

August 27, 2021

The Honorable Jerrold Nadler
Chair
Committee on the Judiciary
United States House of Representatives
2138 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Dick Durbin
Chair
Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Jim Jordan
Ranking Member
Committee on the Judiciary
United States House of Representatives
2138 Rayburn House Office Building
Washington, DC 20515

The Honorable Chuck Grassley
Ranking Member
Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, DC 20510

Dear Chair Durbin, Ranking Member Grassley, Chair Nadler, and Ranking Member Jordan:

We write today in strong support of Representative Lofgren’s *Let Immigrants Kickstart Employment* (LIKE) Act of 2021 (H.R. 4681), which would allow the world’s most talented entrepreneurs to launch new companies in the United States and employ Americans.

In the wake of a pandemic that has shuttered [more than 150,000](#) businesses and destroyed [millions of jobs](#), accelerating post-COVID economic growth and job creation depends on new business formation – and immigrant entrepreneurs are critical to that objective.

Research shows that immigrants are twice as likely as native-born Americans to start a new business. Though just 14 percent of the population, immigrants account for a quarter of all business owners – and [even higher rates](#) among high-tech startups.

Foreign-born entrepreneurs have been a prominent feature of America’s economic landscape for many decades. Indeed, [more than 50 percent](#) of “unicorn” startups in the United States were founded or co-founded by immigrants. Immigrant-founded companies have played a crucial role in combatting the pandemic – the founders and CEOs of both Pfizer and Moderna are immigrants. Other iconic American companies founded or co-founded by immigrants include Dow, AT&T, DuPont, Levi Strauss, Anheuser-Busch, Goldman Sachs, Sun Microsystems, Google, Yahoo, eBay, YouTube, PayPal, Tesla, Facebook, and LinkedIn.

A [2017 study](#) by the Center for American Entrepreneurship found that 43 percent of Fortune 500 companies – and 57 percent of the top 35 companies – were founded by first- or second generation immigrants. These companies are headquartered in 68 metro areas across 33 states and employ millions of Americans.

Despite these accomplishments, U.S. immigration law makes it unnecessarily challenging for foreign-born entrepreneurs to launch a new company in our country. There is currently no visa

category designed for the entrepreneurial model. Therefore, immigrant entrepreneurs struggle to fit square pegs in round holes and use visa categories that are challenging for startups.

For example, the H-1B visa requires an employer-employee relationship and therefore is not helpful for the founders of companies. The O-1A visa for “extraordinary ability” is frustrating for young entrepreneurs who do not have a long track record. And the E-2 visa excludes many countries and requires capital from the entrepreneur’s home country (as opposed to a U.S. investor).

The LIKE Act fixes this deficiency in immigration law by creating a dedicated startup visa for the entrepreneurs. These entrepreneurs only qualify for the visa if they create American jobs and attract significant investment capital from U.S. investors. This is a formula for success, as it ensures that only the most meritorious entrepreneurs are able to earn the startup visa.

Representative Lofgren’s legislation also creates a nonimmigrant visa for essential startup employees to ensure young, high-growth companies can attract top technical talent to grow the company in the United States. This provision is appropriately limited in number and tailored toward high-growth companies.

The United States is one of only a few industrialized nations that does not have a visa category for foreign-born entrepreneurs. In recent years, many other nations – including [China](#), [Canada](#), [Germany](#), [France](#), [New Zealand](#), [Australia](#), [Chile](#), and [the UK](#) – have overhauled their immigration laws to attract foreign-born entrepreneurs, including American entrepreneurs.

America has been feeling the heat of heightened competition for innovative talent for years now. In 2017 more new technology jobs [were created](#) in Toronto than in Silicon Valley, Seattle, and Washington, D.C. [combined](#). In addition, the United States’ share of global venture capital investment has dropped from 83 percent to 51 percent in the last 17 years.

Given this new competitive reality, Congress should create a new visa category – a startup visa – specifically designated for foreign-born entrepreneurs who want to launch new businesses in the United States.

A [study](#) of similar legislation by the Kauffman Foundation concluded that a startup visa would create as many as 1.6 million new American jobs within 10 years. Other [studies](#) have estimated that a new visa category for foreign-born entrepreneurs could create as many as 3 million new American jobs over a decade.

In a post-COVID global economy in which the competition for talent is increasingly fierce, the United States needs an immigration framework consistent with its national identity as a land of opportunity, but also one that puts greater emphasis on attracting and retaining the world’s best and most innovative talent.

Foreign-born entrepreneurs have created many of America’s largest and most successful companies. We want the next generation of great companies launched in America too.

We thank you again for your ongoing work to protect the U.S. economy, American workers, and their families – and for your consideration of this important proposal.

Sincerely,

National Venture Capital Association

Center for American Entrepreneurship

Engine

TechNet

Bipartisan Policy Center Action

Economic Innovation Group

Information Technology Industry Council (ITI)

FWD.us

New American Economy

Consumer Technology Association

Niskanen Center

Right to Start

Tech:NYC

National Immigration Forum

InBIA

Washington Technology Industry
Association

CEO Leadership Alliance Orange County

Federation of American Scientists

Angel Capital Association

cc: Nancy Pelosi
Speaker
United States House of Representatives

Chuck Schumer
Majority Leader
United States Senate

Kevin McCarthy
Minority Leader
United States House of Representatives

Mitch McConnell
Minority Leader
United States Senate