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U.S. Citizenship and Immigration Services

Non-Precedent Decision of the Administrative Appeals Office

In Re: 41124882

Date: FEB. 17, 2026

Appeal of Field Operations Directorate (FOD) Decision

Form I-956, Application for Regional Center Designation

On March 15, 2022, the EB-5 Reform and Integrity Act of 2022 was signed into law, repealing the prior legislation authorizing the Regional Center Program. Section 203(b)(5) of the Immigration and Nationality Act (the "Act"), 8 U.S.C. § 1153(b)(5) (2022). The Act provides that the Secretary of Homeland Security has the authority to designate a regional center to participate in the Regional Center Program "on the basis of a proposal for the promotion of economic growth, including prospective job creation and increased domestic capital investment." Section 203(b)(5)(E)(i) of the Act. The Act further provides that the Applicant must seek an amendment of its designation "before the implementation of significant proposed changes to its organizational structure, ownership, or administration . . . ." Section 203(b)(5)(E)(vi)(I) of the Act. Additionally, the Act revises general eligibility requirements, substantially reforms and codified the Regional Center Program, and adds significant new integrity provisions. Section 203(b)(5) of the Act.

In 2023, after the enactment of the EB-5 Reform and Integrity Act, the Applicant, a regional center designated under the repealed legislation, filed a Form I-956, Application for Regional Center Designation, seeking an amendment of its designation "to confirm compliance with EB-5 Reform and Integrity Act of 2022." *See* Section 203(b)(5)(E) of the Act. It also noted in its filing that "one of the original owners [had] passed away" and that the regional enter "was in the process of reorganizing and consolidating its assets under the surviving owner,"

Field Operations Directorate (FOD) denied the Form I-956 application, concluding that the Applicant did not provide "attestations and information confirming that all persons involved with the regional center meet the requirements under clauses (i) and (ii) of [Section 203(b)(5)(H) of the Act]" or "the identities of all natural persons involved in the regional center," as required under Section 203(b)(5)(E)(iii)(III), (V) of the Act. In the alternative, FOD concluded that the Applicant did not submit "a description of the policies and procedures in place reasonably designed to monitor new commercial enterprises [NCE] and any associated job-creating entity [JCE] to seek to ensure compliance" with applicable laws or "[a] description of the policies and procedures in place that are reasonably designed to ensure program compliance," as required under Section 203(b)(5)(E)(iii)(II), (IV) of the Act. The matter is now before us on appeal pursuant to 8 C.F.R. § 103.3. *See also* Section 203(b)(5)(P)(i)(I) of the Act.

The Applicant 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 dismiss the appeal.

I. LAW

The goal of the Regional Center Program is to stimulate economic growth in a specified geographic area. *See* Section 203(b)(5)(E) of the Act. Designated regional centers allow alien investors to pool their, and other investors', investments in already defined investment opportunities. *See id.*

The Act provides that the Secretary of Homeland Security has the authority to designate regional centers "on the basis of a proposal for the promotion of economic growth, including prospective job creation and increased domestic capital investment." Section 203(b)(5)(E) of the Act. The Act specifies that "[a] regional center shall operate within a defined, contiguous, and limited geographic area, which shall be described in the proposal and be consistent with the purpose of concentrating pooled investment within such area." Additionally, "[t]he proposal to establish a regional center shall demonstrate that the pooled investment will have a substantive economic impact on such geographic area," and shall include the following types of evidence:

> (I) reasonable predictions, supported by economically and statistically valid and transparent forecasting tools, concerning the amount of investment that will be pooled, the kinds of commercial enterprises that will receive such investments, details of the jobs that will be created directly or indirectly as a result of such investments, and other positive economic effects such investments will have;
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> (II) a description of the policies and procedures in place reasonably designed to monitor new commercial enterprises and any associated job-creating entity to seek to ensure compliance with –
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> > (aa) all applicable laws, regulations, and Executive orders of the United States, including immigration laws, criminal laws, and securities laws; and
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> > (bb) all securities laws of each State in which securities offerings will be conducted, investment advice will be rendered, or the offerors or offerees reside;
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> (III) attestations and information confirming that all persons involved with the regional center meet the requirements under clauses (i) and (ii) of subparagraph (H);
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> (IV) a description of the policies and procedures in place that are reasonably designed to ensure program compliance; and

(V) the identities of all natural persons involved in the regional center, as described in subparagraph (H)(v).

Section 203(b)(5)(E)(iii) of the Act.

The relevant portions of subparagraph (H) of Section 203(b)(5) of the Act, entitled "Bona fides of persons involved with regional center program," provides:

(i) In general

The Secretary of Homeland Security may not permit any person to be involved with any regional center, new commercial enterprise, or job-creating entity if –

(I) the person has been found to have committed--

(aa) a criminal or civil offense involving fraud or deceit within the previous 10 years;

. . .

(v) Persons involved with a regional center, new commercial enterprise, or job-creating entity

For the purposes of this paragraph, unless otherwise determined by the Secretary of Homeland Security, a person is involved with a regional center, a new commercial enterprise, any affiliated job-creating entity, as applicable, if the person is, directly or indirectly, in a position of substantive authority to make operational or managerial decisions over pooling, securitization, investment, release, acceptance, or control or use of any funding that was procured under the program described in subparagraph (E). An individual may be in a position of substantive authority if the person serves as a principal, a representative, an administrator, an owner, an officer, a board member, a manager, an executive, a general partner, a fiduciary, an agent, or in a similar position at the regional center, new commercial enterprise, or job-creating entity, respectively.

Section 203(b)(5)(H) of the Act.

II. ANALYSIS

On appeal, the Applicant submits a statement from [redacted] claiming that he is "the sole owner and [Chief Executive Officer] of [redacted] a Delaware corporation [and] the manager of [the regional center]." In a footnote [redacted] explained that [redacted] was previously the regional center's manager, but it "recently filed for bankruptcy" and that [redacted] has assumed management of [the regional center]." He further provided that [redacted] remains the sole owner of [the regional center]" and he is "the sole owner of [redacted] and therefore remain[s] the sole owner of [the regional center]."

The record is insufficient to demonstrate that [redacted] is eligible to be involved with the regional center under Section 203(b)(5)(H) of the Act. *See also* Section 203(b)(5)(E)(iii)(III) of the Act. Specifically, the record shows that he "has been found to have committed . . . [a] civil offense involving fraud or deceit within the previous 10 years." Section 203(b)(5)(H)(i)(I)(aa) of the Act. In its May 2024 filing and in response to FOD's request for evidence (RFE), the Applicant submitted a Proposed Stipulation, a Stipulation and Order, and an accompanying Exhibit. The Proposed Stipulation states that [redacted] had "admit[ted] to making eleven political contributions under assumed names during the 2011 City elections." The Proposed Stipulation explains that the "practice of reimbursing pollical contributions is commonly referred to as making 'assumed name' or 'laundered' contributions." The document reveals that [redacted] "Ethics Commission staff identified a number of contributions that appeared to come from persons with ties to [redacted]' and that these "contributions bore indicia of money laundering . . . ." Specifically, the Ethics Commission determined:

> [In October 2010, [redacted] asked one of his employees to help him raise approximately $5,000 in contributions for [a city candidate's] re-election campaign, with an understanding that [redacted] would be used to reimburse the named contributors. In this manner, [redacted] hoped to further [his] business interests.

The Stipulation and Order, executive by the Director of Enforcement, [redacted] Ethics Commission, and [redacted] as an individual and as the president of [redacted] similarly indicates that [redacted] had "violated City law and the Charter." The accompanying Exhibit provides that an "investigation uncovered evidence of activities violating City Charter §470(k) in the form of a money laundering scheme executed by [redacted]" and "evidence that [redacted] caused the solicitation and reimbursement of eleven individuals for political contributions made in their names to [a city candidate's campaign]." The Exhibit further states that [redacted] "admit[ted] that [he] violated City campaign finance laws by reimbursing contributions made to a city candidate in the name of other individuals without disclosing the true source of the contributions." The Exhibit explains:

> Violations of Charter § 470(k), such as reimbursing political contributions, circumvent the City's contribution limits. They are referred to as political money laundering and are considered to be one of the most serious transgressions that the Ethics Commission enforces against. This type of violation undermines the public's important interest in limiting campaign contributions and disclosing the sources of contributions . . . .

Page 4 of the Exhibit states the following facts in support of the finding that [redacted] had violated the referenced political money laundering law:

> Sometime during [October 2010], [redacted] discussed with [his] employee [about] raising approximately $5,000 in contributions for [a city candidate's] 2011 re-election campaign. [redacted] agreed to have [redacted] provide funds to reimburse the contributions. Through these efforts, [redacted] hoped to further [his] business interests by establishing good relationships with local politicians and the community. [His] employee complied with the agreement by soliciting contribution checks from family and business acquaintances in exchange for cash reimbursement. On October 14, 2010, [redacted] authorized the issuance of a $5,200 check drawn from an [redacted]

account for the purpose of reimbursing the contributors recruited by the employee.

The record shows that was fined $27,500 for violating the referenced political money laundering law, which he paid with a March 2015 check drawn from account.

offense disqualifies him from being an individual involved with a regional center, because it constitutes his having been found to have committed a civil offense involving fraud and deceit within the previous 10 years. Section 203(b)(5)(E)(iii)(III). Specifically, the evidence in the record – including the Proposed Stipulation, the Stipulation and Order, and its accompanying Exhibit – confirms that sought to, and did, intentionally conceal and disguise the true source of political contributions by asking an employee to recruit individuals to make political contributions, and then reimbursing those solicited contributors using funds. His action and admission to violating the political money laundering law support the finding that he has committed a civil offense involving fraud and deceit. Additionally, the Stipulation and Order is dated 2015, meaning in 2015, was found to have committed the civil offense, which is within the previous 10 years before the Applicant filed the Form I-956 application in 2023. *See* Section 203(b)(5)(H)(i)(I)(aa) of the Act; *see also* 8 C.F.R. § 103.2(b)(1) (providing that an applicant "must establish that [it] is eligible for the requested benefit at the time of filing the benefit request and must continue to be eligible through adjudication").

On appeal, the Applicant argues that FOD had "previously raised this issue [involving civil offense] many years ago in a notice of intent to deny ('NOID') for an [Form] I-924 application," and after reviewing the Applicant's response, "approved the [Form] I-924 application." The adjudication of the Form I-924 application was in accordance with the repealed Regional Center Program legislation, which did not include a provision specifying individuals who are ineligible to be involved with a regional center. The EB-5 Reform and Integrity Act, which governs the adjudication of the Applicant's Form I-956 application, however, specifies that an individual found to have committed an offense involving fraud or deceit within the previous 10 years is ineligible to be involved with a regional center. *See* Section 203(b)(5)(H)(i)(I)(aa) of the Act.

As supporting evidence, on appeal, the Applicant presents a November 7, 2025, letter from attorney, alleging that "no criminal charges filed, no referral for criminal prosecution, and the settlement agreement contained no finding of willful, knowing, or fraudulent misconduct." While offense was civil in nature, not criminal, it did involve fraud and deceit, and admission confirmed that his action was intentional. As discussed above, the record – including the Proposed Stipulation, the Stipulation and Order, and the accompanying Exhibit – confirms that knowingly solicited one of his employees to recruit individuals to make donations to a city candidate, with all parties understanding that he would then reimburse these individuals with funds. action was motivated by his desire to further his business interests. As explained in the Exhibit "admit[ted] that [he] violated Charter § 470(k) by laundering [11] political contributions," and that his actions were commonly "referred to as political money laundering and are considered to be one of the most serious transgressions that the Ethics Commission enforces against." Based on these reasons, the Applicant has not sufficiently established that "all persons [specifically involved with the regional center meet the requirements under clauses (i) and (ii) of [Section 203(b)(5)(H) of the Act]." *See* Section 203(b)(5)(E)(iii)(III) of the Act. The evidence

indicates that [redacted] is a person who has been found to have committed a civil offense involving fraud or deceit within the previous 10 years; and thus, he is ineligible to be involved with the regional center. *See* Section 203(b)(5)(H)(i)(I)(aa) of the Act.

Additionally, the Applicant claims on appeal, through [redacted] statement, that the Applicant is managed by [redacted] because its former manager [redacted] is in bankruptcy proceedings. As explained in FOD's RFE, "[a]ll persons involved with the regional center must submit [a] Form I-956H" and that a Form I-956H is required for both "an induvial and an organization," such as [redacted] The record does not include a Form I-956H for the regional center's manager. *See* 203(b)(5)(H)(v) of the Act. Based on the above reasons, we are dismissing the Applicant's appeal on the ground that it has not satisfied the requirements specified under Section 203(b)(5)(E)(iii)(III) of the Act, namely, it has failed to provide "attestations and information confirming that all persons involved with the regional center meet the requirements under clauses (i) and (ii) of [Section 203(b)(5)(H) of the Act]."

In the alternative, the Applicant has not demonstrated its eligibility for the Form I-956 application, because it has not satisfied the requirements under Section 203(b)(5)(E)(iii)(IV) of the Act. As noted, the Applicant must demonstrate "that the pooled investment will have a substantive economic impact on [a defined, contiguous, and limited] geographic area." One of the required types of evidence the Applicant must submit is "a description of the policies and procedures in place that are reasonably designed to ensure program compliance." Section 203(b)(5)(E)(iii)(IV).

The record does not support a finding that the Applicant's policies and procedures are reasonably designed to ensure program compliance. The Applicant has offered multiple letters from its counsel, acknowledging that [redacted] and multiple NCEs and JCEs associated with the regional center have filed for bankruptcy protection. According to a letter dated November 14, 2025, the [redacted] a JCE associated with the regional center, filed for bankruptcy protection. Its assets, including the ownership of a regional center affiliated EB-5 hotel project, were foreclosed and sold. The Applicant provides on page 2 of its appellate brief that the hotel project was incomplete at the time of the sale. Similarly, the November 14, 2025, letter from the Applicant's counsel indicates that regional center affiliated NCSs – [redacted] and [redacted] – as well as the regional center's former manager – [redacted] – are all in bankruptcy proceedings as of July 2025 because of their inability to progress in EB-5 projects. These regional center affiliated entities received significant amounts of EB-5 funds.

Additionally, in a May 2024 letter, the Applicant's counsel stated that seven investors who sought EB-5 classification filed a lawsuit against [redacted] and [redacted] alleging wrongdoing by these entities. The Applicant concedes on appeal that these actions are pending. Based on these ongoing actions that are likely affect the Applicant's operation and Regional Center Program compliance, the Applicant has not sufficiently demonstrated "that the pooled investment will have a substantive economic impact on [a defined, contiguous, and limited] geographic area," or that it has submitted "a description of the policies and procedures in place that are reasonably designed to ensure program compliance." Section 203(b)(5)(E)(iii)(IV). Based on the above reasons, we are dismissing the Applicant's appeal on the ground that it has not satisfied the requirements specified under Section 203(b)(5)(E)(iii), including subsection (IV).

III. CONCLUSION

The appeal is dismissed because the Appellant has not established eligibility for the Form I-956 application. Specifically, it has not submitted "attestations and information confirming that all persons involved with the regional center meet the requirements under clauses (i) and (ii) of [Section 203(b)(5)(H) of the Act]." *See* Section 203(b)(5)(E)(iii)(III) of the Act.

In the alternative, the Applicant's appeal is dismissed because it has not sufficiently established that its proposed "pooled investment will have a substantive economic impact on [a] geographic area," as the ongoing legal actions against its affiliated entities, former manager, and principal [redacted] do not support a finding that it has provided "a description of the policies and procedures in place that are reasonably designed to ensure program compliance." *See* Section 203(b)(5)(E)(iii)(IV).[1]

ORDER: The appeal is dismissed.

NOTICE: This constitutes the final decision in this matter. The filing of a motion will not postpone the effect of the decision. 8 C.F.R. § 103.5(a)(1)(iv). Aliens who are not lawfully present, or who are otherwise inadmissible or deportable, may be subject to the commencement of removal proceedings under section 240 of the Act through the issuance of a Form I-862, Notice to Appear. Those proceedings may result in their removal from the United States and possible ineligibility for future visas or other immigration benefits.

[1] FOD's decision raised other issues concerning the Applicant's eligibility for the Form I-956 application. We will reserve any eligibility issues not discussed in this decision for future consideration if the need arises. *See INS v. Bagamasbad*, 429 U.S. 24, 25 (1976) (per curiam) (holding that agencies are not required to make "purely advisory findings" on issues that are unnecessary to the ultimate decision).