Solving the Startup Visa Problem

Problem: University centers for entrepreneurship seek to prepare students to join an economy that is increasingly innovative, but finding the right mentors can be difficult. Founders rarely want to divert their attention away from their companies, while most students stumble into entrepreneurship accidentally rather than through traditional academic pathways.

Solution: By partnering with immigrant entrepreneurs via the Global Entrepreneur-In-Residence (Global EIR) program, universities can get access to these entrepreneurs' experience in the startup world and highly-skilled expertise to provide an educational resource for their students, while building both a strong tie to the local startup community and a local cluster of startups associated with the university brand—and most importantly, driving local job creation and economic growth.

Needed Launch Resources: The Global EIR program launches with a two-year pilot, starting with a launch cohort of two to three entrepreneurs and 10 companies over two years, which balances the scale of a pilot program with maximizing the overall success of the program with respect to expected startup failure rates. The program can grow from there based on entrepreneurial demand and available capital, but to get to launch, we recommend assembling a launch committee with the following champions:

- *Global EIR Angel*: A local community leader, generally an investor, who is tired of seeing visa problems end founders' American dreams
- *Private pilot funding*: Capital needs are determined by local parameters, including cost of living and the academic background of successful applicants
- *University champion*: This person or team—most often from the university's center for entrepreneurship or equivalent—will run the Global EIR program once it launches
- *Startup community support*: Engaging the local startup meetup and university hackathon communities is important to discover the best founder talent who need visas

How it Works:

1. *University Center for Entrepreneurship:* As the academic world moved into research commercialization in the 90s, by creating centers for entrepreneurship, universities have made the case that promoting entrepreneurship is a core part of their functionality

2. *Cap Exemption:* Under an immigration law from 2006, universities can apply for H-1Bs without being subject to the cap under the premise that the academic calendar and cap are misaligned. The federal immigration department agreed with our argument on the expansion of the university mission and approved many Global EIR-model visa applications.

3. *Two Paths:* Global EIR entrepreneurs qualify for the cap-exemption under two pathways: direct, part-time employment or through a legal collaboration and colocation model. Direct employment means the founders work part-time for the university under the cap-

exempt H-1B and support the university's entrepreneur programs, while they build their (pre-funded) startup. The university employment is at-will and employment will be offered at the sole discretion of the university center operating the program. The founder salaries will be funded through directed university donations into the program as part of a block grant that also covers university administrative overhead and legal fees.

Collaboration and colocation means the founders will work directly for their startup as long as it has sufficient capital in the bank to pay their salaries and an independent board that controls their employment. They will sign an agreement with the university on how the collaboration will benefit the university mission and agree to be located on or near campus.

4. *Visa Exits and Program Success:* Ultimately, Global EIR entrepreneurs can use their stable, predictable visa status to pitch their startup with a sufficient visa runway to satisfactorily address investor concerns about the founder(s) being forced to leave the country.

   With outside funding secured or sufficient revenues generated, other visa or green card options become feasible and desirable, while the shift off the cap-exempt H-1B by the Global EIR entrepreneur represents a successful outcome for the university program. The most common conclusions will be a Global EIR entrepreneur applying for either a startup-sponsored, full-time, cap-subject H-1B visa or an O-1 extraordinary talent visa.

Action: The Global EIR program is easy to set up and launch, and it can be launched by any other city or state with an interest in attracting and retaining startups and venture capital and driving local economic growth. Early adopters will reap significant economic development benefits for their regions, while VCs and accelerator groups that back this program will be able to invest in founders and startups who have traditionally been too risky due to visa risk.

Currently, Global EIR programs are running in Massachusetts, Colorado, New York, and Alaska, with more in the pipeline, and 26 visas have been approved (100% approval rate to date) by USCIS off of hundreds of interested entrepreneurs applying to university Global EIR programs, with Global EIR-affiliated companies raising over $100M and creating over 200 jobs.

Community Impact: The Pledge 1% Foundation helps startups incorporate with a pledge to give 1% back to their communities. For Global EIR, Pledge 1% represents a direct, immediate pledge of engaging immigrant entrepreneurs with local American communities. Further, in the long term, the pledge can be used as a source of sustainable funding for the university Global EIR program.

Global EIR Coalition: The Global EIR Coalition is a 501(c)3 non-profit that works with universities across the country to launch Global EIR programs, assists with recruiting immigrant entrepreneurs, and supports these programs to scale following launch.

If your organization is interested in learning more about the Global EIR program and whether it is a fit for your state, city, or university, please send an email to craig@globaleir.org