obtain lawful permanent resident status and a path to citizenship. Program participants must choose one of two options: (1) invest a minimum of \$800,000 in a business that creates at least 10 jobs, or (2) pool their investment with one or more other qualified immigrants in larger development projects under the EB-5 Regional Center Program.

GAO was asked to review the EB-5 program. This report addresses, among other things: (1) characteristics of EB-5 investors, (2) the extent USCIS collects data to monitor fraud and national security concerns in the EB-5 program, and (3) USCIS efforts to assess and address overall EB-5 fraud and national security risks. GAO analyzed data from fiscal years 2016 through 2021; reviewed USCIS procedures and fraud and national security assessments; and interviewed agency officials and a non-generalizable sample of 15 of about 90 USCIS staff responsible for adjudicating and investigating EB-5 petitions.

This report is a public version of a sensitive report issued in December 2022.

## What GAO Recommends

GAO is recommending that USCIS (1) systematically collect and track data on the different types of fraud in the EB-5 program; and (2) develop a process to collect and assess the reasons for denying petitions and applications and terminating EB-5 Regional Centers. DHS concurred with the recommendations.

View [GAO-23-106452](#). For more information, contact Rebecca Gambler at (202) 512-8777 or [GamblerR@gao.gov](mailto:GamblerR@gao.gov).

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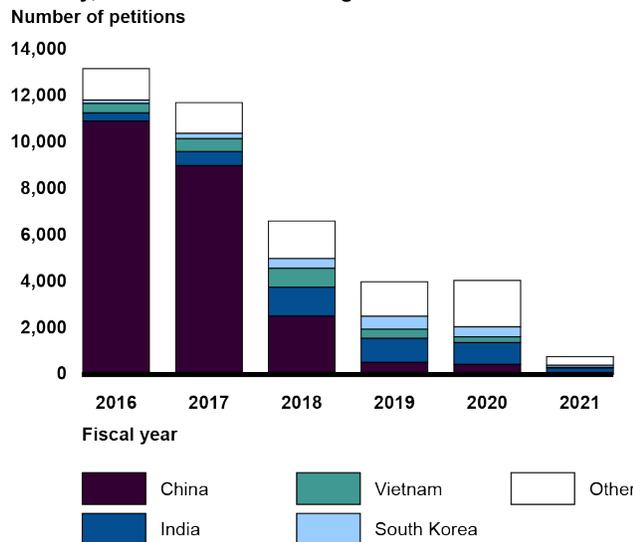
# IMMIGRANT INVESTOR PROGRAM

## Opportunities Exist to Improve Fraud and National Security Risk Monitoring

### What GAO Found

The employment-based fifth preference (EB-5) visa category was created in 1990 to encourage foreign investors to provide capital and promote job creation in the U.S. In return, investors and eligible family members obtain a path to citizenship. U.S. Citizenship and Immigration Services (USCIS) administers the program and investigates any fraud and national security concerns. EB-5 participation declined sharply from fiscal years 2016 through 2021, primarily due to fewer Chinese investors. During this time period, Regional Centers accounted for about 93 percent of all EB-5 petitions. These centers included major real estate development projects.

**EB-5 Initial Investor Petitions U.S. Citizenship and Immigration Services Received, by Investor Country, Fiscal Years 2016 through 2021**



Source: GAO analysis of U.S. Citizenship and Immigration Services data. | GAO-23-106452

USCIS collects some data on EB-5 fraud and national security concerns that it investigates. However, it does not have readily-available data about the types and characteristics of fraud unique to the program, such as those related to schemes to defraud investors. Systematically collecting and tracking this information would help USCIS better monitor, assess, and respond to evolving fraud trends and risks. Further, the EB-5 Reform and Integrity Act of 2022 gives USCIS new denial and termination authorities to address fraud and national security concerns. However, USCIS does not collect data on the reasons for (1) denying EB-5 petitions and applications, and (2) terminating Regional Centers. Developing a process to collect and assess these reasons would provide USCIS with valuable insight into program risks.

USCIS conducted at least one fraud or national security risk assessment on an aspect of the EB-5 program each fiscal year since 2016. In addition, USCIS has undertaken several initiatives to address overall program fraud and national security risks. These include conducting compliance reviews; increased trainings on fraud and national security indicators; and additional screening for investors linked to companies or countries of concern.