U.S. Citizenship and Immigration Services

Non-Precedent Decision of the Administrative Appeals Office

In Re: 37479276

Date: DEC. 29, 2025

Appeal of Field Operations Directorate (FOD) Decision

Form I-956, Application for Regional Center Designation

American National Regional Center Southern California (the "Regional Center") seeks designation to participate in the regional center program under Section 203(b)(5)(E) of the Immigration and Nationality Act (the "Act"), 8 U.S.C. § 1153(b)(5)(E). The Act provides the Secretary of Homeland Security with the authority to designate a regional center to participate in the program "on the basis of a proposal for the promotion of economic growth, including prospective job creation and increased domestic capital investment." *See* Section 203(b)(5)(E) of the Act.

Field Operations Directorate (FOD) denied the application, concluding the record did not sufficiently describe policies and procedures were in place to ensure program compliance and monitor a new commercial enterprise ("NCE") or enterprises and any associated job creating entity ("JCE") or entities. The matter is now before us on appeal pursuant to 8 C.F.R. § 103.3.

The Petitioner bears the burden of proof to demonstrate eligibility by a preponderance of the evidence. *Matter of Chawathe*, 25 I&N Dec. 369, 375-76 (AAO 2010). We review the questions in this matter de novo. *Matter of Christo's, Inc.*, 26 I&N Dec. 537, 537 n.2 (AAO 2015). Upon de novo review, we will withdraw the decision and remand the matter for entry of a new decision consistent with the following analysis.

I. LAW

The goal of the regional center program is to promote economic growth, including prospective job creation and increased domestic capital investment. *See* Section 203(b)(5)(E) of the Act. Designated regional centers allow alien investors to pool their, and other investors', investments in existing defined investment opportunities. *See id*.

The Act specifies that a proposal to establish a regional center must demonstrate "a substantive economic impact" on "a defined, contiguous, and limited geographic area" and include "a description of the policies and procedures in place reasonably designed to monitor new commercial enterprises and any associated job creating entities," "a description of the policies and procedures in place that are reasonably designed to ensure program compliance" and "the identities of all natural persons involved

in the regional center" meeting the requirements under clauses (i) and (ii) of section 203(b)(5)(H) of the Act, 8 U.S.C. § 1153(b)(5)(H).

II. ANALYSIS

The Regional Center was originally approved for designation on March 14, 2016, as a regional center with a geographic area including [redacted] and [redacted] counties in California. On December 29, 2022, the Regional Center filed the instant Form I-956 with USCIS to request an amendment to its approval as a designated regional center under section 203(b)(5)(E) of the Act. Specifically, the Regional Center sought approval of changes in its organizational structure and administration and also requested an expansion of its geographic area.

USCIS issued a request for evidence (RFE) on October 10, 2023, to afford the Regional Center the opportunity to provide additional evidence to demonstrate its eligibility for designation. Specifically, the RFE prompted the Regional Center to resolve deficiencies in its initial submission regarding the expansion of its geographical area, its substantive economic impact on the geographical area, its policies and procedures to ensure program compliance and monitor NCEs and associated JCEs, and the identities and attestations of all persons involved with the Regional Center.

The Regional Center timely responded to the RFE on January 3, 2024. Whilst the Regional Center withdrew its request for expansion of its approved geographic area, it submitted its operational plan, a corporate resolution, a statement of information, and articles of incorporation to describe the reasonably designed policies and procedures it had in place to monitor NCEs, associated JCEs, and identified the identities of all persons involved in the Regional Center. FOD denied the petition on July 16, 2024. FOD concluded the Regional Center did not "overcome the deficiencies" it identified in the RFE.

We conclude a remand is warranted in this matter. In its denial, FOD stated it could not establish if the Regional Center reasonably designed policies and procedures to monitor NCEs and JCEs because the Regional Center did not identify members of a compliance team, how the compliance team members were involved, nor describe the "litmus test" it mentioned it required NCEs and JCEs to pass in order for it to initiate work on a project and solicit EB-5 investors.

FOD also raised numerous concerns related to an ongoing project of the Regional Center, [redacted] LLC, to undergird its conclusions and express doubt about the Regional Center's monitoring of NCEs and associated JCEs and program compliance. FOD noted the operational plan the Regional Center submitted expressed its intention to hire a chief compliance officer (COO) at some unspecified time in the future and highlighted that the record did not demonstrate the Regional Center had taken any steps to hire someone for the role.

Furthermore, FOD referred to past unsuccessful regional center applications involving the Regional Center's chief executive officer and an individual unconnected with the Regional Center with several alleged violations, debarments, and judgments against him for financial, securities, and other irregularities rising to the level of alleged criminal violations against him. FOD also noted the Regional Center's lapse in paying the annual EB-5 Integrity Fund fee and associated forms to conclude

the Regional Center's CEO "lacked credibility to own and manage EB-5 regional centers." And FOD expressed the description of policies and procedures initially provided did not specify how it would ensure compliance with state securities laws and that it would conduct annual compliance checks.

But FOD expressed its understandable concerns with the Regional Center's application for the first time only in its denial. It did not identify and convey its concerns in the RFE, in a second RFE, or even notice of intent to deny (NOID) to provide the Regional Center an opportunity to consider and respond to FOD's new concerns. Moreover, FOD referenced evidence and documentation not present in the record, such as [redacted] LLC's business plan, when it made its conclusions.

So, we remand this matter to FOD. On remand, FOD may choose to issue an RFE or NOID to further develop the record to confirm the regional center proposal demonstrates positive economic effects borne of economically and statistically valid and transparent tools forecasting reasonable investment and job creation predictions from projects like [redacted] LLC. FOD may also wish to examine the Regional Center's Operating Agreement and evaluate the specific policies and procedures it lists to monitor NCEs and associated JCEs. Specifically, FOD may elect to view the specific policies and procedures compliance with law, regulations, and executive orders (including applicable State securities laws) instead of assessing the policies and procedures in light of the assumed success or failure of individual investments based on information not contained in the record. And FOD may wish to consider if the evidence in the record supports the Regional Center's policies and procedures to ensure program compliance. FOD may also review the Regional Center's assertion that "there are no other owners or managers" of the Regional Center and consider only the individual designated on Form I-956H associated with the Regional Center's eligibility per the requirements under clauses (i) and (ii) of section 203(b)(5)(H) of the Act, 8 U.S.C. § 1153(b)(5)(H). FOD may also seek to investigate if there are any person or persons on a "compliance team" or serving as a "chief compliance officer," if such person or persons are required to file Form I-956H.

III. CONCLUSION

Considering the above, we are withdrawing the decision remanding the matter to FOD for further proceedings consistent with our foregoing analysis. We express no opinion regarding the ultimate resolution of this case on remand.

ORDER: The decision is withdrawn. The matter is remanded for the entry of a new decision consistent with the foregoing analysis.