



U.S. Department of Justice
Immigration and Naturalization Service

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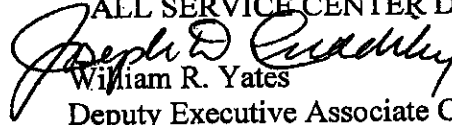
Office of the Executive Associate Commissioner

425 I Street NW
Washington, DC 20536

AUG -6 2001

MEMORANDUM FOR ALL REGIONAL DIRECTORS
ALL SERVICE CENTER DIRECTORS

FROM:


William R. Yates
Deputy Executive Associate Commissioner
Office of Field Operations
Immigration Services Division

SUBJECT: Proposal to Adjust Certain Immigration and Naturalization Benefit Fees

On August 8, the Immigration and Naturalization Service (INS) will publish a proposed rule in the *Federal Register* to adjust certain immigration and naturalization application and petition fees. A news release, internal questions and answers and a list of the proposed new fees are attached to this memorandum.

The public will have 60 days to comment on these proposed new fees. After receipt and review of public comments, INS will publish a final rule that it expects will make new fees effective in January 2002.

U.S. Department of Justice
IMMIGRATION AND NATURALIZATION SERVICE
Washington, DC 20536



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NEWS RELEASE

August 6, 2001

INS Seeks Public Comments on Proposed Fee Adjustments

WASHINGTON - The Immigration and Naturalization Service (INS) today announced its plans to seek public comments on its intentions to change its fee structure for immigration and naturalization services. INS is required by law to review fees every two years to ensure that it is recovering the full cost of processing benefit's petitions and applications. The proposed fees will be published in the *Federal Register* on Wednesday, August 8, 2001.

Federal guidelines require INS to establish and collect application fees to recover the cost of providing immigration adjudication and naturalization services, rather than supporting these services with tax revenue. This proposal is key to INS' commitment to provide immigration information and benefits to our customers in a timely, accurate, consistent, courteous, and professional manner.

The proposed rule provides for a 60-day public comment period. After receipt and analysis of the comments, INS will draft a final rule. Sixty days after publication of the final rule in the *Federal Register*, the new fees will go into effect. The INS expects the new fees will go into effect in January 2002.

A proposed rule **does not and cannot** by itself raise any immigration and naturalization application fees. It is only the beginning of the regulatory process where an agency announces its intentions to change its regulations, and solicits public comments on the effect of these changes.

To comment on the proposed rule, INS requests that applicants submit written comments in triplicate (one original and two copies) to the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service (INS), 425 I Street, N.W., Room 4034, Washington, D.C., 20536, Attention: Public Comment Clerk. The public may also submit comments electronically at insregs@usdoj.gov. To ensure proper handling, please reference INS Number 2072-00 on all correspondence. All comments received are available for public inspection at the above address. To arrange an appointment to review the comments, please call (202) 514-3048.

- INS -

QUESTIONS AND ANSWERS

Proposed Fee Adjustments

Why does INS charge fees for immigration and naturalization benefits?

INS uses revenue from application fees as the primary source of funding for the processing of immigration and naturalization benefits. Without collecting fee revenue, INS would not have funding for benefit processing, the asylum and refugee program or the ability to recover the full costs of similar benefit programs provided to other immigrants at no charge.

How were the proposed application/petition fee adjustments determined?

INS used the results of the FY 1997 fee review and adjusted them for inflationary factors based on Office of Management and Budget (OMB) figures. After adjusting the fees for inflation, INS increased the cost of each petition by \$5 to allow for investment in information technology and improvement of quality assurance programs which resulted in an increase of 17 percent - or approximately \$20 per application. The fee adjustment methodology used in this proposal is consistent with OMB's Circular A-25 that states, "Full cost shall be determined or estimated from the best available records of the agency." These adjustments should fully recover the costs of processing the immigration applications and petitions that the INS expects to receive in the next two years.

When are the new fees effective?

It is expected that, the fees will go into effect January 2002. A proposed rule on the fee adjustments appeared in the *Federal Register* on August 8, 2001. The proposed rule provides for a 60-day public comment period. After receipt and analysis of the comments, INS will draft a final rule. Sixty-days after publication of the final rule in the *Federal Register* the new fees will go into effect.

What factors did INS consider when determining the fee for each application/petition?

The OMB guidance directs Federal agencies to charge the "full cost" of providing benefits when calculating fees that provide a special benefit to recipients. Section 6(d) of OMB Circular A-25 defines "full cost" as including "all direct and indirect costs to any part of the Federal Government of providing a good, resource, or service." These costs include, but are not limited to, an appropriate share of salary and benefits of adjudicators, immigration information officers, clerical staff, and management; data entry and data processing; facilities rent and utilities; communications costs; postage; cost of certificate or card production; court costs for naturalization ceremonies; and the

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cost of FBI fingerprint and name checks. Other support program costs include training, finance, budget, records management, anti-fraud programs, human resources, procurement and legal activities associated with providing services.

The fees must also recover the cost of providing benefits to asylum and refugee applicants who do not pay processing fees. The costs of providing benefits to asylum and refugee applicants are quite significant -- adding \$100 million in costs annually, which the fees must fully recover. The fees must also make up for the revenues not collected when INS grants fee waivers.

Will INS conduct another fee review?

Yes. INS is required by law to review fees every two years to ensure that it is recovering the full cost of processing petitions/applications. INS will continue to build upon the Activity Based Costing model established by INS' FY 1997 review, as well as the lessons learned since to improve and refine methodologies.

How much additional revenue will the new fees bring into the INS? How will INS use these additional resources to improve INS?

If the fee adjustments become effective on January 1, 2002, INS anticipates collecting \$127 million in additional revenue in FY 2002. With the additional revenue, INS will:

- Recover the full costs of processing applications and petitions in order to ensure that current application backlogs do not increase;
- Invest in information technology to support improved business processes - including on-line filing and case status inquiry; and
- Expand quality assurance efforts to ensure the accurate and consistent adjudication of benefits.

Will the INS continue to raise fees? What is being done to improve efficiencies in the process?

INS continues to seek ways to improve productivity while decreasing costs. In the last few years, INS has reduced the time required by its adjudicators and clerks to process many applications/petitions due to careful management oversight and streamlined adjudication procedures. The proposed fee increase will allow INS to invest in information technology further increasing productivity and efficiency. INS is firmly committed to seeking new ways of doing business and redesigning processes in order to contain costs and pass on the savings to its customers.

What if an applicant/petitioner cannot afford the fee?

INS does have the ability to waive fees on a case-by-case basis. Any applicant or petitioner who has an inability to pay the fees may request a fee waiver from either a District or INS Center Director depending on where the petition/application is to be

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filed. INS interim field guidance on granting fee waivers are posted on the INS Web site www.ins.gov.

How may I provide comments on the proposed fee increases?

To comment on the proposed rule, INS requests that you submit written comments, in triplicate (one original and two copies) to the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service (INS), 425 I Street, N.W., Room 4034, Washington, D.C., 20536, Attention: Public Comment Clerk. The public may also submit comments electronically at insregs@usdoj.gov. To ensure proper handling, please reference INS Number 2072-00 on your correspondence. All comments received are available for public inspection at the above address. To arrange an appointment to review the comments, please call (202) 514-3048.