

# The New York Times

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## A new low-interest loan for U.S. immigrants

In the long, long road to U.S. citizenship, immigrants face hefty financial obstacles. All in, including green card, application for citizenship, legal fees and payments for processors, at least [one estimate](#) puts the cost of citizenship at as much as \$11,000.

**A new program, financed by BlueHub Capital, aims to address that cost.** It offers a 1 percent interest loan to immigrants eligible to apply for citizenship. There are nine million immigrants eligible for citizenship in the U.S., BlueHub estimates, but the program has started small. Since it began in March, about 70 people have applied, according to Elyse Cherry, BlueHub's C.E.O.

"We have built this to be a scalable model, so we expect it to work with thousands and thousands of borrowers," Cherry told DealBook. "What we're really trying to do here is to build out a community of immigrants and all of the folks from the country who support them." The loan has no credit requirements or late or hidden fees.

**Many immigrants already take out loans to cover costs associated with the citizenship process, but usually at very high fees.** A survey conducted by a group affiliated with BlueHub of more than 1,200 people, found that 90 percent of immigrants borrowed to pay for citizenship. Two-thirds of borrowers said they drew on high-interest financing such as credit cards or payday lenders. A [2018 study by Stanford University researchers](#) found that subsidies could make a significant difference. According to the study, low-income immigrants who received fee vouchers to assist with the application cost naturalized at double the rate of those who did not.

**Compared with Canada, Australia and Britain, the percentage of immigrants to the U.S. who become citizens is low.** And U.S. naturalization rates have declined markedly between 1970 and 2011, the Stanford study found. This matters because citizenship is associated with economic and social gains, both for individuals and for the places where they live. Gaining legal status generally leads to better job prospects, higher incomes and higher rates of homeownership, research has shown. And that's on top of all the other rights and benefits of citizenship.

Luiz Sebastião Machado, a 72-year-old from Brazil who fixes vacuum cleaners and other equipment, said he was applying for citizenship using the 1 percent loan so he could have access to social security benefits once he retired.

Adina Appelbaum, a co-founder of financial planning firm Immigrant Finance, told DealBook that access to such a loan would make a significant difference to immigrant families. "One of the primary reasons that immigrants cannot apply for citizenship is the high fees," she said.