

February 9, 2015

The Honorable Jerry Moran Senator, Kansas U.S. Senate Washington, D.C. 20510

Senator Moran:

I write today on behalf of ACT | The App Association and the more than 5,000 mobile app and software companies we represent in support of The Startup Act. We want to thank you for introducing this important piece of legislation and for your continued leadership in the innovation economy.

The Startup Act addresses a critical issue facing the tech industry. There is a dramatic shortage of software developers and engineers on which our members depend. The Bureau of Labor Statistics (BLS) expects demand for app developers to grow more than 20 percent in the next decade. However, our colleges and universities have been producing far fewer computer science graduates than what is needed to meet this demand.

This issue is particularly challenging for smaller companies and first-time entrepreneurs. These startups and small companies make nearly 80 percent of the most successful apps, but are struggling to find qualified employees. Our 2014 State of the App Economy report found that of the top grossing app companies, more than half had unfilled positions, with small companies in need of an average of 10 employees.

For new businesses, a single developer or software engineer can make a substantial difference in the company's success. Some of our member companies report having entire teams dependent on a single employee. If one departs, it can mean the end of a project and the jobs associated with it.

With the creation of an Entrepreneur and STEM Visa system, startups will have access to urgently needed talent. Foreign students who are educated in the United States will now have the ability to fill STEM vacancies in American companies, and start new business ventures to create American jobs. The Startup Act will ultimately reduce barriers to growth, encourage investment in new businesses, and create a visa program that will fuel economic growth.

That is why app makers, startups, and small tech companies stand behind you with strong support for The Startup Act. We look forward to working with you and offer any assistance we can provide to ensure the success of this legislation.

Sincerely,

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Executive Director

ACT The App Association 1401 K Street NW Suite 502 Washington, DC 20005

