

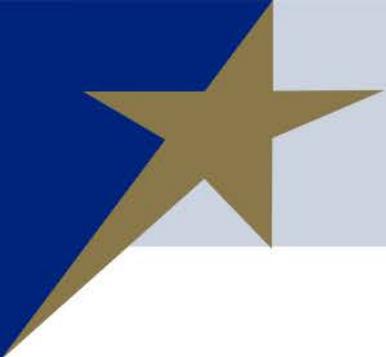


Targeted Employment Areas EB-5 Immigrant Investor Visas

**2012 Texas State Data
Center Conference for
Data Users**

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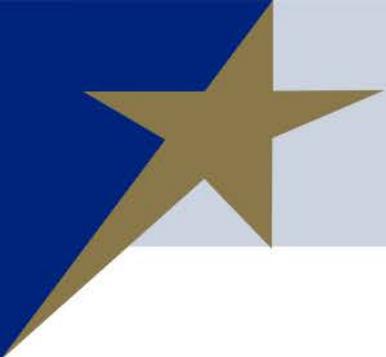
**May 22, 2012
Austin, TX**



You want us to estimate that?

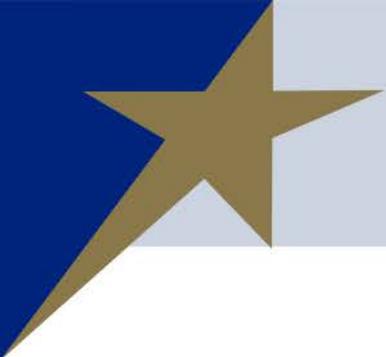
EB-5 Immigrant Investor

- Required minimum investments are:
 - General. The minimum qualifying investment in the United States is \$1 million.
 - Targeted Employment Area (High Unemployment or Rural Area). The minimum qualifying investment either within a high-unemployment area or rural area in the United States is \$500,000.



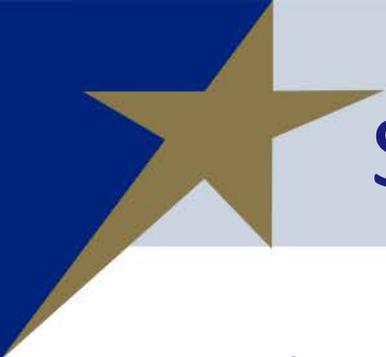
TEA

- A **targeted employment** area is an area that, at the time of investment, is a rural area or an area experiencing unemployment of at least 150 percent of the national average rate.
- Applicants for EB-5 visas must provide evidence that the new commercial enterprise has been established and is principally doing business in a targeted employment area (TEA).



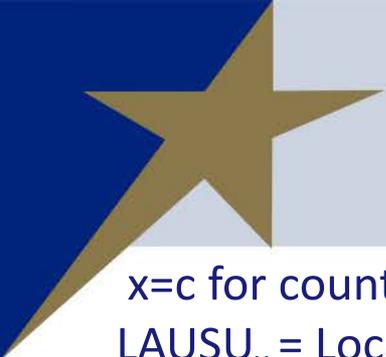
Estimating TEAs

- How to produce up-to-date estimates of unemployment rates for small geographies?
- Data:
 - Local Area Unemployment Statistics (LAUS) program through the U.S. Department of Labor's Bureau of Labor Statistics (quarterly) for county
 - persons employed, persons unemployed, and labor force participation
 - American Community Survey 5 year sample – county and census tracts



Small area unemployment rates

1. Using ACS the distribution of labor market characteristics (unemployment and labor force) is estimated for each county and each census tract.
2. For each census tract in each county, the proportion of county unemployment attributable to each census tract is estimated.
3. As new unemployment data become available county unemployed and the labor force are distributed using the ACS proportions (2)



x=c for county, i for census tract

LAUSU_x = Local Area Unemployment Statistics Unemployed (count)

LAUSLF_x = Local Area Unemployment Statistics Labor Force (count)

ACSU_x = American Community Survey Unemployment (estimate)

ACSLF_x = American Community Survey Labor Force (estimate)

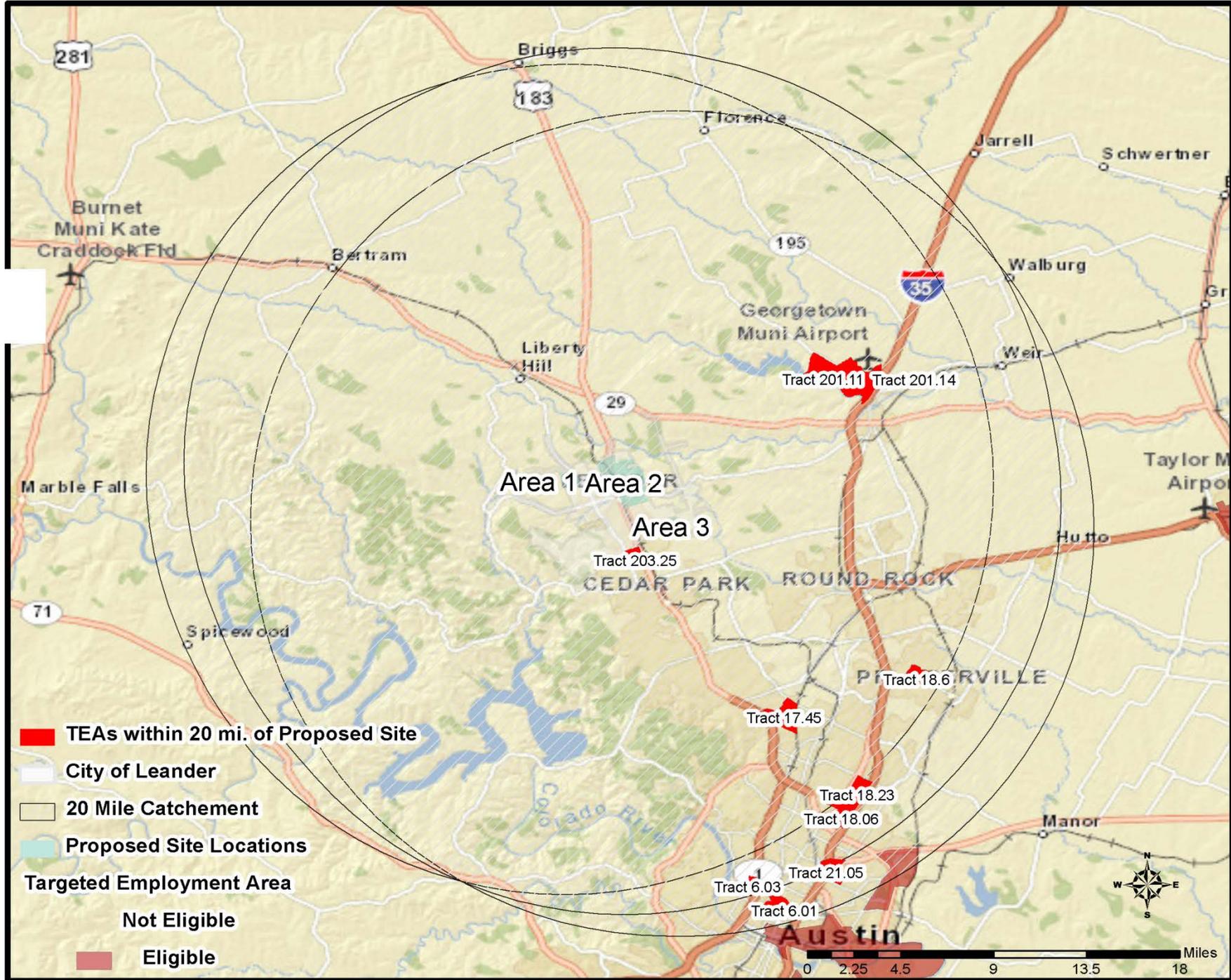
ACSU_iP = Proportion of county (c) unemployment in a census tract (i)=
 $ACSU_i/ACSU_c$

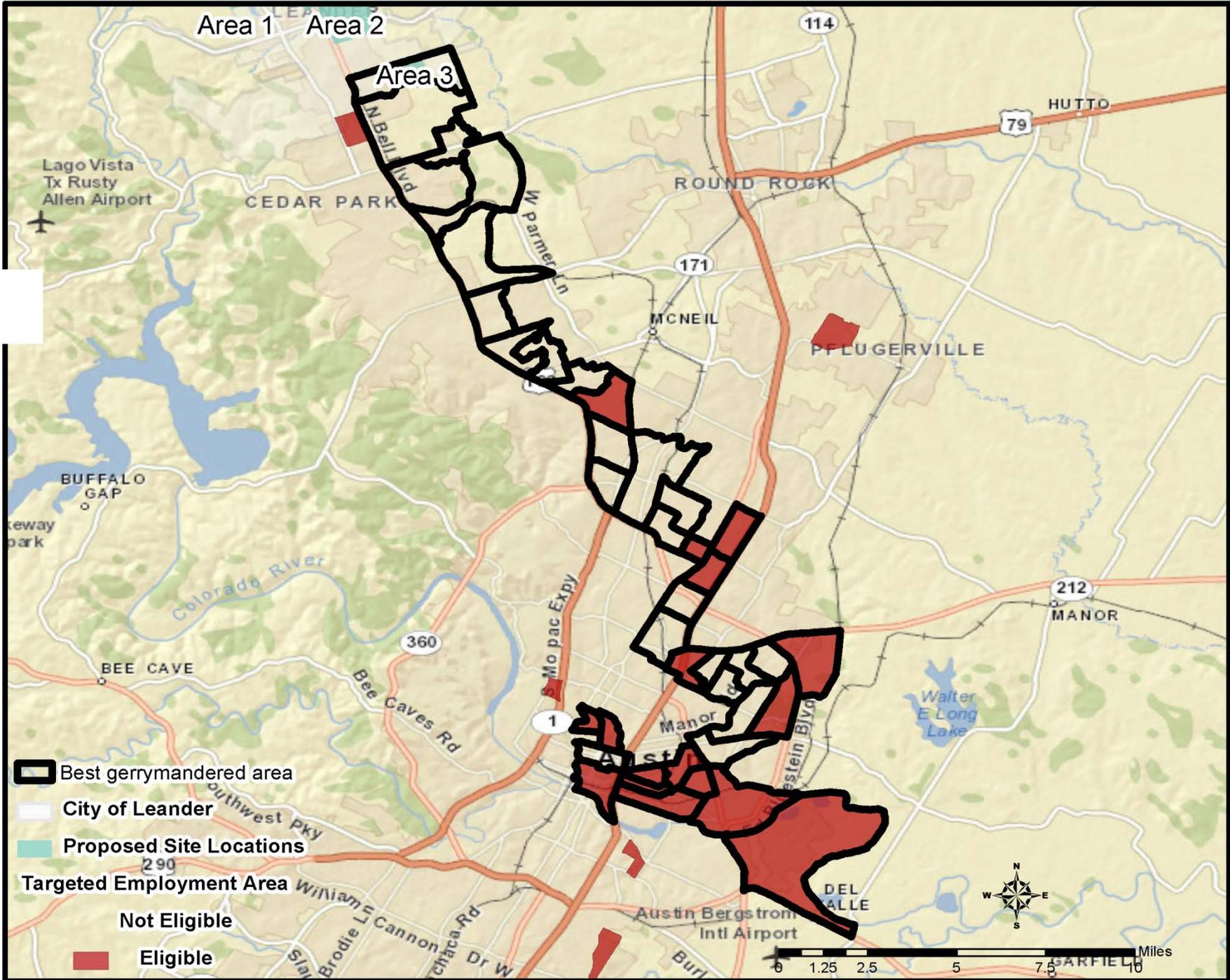
ACSLF_iP = Proportion of county (c) labor force in a census tract (i)=
 $ACSLF_i/ACSLF_c$

LAUSU_i= ACSU_iP x LAUSU_c

LAUSLF_i= ACSLF_iP x LAUSLF_c

URCT_i = Unemployment Rate Census Tract i = LAUSU_i/LAUSLF_i





-  Best gerrymandered area
-  City of Leander
-  Proposed Site Locations
-  Targeted Employment Area
-  Not Eligible
-  Eligible

