



Andria Strano
Acting Chief, Office of Policy and Strategy
Division of Humanitarian Affairs
U.S. Citizenship and Immigration Services
Department of Homeland Security
5900 Capital Gateway Drive
Camp Springs, MD 20746

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Re: Deferred Action for Childhood Arrivals, Notice of Proposed Rulemaking, U.S. Citizenship and Immigration Services, DHS Docket No. USCIS-2021-0006

Engine is a non-profit technology policy, research, and advocacy organization that bridges the gap between policy makers and startups. Engine works with government and a community of thousands of high-technology, growth-oriented startups across the nation to support the development of technology entrepreneurship through economic research, policy analysis, and advocacy on local and national issues. Immigration directly impacts startup formation and growth for the better, and DACA recipients—as well as Dreamers more broadly—are integral components of the startup ecosystem serving as both founders and critical members of the U.S.’ talent pipeline. We urge the Department of Homeland Security (DHS) to protect the Deferred Action for Childhood Arrivals program and to explore solutions that would provide Dreamers with a permanent pathway to citizenship.

Since the previous administration announced their decision to end the DACA program, countless technology companies and startups have spoken out in support¹ of DACA recipients and Dreamers, many calling upon Congress to provide a permanent pathway to citizenship for this critical talent pool. But, in July of this year, the Fifth Circuit ruled the DACA program was unlawful, shutting the door to those who were eligible but had yet to gain status, while Congress made little progress on passing a legislative solution. And while those that already had status were not affected, the continued uncertainty—including from judicial action—surrounding the program leaves DACA recipients unsettled, not knowing if there will ever be a pathway to citizenship in the only country many recipients have ever truly known.

The uncertainty experienced by DACA recipients presents a moral reason to develop a permanent solution for recipients and Dreamers more broadly, but there is also a significant business and economic case to be made. DACA recipients and Dreamers drive innovation, unearth discoveries, create new businesses, launch startups, and spur job growth. Failing to preserve the

¹ The Engine Team, Startups Paying Close Attention to DACA Decision (Nov. 13, 2019), <https://www.engine.is/news/startups-paying-close-attention-to-daca-decision>.

DACA program is, quite simply, a backwards decision for the country, particularly in light of the challenges associated with pandemic-related economic recovery.

Studies routinely depict the positive contributions of DACA-eligible individuals. They are more likely to launch new businesses than native-born Americans and are responsible for generating hundreds of millions of dollars in total business income.² According to a 2019 study from the Center for American Progress, 6 percent of DACA recipients under the age of 25 have started businesses of their own, as well as 9 percent of recipients over the age of 25.³ And immigrants more broadly are twice as likely as native-born Americans to start new businesses.⁴ Throughout the pandemic, DACA-eligible immigrants made especially valuable contributions in critical fields, including as essential workers in the healthcare industry.⁵ Generally, more than 45,000 DACA-eligible individuals are business owners,⁶ and as such, many are job creators. Businesses launched by DACA recipients are responsible for employing roughly 86,000 workers across the country.⁷ In fact, for those DACA recipients that own their own businesses, studies estimate 48 percent hire additional employees, averaging employing 4.5 workers.⁸ And many of these recipients work in the technology industry working to generate the products and services that help cement the U.S.' role as a leader in innovation with a strong startup ecosystem.

Critics of the DACA program often overlook these contributions and the benefits the program brings to startups and Americans through a wide lens. Beyond pandemic-related contributions, DACA recipients serve as critical members of the STEM community, upon which our startup ecosystem relies. Reports also routinely indicate the negative effects eliminating the DACA program would have on economic growth, including a potential \$460 billion loss in GDP over a decade, negating criticisms of the program.⁹

Failing to preserve and protect the DACA program, and more broadly Dreamers, will only serve to bolster the technology industries of countries in direct competition with the U.S.. During the previous administration, when multiple immigration programs were under attack, leading technology firms worked to expand operations in Mexico and devoted resources to developing talent there.¹⁰ And efforts were not only focused on building up the presence of large technology

² New American Economy, *DACA-Eligible Entrepreneurs Earned More Than \$658.7 Million in Total Business Income in 2015* (Jan. 31, 2018), <https://www.newamericaneconomy.org/press-release/daca-eligible-entrepreneurs-earned-more-than-658-7-million-in-total-business-income-in-2015/>.

³ Center for American Progress, *DACA Recipients' Livelihoods, Families, and Sense of Security Are at Stake This November* (Sept. 19, 2019), <https://www.americanprogress.org/article/daca-recipients-livelihoods-families-sense-security-stake-november/>.

⁴ Paul Wiseman, *American Dreamers: Why Immigrants Start so Many Businesses* (Feb. 27, 2018), <https://startupsusa.org/cae-news/american-dreamers-immigrants-start-many-businesses/>.

⁵ New American Economy, *supra* note 2.

⁶ *Id.*

⁷ Claudia Flores and Nicole Prchal Svajlenka, *Why DACA Matters* (April 29, 2021), <https://www.americanprogress.org/issues/immigration/news/2021/04/29/498944/why-daca-matters/>.

⁸ Center for American Progress, *supra* note 3.

⁹ FWD.us, *The Impact of DACA Program Repeal on American Jobs*, <https://www.fwd.us/news/daca-impact-report/>.

¹⁰ Salvador Rodriguez and Julia Love, *Mexico Tech Industry Benefits from U.S. Anti-immigration Stance* (Oct. 17, 2017), <https://www.reuters.com/article/us-trump-effect-mexico-tech/mexico-tech-industry-benefits-from-u-s-anti-immigration-stance-idUSKBN1CM1F2>.

companies, but also of startups.¹¹ Reports indicate that companies in Mexico even focused on recruiting Dreamers because of the strength of the talent pool, capitalizing off of the uncertainty of U.S. immigration programs under then-President Trump.¹² As key drivers of innovation and job creation in the U.S., America's startups, and their growth, are essential. The U.S. already erects significant barriers to entry throughout our immigration system including for high-skilled immigrants and foreign entrepreneurs, particularly as we lack a startup visa. Failing to preserve the DACA program and to provide permanent legal status for all Dreamers is simply yet another step in failing to support a robust and diverse startup ecosystem.

And while this proposed rulemaking is a positive step on behalf of the administration in crafting temporary security for the DACA-eligible, and we encourage the administration to move forward with the rule, it is only that; a step. Policymakers must do more to protect all Dreamers. The administration must push Congress to pass legislation to provide Dreamers with permanent legal protections, so that hundreds of thousands of people are not continually subjected to legal efforts that routinely challenge their right to live and work in the U.S. They should be free to live, found companies, and gain meaningful employment, including at U.S. startups. Simply “preserving and fortifying” the DACA program is not, and cannot be, enough.

Neglecting to protect the DACA program stands to deprive the nation of innovative entrepreneurial voices and could have a chilling effect on efforts to bring in highly-skilled workers and entrepreneurs. It sends the message to both immigrants and competing nations that the U.S. is not a welcoming and hospitable place for immigrants, and that perhaps they should apply their talents and pursue their innovative companies elsewhere. Dreamers contribute to the U.S. in real, tangible ways; we must ensure that they can continue to do so.

Engine urges the administration to continue efforts to protect the DACA program and Dreamers more broadly. And, in pursuing immigration reform broadly, to keep the needs of the U.S. startup ecosystem in mind. We look forward to continuing to work with the administration in efforts to bolster the U.S. STEM talent pool and to protect and provide a pathway to citizenship for all Dreamers.

Sincerely,

Engine
700 Pennsylvania Ave SE
Washington, D.C. 20003
policy@engine.is

¹¹ *Id.*

¹² *Id.*