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## SMALL BUSINESS

# A New Push for Entrepreneur Visas

By EMILY MALTBY

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Rutul Davé, a native of India, had an H1-B visa, which tied him to a specific firm. He couldn't start his own U.S. company until he got a green card. *Jason Henry for The Wall Street Journal*

Fabien Beckers of San Francisco is one of dozens of entrepreneurs traveling to Washington this month to press for legislation that would grant visas to immigrants starting businesses in the U.S.

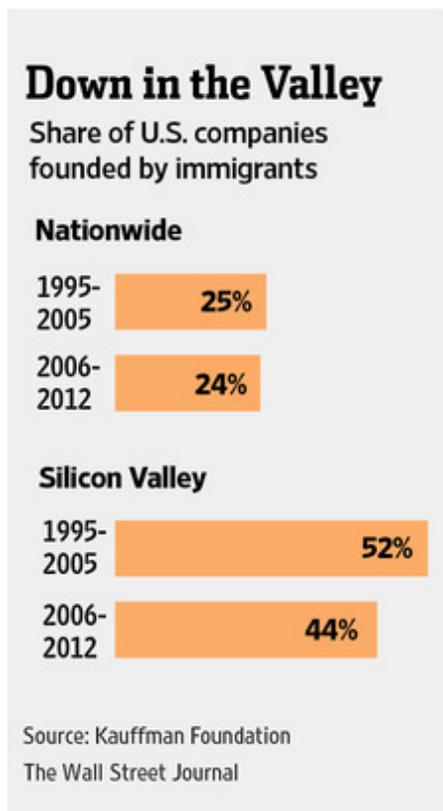
The Startup Act 3.0, a bipartisan Senate bill expected to be introduced this week, aims to get 75,000 new "entrepreneur visas" every year to founders who raise \$100,000 for new ventures that hire at least two employees within a year and at least five in the following three years.

The measure also would create 50,000 visas per year for foreign students who graduate from U.S. universities with advanced degrees in science, technology, engineering or mathematics, and spend at least five years pursuing careers in those fields.

President [Barack Obama](#) and top Senate Democrats say they support visas for newly minted Ph.D.'s and high-tech entrepreneurs, but they have consistently said such steps must be part of a broader package that includes establishing a pathway to citizenship for the estimated 11 million immigrants in the country illegally. That means Startup Act 3.0's provisions are more likely to become law as part of that package, if one passes.

Last November, the House passed a stand-alone bill that would have given visas to immigrants in high-

tech fields. Mr. Obama opposed the bill, and the White House said at the time it "does not support narrowly tailored proposals that do not meet the president's long-term objectives with respect to comprehensive immigration reform."



Even so, supporters say they will continue to emphasize the need for startup visas to produce more value-added, tech-oriented jobs. "It's our time," said Emily Lam, senior director of federal issues at the Silicon Valley Leadership Group of San Jose, Calif. The trade group, representing 375 companies in Silicon Valley, sent a dozen company founders to Washington last week to advocate for startup visas being included in a comprehensive bill.

"Momentum has been growing over the last two years to get something done and we are in a unique political moment to make it happen," said Steve Case, co-founder of AOL Inc., who supports an entrepreneur visa. The Startup Act was first advanced in 2011 by Sens. Jerry Moran (R-Kan.) and Mark Warner (D-Va.).

Mr. Beckers, a 39-year-old physicist from France, graduated from Stanford University with a master's of business degree in 2011 and set out to build software that could decipher heart defects from MRI readings. He and three business partners launched Morpheus Medical Inc., but found it difficult to raise money because funding was contingent on Mr. Beckers'

immigration status.

Mr. Beckers, who had a work visa that permitted him to stay in the country until Dec. 13, 2012, was denied an H1-B visa—a type for foreign employees of companies—because he couldn't demonstrate an employer-employee relationship with his company. But just before he was set to go back to France, he received an O-1 visa, designated for individuals with "extraordinary ability," which allows him to stay in the country three years.

The company later secured \$2 million in funding from investors and hired four full-time employees. "It was extremely stressful," he said. "My story exemplifies why the system is not working."

## The Accelerators

Should the U.S. ease up on visas for tech-oriented foreigners? See what our startup mentors have to say.

VIVEK WADHWA: [Startups Will Save America](#)

KATE MITCHELL: [Let Them Build our Future](#)

JOANNE WILSON: [Entrepreneurship Is Patriotic](#)

At the same time, the Startup Act's bipartisan support doesn't guarantee success because it contains potentially polarizing provisions, including a permanent 100% exemption on capital gains taxes for investments held for at least five years in businesses with less than \$50 million in total assets. That language is a carry-over from 2011, when the bill was first fashioned as a job-creating measure designed to get money off the sidelines and into new companies.

Coalitions of entrepreneurs are mobilizing to show their support, including Engine Advocacy, a startup and technology advocacy group in San Francisco that counts Mr. Beckers as a member.

Rutul Davé, 34, also is planning to go to Washington later this month. The native of India earned a master's degree in computer science from the University of Southern California and worked for various startups, including one acquired by Cisco Systems Inc. He was permitted to stay on an H1-B visa, but it tied him to his employer. "The only way to be an entrepreneur is by having a green card," he said. "I had moments where I thought, if I want to pursue my dream, I would have to move back to my own country."

He said he started the process of getting a green card—a permanent residency status—with sponsorship from Cisco and got one in 2008. That allowed him to start work on Bright Funds Inc., a San Francisco Web startup that helps charitable donors manage their contributions as they would a mutual-fund portfolio. The company, which launched in November 2012, currently has one full-time employee and several contract workers. He is planning to hire more this year.

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