



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

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TechNet Calls on Trump Administration to Preserve International Entrepreneur Rule

Washington, D.C. — TechNet, the national, bipartisan network of innovation economy CEOs and senior executives, today expressed its support for preserving the International Entrepreneur Rule, designed to encourage entrepreneurs from around the world to grow companies and jobs in the United States. The International Entrepreneur Rule was set to go into effect on July 17, 2017, but the Department of Homeland Security delayed the effective date to March 14, 2018, and issued a proposal to rescind the rule altogether.

“Delaying or rescinding the International Entrepreneur Rule would be a major step backward for America’s innovation economy,” said TechNet President and CEO Linda Moore. **“Our nation should be encouraging entrepreneurs from around the world to start companies and grow jobs in the United States. The administration should allow the International Entrepreneur Rule to take effect in March of next year as planned and work with Congress on other ways to modernize our nation’s legal immigration system to ensure the U.S. remains at the forefront of the innovation economy.”**

As part of its support for the International Entrepreneur Rule, TechNet today joined the National Venture Capital Association’s multi-trade coalition in submitting formal comments to the Department of Homeland Security urging it to keep the rule and use the new effective date delay period to prepare for receiving applications from entrepreneurs abroad beginning in March 2018.

The full text of the letter is below and a PDF is available [here](#).

August 3, 2017

The Honorable Elaine C. Duke
Acting Secretary
Department of Homeland Security
Washington, DC 20528

Re: International Entrepreneur Rule: Delay of Effective Date; DHS Docket
No. USCIS-2015-0006

Secretary Duke:

We represent a cross-section of industries and stakeholders that are dedicated to creating American jobs and furthering U.S. technological advancement. We write to express our profound disappointment that the Department of Homeland Security ("DHS") has delayed the effective date of the *International Entrepreneur Rule* and plans to propose to rescind the rule. This decision contrasts with President Trump's goal of spreading economic prosperity across the United States and ensuring the U.S. remains the global leader in innovation. We encourage DHS to keep the rule in place and use the effective date delay to prepare for accepting applications from entrepreneurs beginning in March 2018.

President Trump has made winning the global competition for jobs a priority of his administration and we appreciate his stated focus on making our country the best place in the world to create a new enterprise. However, a key aspect of growing our economy is to ensure talented entrepreneurs start their companies here in the United States. The *International Entrepreneur Rule* will allow the world's best entrepreneurs to create jobs in our country, rather than overseas where they will then compete with American workers and companies.

Keeping in place the *International Entrepreneur Rule* would further President Trump's goal of spreading economic prosperity to areas of the country in desperate need of new jobs. The benefits of entrepreneurship to the U.S. economy are well understood. The Kauffman Foundation has found that "without startups, there would be no net job growth in the U.S. economy." Unfortunately, American entrepreneurship is at a crossroads. U.S. government data reveals that the number of new companies as a share of all U.S. businesses with employees has dropped 42 percent since 1978. Immigrant entrepreneurs can provide a key shot of entrepreneurial energy into the U.S. economy. In fact, a New American Economy study estimates the *International Entrepreneur Rule* could create between 135,240 and 308,460 jobs over ten years. Immigrant entrepreneurs have a track record of success in creating American powerhouses such as Intel, eBay, and Tesla, and "have started more than half (44 of 87) of America's startup companies valued at \$1 billion or more."

Retaining the *International Entrepreneur Rule* will also further President Trump's goal of making the U.S. more competitive on a global basis. American entrepreneurship is facing challenges abroad like never before, as other countries have replicated our tax, regulatory, and education policy to spur startup ecosystems of their own. In the immigration context, countries like Canada, France, Singapore, and the United Kingdom have created dedicated entrepreneur visas to attract job creators to their shores. Policies like these mean entrepreneurs

no longer need to move to the U.S. to scale a startup, and venture investment is tracking this activity: two decades ago, U.S. startups received more than 90 percent of global venture capital investment, but that number fell to 81 percent a decade ago and fell further to 54 percent last year. In the last five years, at least half of the top ten largest venture investments in the world occurred *outside* our country. The United States must keep in place the *International Entrepreneur Rule* to attract the best entrepreneurs rather than push them away.

Finally, maintaining the *International Entrepreneur Rule* supports U.S. technological leadership. As you know, we are on the cusp of incredible advancements in artificial intelligence, internet of things (IOT), oncology, transportation, and many other areas. Our global competitors are racing to beat the U.S. so the hub of innovation is within their borders. If they win, those countries may control the benefits, rules, and direction of technological progress, areas where America has until now been the unquestioned leader. We cannot afford to have this happen. One way we can ensure the United States continues to be the world leader in science and technology is by bringing top foreign-born entrepreneurs to the U.S. through the *International Entrepreneur Rule*.

While we are disappointed that after three years of input from the private and public sector that the benefits of the rule have been delayed, the administration can still embrace the economic benefits the International Entrepreneur Rule will bring. The administration can do this by not seeking to rescind the rule and instead by spending the time between now and March 2018 preparing to accept applications from talented entrepreneurs who will bring with them new jobs for Americans who need them.

Thank you for your attention to this important matter for our economy. We stand ready to help the administration implement the International Entrepreneur Rule so that new companies are created in our country rather than overseas.

Sincerely,

National Venture Capital Association
AlphaPrime Ventures
Angel Capital Association, Overland Park, KS
Ann Arbor Angels, Ann Arbor, MI
Arboretum Ventures, Ann Arbor, MI
Arkansas Research Alliance, Conway, AR
Augment Ventures, Ann Arbor, MI
Avellino Labs, Menlo Park, CA
Barbatano Law Office, Ann Arbor, MI
Ben Franklin Technology Partners, Harrisburg, PA
BioHealth Innovation Inc., Rockville, MD
BioSTL, St. Louis, MO

BlueWater Angels Investment Network, Saginaw, MI
Business Forward
Center for American Entrepreneurship
Dana Thompson, University of Michigan Law School
Economic Innovation Group Engine
eLab Ventures, Ann Arbor, MI
Enterprise Center in Johnson County, Fairway, KS
Ewing Marion Kauffman Foundation
FWD.us
Genomenon, Inc., Ann Arbor, MI
Golden Angel Investors, Brookfield, WI
Huron River Ventures, Grand Rapids, MI
Illinois Science and Technology Coalition and Institute
Illinois Venture Capital Association
Information Technology Industry Council (ITI)
Internet Association
Joseph Schocken, CEO, Broadmark Capital
Lakeshore Advantage, Zeeland, MI
LooUQ Incorporated, East Lansing, MI
Michigan Venture Capital Association
New American Economy
New England Venture Capital Association
North Coast Technology Investors, Ann Arbor, MI
Northwestern Capital Partners, Ann Arbor, MI
Philadelphia Alliance of Capital and Technologies (PACT)
Pittsburgh Venture Capital Association
Portland Seed Fund
Propeller, Michigan
Research Park Corporation, Baton Rouge, LA
Rev1 Ventures, Columbus, OH
Robert Wood, Wisconsin Investment Partners
Rocky Mountain Venture Capital Association
Root Inc., Sylvania, OH
SSTI, Westerville, OH
Startup Junkie Consulting, Fayetteville, AR
Steve Case, Chairman and CEO, Revolution Co-Founder, America Online
Tech:NYC
TechNet
Teresa Esser, Silicon Pastures Angel Investment Network, Milwaukee, WI
Texas Venture Capital Association
Tome, Inc., Royal Oak, MI
Venture Investors LLC, Madison, WI
VentureOhio
Wichita Technology Corp., Wichita, KS
Windward Associates, Rochester Hills, MI

Wisconsin Super Angel Fund, L.P.
Wisconsin Venture Capital Association

About TechNet

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic startups and the most iconic companies on the planet and represents more than 2.5 million employees in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, biotechnology, venture capital, and finance. TechNet has offices in Washington, D.C., Silicon Valley, San Francisco, Sacramento, Austin, Boston, Seattle, Albany, and Tallahassee.

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