CITIZENSHIP APPLICATION BACKLOG

Question: What is the status of the INS citizenship application backlog? What is the Administration doing to reduce backlogs in other immigration service programs?

Answer: In 2001, INS will have achieved its naturalization completion goal by adjudicating over 1.3 million applications for citizenship and hopes to achieve a six-month processing time as the "standard" for citizenship.

The budget request continues support for a multi-year program to fix INS' immigration services program. It includes the establishment of an Immigration Services Capital Investment account, capitalized with $128 million in new funds ($35 million in direct appropriations/$93 million from new fees) to help attain a citizenship processing standard of six-months (down from 9 months at the end of FY 2000), support backlog reduction efforts in other immigration benefits, and re-engineer and streamline the immigration service delivery process. The funding will be targeted towards dedicated backlog reduction staff, expansion of a nationwide customer service/telephone center, records clean-up and centralization and automated system improvements. To monitor INS' progress, the Administration has instituted a monthly tracking system.

Naturalization Average Processing Times

		Projected	
FY 1998	FY 1999	FY 2000	FY 2001
27 months	12 months	6-9 months	6 months

Background: The Administration obtained $176 million in 1999 and $124 million in 2000 from both appropriated and reprogrammed sources to supplement INS fee revenue. This funding was earmarked to address an unacceptable citizenship application backlog which was forcing applicants to wait up to 27 months to naturalize in 1998.

Prepared by: [redacted]5)

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

Route Slip

TO: MICHAEL DEICH	Take necessary action	
	Approval or signature	
	Comment	
	Prepare reply	
	Discuss with me	
	For your information	
	See remarks below	

From: Steve Mertens — Date: February 9, 2000

Remarks:

Attached is background material in preparation for the White House Immigration Budget Briefing scheduled for **Friday, February 11 at 3:00 pm in Room 180 OEOB**.

I have included the INS budget rollout material for your review/use as well. I am awaiting a list of immigration group attendees which I will forward to you prior to the briefing.

If you need any additional material or have any questions, please let me know. Thanks.

Attachment

c: Ken Schwartz

LOAD-DATE: February 8, 2000

Copley News Service

February 7, 2000, Monday

SECTION: Washington - general news

LENGTH: 444 words

HEADLINE: INS promises prompter service but it wants a big tip

BYLINE: Joe Cantlupe

DATELINE: WASHINGTON

BODY:

The Immigration and Naturalization Service wants your tired, your poor and, uh, your money.

In the budget plan President Clinton submitted to Congress Monday, he proposed that the immigration service (INS) "guarantee" speedy processing for businesses that pony up an extra $1,000 for each foreign employee needing a temporary work visa.

Immigration advocates said that the proposal could create a two-tier system that favors deep-pocket businesses over colleges, research institutes and smaller firms.

"This "gold card' approach doesn't bode well for everyone in the visa queue," said Mark Krikorian of the Center for Immigration Studies. "If you give $2,000 does that mean you can sleep in the Lincoln bedroom, too?"

An immigration advocate, who declined to be identified, observed: "It gives the appearance of a government agency auctioning its services."

INS officials said the voluntary payment plan would raise some $80 million money that would help the beleaguered agency process millions of backlogged applications for green cards, work permits and citizenship.

Green cards allow immigrants to live and work legally in the United States and put them on the road to citizenship.

Under the INS plan, the so-called voluntary $1,000 premium-service fees attached to applications would "provide businesses with guaranteed processing within 15 days," officials said in a budget statement.

The fees then would be deposited in a new account to upgrade INS services, including "immigration benefit backlogs," officials said.

The INS processes hundreds of thousands of visas for non-immigrants workers annually. The most widely used program is the H1-B, which high-tech companies use to hire foreign computer programmers and engineers. The workers can stay for up to six years.

About one-quarter of the applicants currently must wait about a year for processing, officials said.

But critics said on Monday the INS plan is likely to add fuel to an already simmering controversy over the H1-B visas.

Since Congress has set a limit for the visas 107,000 for fiscal 2001 the administration proposal may make it even more difficult for universities and small businesses to obtain them, critics said.

"Are we setting up a tier in which some businesses can move over lines and get something faster by paying $1,000? I think the plan is going to raise a lot of eyebrows," said Angela Kelley, a spokeswoman for the National Immigration Forum, a Washington-based immigration advocacy group.

"The idea is, it's supposed to help expedite families waiting to adjust their status, but the whole thing is short on details."

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BORDER ENFORCEMENT AND FACILITATION

The 2001 Request Provides:

- $52 million to fund **430 new Border Patrol agents**, bringing the Border Patrol force to over 9,800 agents by the end of 2001. Funding is also provided to annualize the 430 agents added by Congress in 2000.

- Funding is also provided to expand INS' **border safety initiative** that focuses on providing information and signage to dissuade migrants from illegally crossing the border – particularly in areas that could lead to their injury and death (deserts in New Mexico and Arizona, All-American Canal in California)

- $20 million to expand the **remote video surveillance system**. This is expected to add 60-75 additional systems in 2001, in addition to the 150+ systems estimated to be up and running by the end of FY 2000. INS is targeting 31 systems along the Northern Border (Blaine, Washington and Buffalo, New York) in 2000.

- $22 million for **269 port-of-entry inspectors** at newly opening or expanding land, sea and airports and to enhance INS' ability to **meet the border facilitation standards** at ports of entry. This funding will primarily be used to staff facilities that opened in 2000 (115 land inspectors and 154 airport inspectors).

- $56 million to fund **pay reform for Border Patrol agents and inspectors**. Reforms include upgrading journeyman pay from a GS-9 to a GS-11; providing recruitment bonuses and changing overtime compensation for Border Patrol agents.

- $120 million to **add over 1,000 new detention beds**, 250 detention and deportation support staff and transportation to support alien removals. This enhancement will bring INS' detention bedspace to 20,000 bed in FY 2001.

    - This funding level also include $9 million to expand INS' **detention standards program** to ensure that all aliens held by INS or in State and local detention facilities meet a base standard of providing legal reference materials, legal consultation privacy and legal representation. This enhancement builds on $8 million funding provided in 2000 as part of the detention budget amendment. Detention standards are an interest to the immigration lawyers groups and are endorsed by the AG.

Background:

- The immigration groups are not much interested in INS' enforcement functions. They believe Congress and this Administration have given enforcement too high of a priority. Stress the border safety and detention standards issues because both put a more human face on INS' enforcement program.

- The Border Patrol force will have increased by over 5800 agents (148 percent) from the 3,965 agents on board in 1993. This staffing increase coupled with border barriers and technology has resulted in dramatically improved border management in areas like San Diego and El Paso where the Border Patrol has achieved a level of control unimagined only a few years ago.

- INS has had difficulty hiring new agents in 1999. The 2000 and 2001 funding level provides for an achievable hiring level that maintains agent growth while ensuring a quality workforce. The recommended staffing level will also permit the INS to improve its journeyman to entry level agent ratio. Currently, over 38 percent of Border Patrol agents have less than 3-years experience. A 1995 International Association of Chiefs of Police report cautioned that allowing the ratio of inexperienced to experienced Border Patrol agents to exceed 30 percent could lead to performance problems.

- INS will continue to expand critical technology efforts by deploying Remote Video Surveillance Systems along the border to allow for monitoring the border from remote sites.
- This budget also focuses on the priority to facilitate legal immigration, while deterring illegal immigration, by funding an additional 115 land border Immigration Inspectors and 154 airport Immigration Inspectors.
- The budget strengthens INS efforts to identify and remove criminal aliens by increasing and improving detention bed space. The budget requests $78.9 million to fund an average of 1,000 new daily state and local detention bed spaces. INS will also expand its ability to enter information into the National Crime Information Center database, allowing nationwide computerized identification and apprehension of previously deported criminals.
- This budget responds to INS' growing infrastructure requirements by providing $77 million for the construction of Border Patrol and detention facilities.

Executive Summary

The President's Fiscal 2001 Immigration Budget

2/07/00

Strengthening the Nation's Immigration System

The Fiscal Year 2001 budget request for the Immigration and Naturalization Service (INS) totals $4.8 billion, an 11-percent increase over FY 2000. With this budget, the Administration will have increased INS funding by 219 percent since FY 1993. The FY 2001 budget includes $523.2 million in new initiatives. The budget will add a total of 1,305 new positions, allowing INS to grow to 33,122 positions by the end of FY 2001.

The FY 2001 budget supports the immigration goals and strategies that the Administration and the agency have pursued effectively over the past several years. These include improving customer service, facilitating legal immigration while deterring illegal immigration, and removing criminal and other illegal aliens from the United States.

The budget allows INS to build on its successful efforts to bring integrity and safety to the borders and improve the quality of life in border communities. It also enhances the agency's ability to remove those who are living and working in the country illegally.

In addition to strengthening enforcement, the FY 2001 budget intensifies INS' focus on service. For the first time, the budget calls for a fund to address ongoing infrastructure needs that are not currently covered by application fees. This Capital Investment Account would be used solely to fund immigration services and benefits.

Key initiatives in the FY 2001 budget include:

- Creating an Immigration Services Capital Investment Account (ISCIA) to be used to fund infrastructure improvements, systems upgrades, and to address immigration benefit backlogs. This marks the first time INS would have a dedicated fund, separate from the Examinations Fee Account (which is funded solely through application fees) that draws on other funding sources to pay for key service-related initiatives. INS is anticipating $127.3 million in the ISCIA, funded from $34.8 million in direct appropriations and the balance from portions of two proposed new fees, a Premium Service Fee for businesses and fees from the re-authorization of a permanent 245(i) adjustment-of-status program.
- Proposing a voluntary Premium Service Fee of $1,000 for business-related applications, which will provide businesses with guaranteed processing within 15 days. Fees received above the cost of the guaranteed processing time for the applications and deterring benefit fraud will be deposited in the ISCIA to support service-related infrastructure improvements, benefiting all INS customers.
- Strengthening the multi-year border enforcement effort by providing a $52 million increase to the Border Patrol. This will fund 430 additional Border Patrol Agents, increasing staff to more than double the FY 1993 level.
- Providing $69.8 million to support pay reform and position upgrades for Border Patrol Agents and Immigration Inspectors, which will help recruit and retain these mission-critical personnel in a tight labor market.

- Continuing to expand critical technology efforts by deploying Remote Video Surveillance Systems along the borders to monitor illegal activity from remote sites.
- Focusing on facilitating legal immigration while deterring illegal immigration, by funding an additional 115 land border Immigration Inspectors and 154 airport Immigration Inspectors.
- Strengthening efforts to identify and remove criminal aliens by increasing and improving detention bed space. The budget requests $78.9 million to fund a daily average of 1,000 new state and local detention bed spaces. INS will also expand its ability to enter information into the National Crime Information Center database, allowing nationwide computerized identification and apprehension of previously deported criminals.
- Responding to INS' growing infrastructure requirements by providing $77 million for the construction of Border Patrol and detention facilities.
- Ensuring the professionalism of the workforce by dedicating $10.1 million to improve personnel management and accountability and to increase support staff.

Summary of Immigration Budget Enhancements

($ in millions)

	Funding	Positions
BORDER MANAGEMENT		
Border Enforcement - Border Patrol Agents	$52.0	430
Border Facilitation - Inspectors (Air and Land)	22.4	269
Border Patrol Pay Reform	40.9	-
Inspections Pay Upgrades	28.9	-
Border Enforcement - Technology	20.0	-
SUBTOTAL	**$164.2**	**699**
DETENTION AND REMOVAL		
State and Local Detention Bed Space	$78.9	109
Detention Standards	8.6	80
Juvenile Detention Bed Space	8.5	11
National Transportation System	15.5	0
National Crime Information Center	8.0	50
SUBTOTAL	**$119.5**	**250**
INSTITUTIONAL INFRASTRUCTURE		
Border Patrol Construction Projects	$47.0	-
Detention Construction Projects	24.8	-
Border Infrastructure	3.3	-
Repair and Alterations	2.0	21
SUBTOTAL	**$77.1**	**21**
IMMIGRATION SERVICES		
Improving Services and Preventing Benefit Fraud	$25.0	195
Immigration Services Capital Investment Account	127.3	-
SUBTOTAL	**$152.3**	**195**
PROFESSIONALISM AND INFRASTRUCTURE		
Financial and Debt Management Services	$3.3	60
Administrative Center Staffing	2.0	30
Legal Proceedings Base Shortfall	4.8	50
SUBTOTAL	**10.1**	**140**
TOTAL INCREASE REQUESTED	**$523.2**	**1,305**

Fact Sheet

The President's Fiscal 2001 Immigration Budget

2/00

Border Management

The FY 2001 budget includes $164.2 million and 699 new positions to enhance INS' border management strategy, facilitating the flow of legal immigration while preventing the illegal entry of people and contraband.

The FY 2001 budget strengthens enforcement efforts by funding 430 additional Border Patrol Agents to increase staffing to more than double the FY 1993 level. Given the tight labor market of the past year, this budget also focuses on recruitment and retention of Border Patrol Agents. Funding is requested for a comprehensive pay reform package that will put INS in the strongest position to recruit new agents and retain experienced agents.

INS will continue to expand force-multiplying technology efforts by expanding the Integrated Surveillance Intelligence System (ISIS), which provides agents the capability to monitor the border from remote sites, thus increasing their efficiency and safety.

At the same time, this budget also maintains INS' focus on facilitating legal immigration, by funding an additional 269 Immigration Inspectors. As a result of the dual focus on enforcement and facilitation, INS has been able to enhance its enforcement capabilities while reducing waits for those seeking to cross the border at ports of entry.

Border Enforcement – Border Patrol Agents

A total of 430 Border Patrol Agents and $52 million will strengthen INS multi-year border enforcement efforts. On the frontline of INS efforts to deter illegal immigration, these Border Patrol Agents will be critical to continue restoring integrity and safety to the borders, thereby improving the quality of life in border communities. In an environment of budget constraints and clear limitations, this budget reflects an increase in new agents as well as a focus on efforts, such as pay reform, to recruit and retain agents. **($52 million)**

Border Enforcement – Technology

The overall technology request includes $20 million to deploy additional Remote Video Surveillance Systems, the camera portions of ISIS. The effectiveness of the agents will be enhanced by the deployment of this force-multiplying technology, allowing INS to continue the expansion of efforts to deter and prevent illegal border crossings. **($20 million)**

Border Facilitation – Air and Land Ports of Entry

The budget requests a total of 154 new Immigration Inspectors to staff new international airport terminals that are scheduled to be fully operational during FY 2000 and FY 2001. These positions will enable INS to continue to meet established inspection times at major airports. **($12.3 million)**

A total of 87 new land border Inspectors will support new ports of entry opening in FY 2000 in Eagle Pass, Los Tomates and Laredo, Texas. The requested positions will enable INS, in conjunction with U.S. Customs Service, to ensure that primary inspection lanes at these new ports will be sufficiently staffed for peak travel times. In addition, 28 Inspectors will handle increased workload at land border ports related, in part, to the expedited removal process. **($10.1 million)**

Pay Reform

INS plans to implement a comprehensive pay reform initiative for Border Patrol Agents and Immigration Inspectors. Pay reform will improve INS' ability to recruit and retain mission critical staff. The initiative also responds to changes within the nature of the work performed by Border Patrol Agents and Inspectors.

- **Border Patrol** – A total of $40.9 million is requested to fund a pay reform initiative for Border Patrol Agents that includes (1) upgrading the journey level from GS-9 to GS-11 (which provides additional potential for promotion while still serving in a non-supervisory position), and (2) changing overtime compensation for Border Patrol Agents so that the system is more consistent with other federal law enforcement occupations. The nature of Border Patrol work has evolved to the point that agents routinely use advanced technology and are required to engage in investigative and intelligence work. **($40.9 million)**
- **Inspections** – The INS budget request includes an increase of $28.9 million to upgrade the journey level of Immigration Inspector positions from GS-9 to GS-11. This reform recognizes the changes in an inspector's job imposed by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996—increased knowledge requirements and enhanced authorities and responsibilities, including the ability to remove aliens attempting illegal or fraudulent entry into the United States. **($28.9 million)**

FY 2001 Initiatives
($ in millions)

Initiative	S&E	Fees	Total
Border Enforcement – Border Patrol Agents	$ 52.0	$ –	$ 52.0
Border Enforcement – Technology	20.0	–	20.0
Border Facilitation – Immigration Inspectors	10.1	12.3	22.4
Inspectors Pay Upgrades	15.1	13.8	28.9
Border Patrol Pay Reform	40.9	–	40.9
TOTAL	$138.1	$26.1	$164.2

Fact Sheet

The President's Fiscal 2001 Immigration Budget

2/7/00 (rev.)

Immigration Services

In FY 1999, INS met its naturalization (N-400) goal by completing more than 1.2 million naturalization applications—a 105-percent increase over the number of applications completed the previous fiscal year. The agency is now on track to meet its FY 2000 goal of completing 1.3 million naturalization applications, which will mean a national average processing time of six months. The agency is also positioned to take on other immigration benefit caseloads more effectively, such as adjustment-of-status (I-485) applications. In FY 2000, INS plans to complete 500,000 adjustment-of-status applications—a 67 percent increase from the number of applications completed during the previous fiscal year.

To sustain this effort in FY 2001, the INS budget includes $807 million for the Examinations Fee Account (funded solely through the collection of fees from applicants) and projects $127.3 million in a new account, the Immigration Services Capital Investment Account (ISCIA). With these resources, INS will maintain the six-month processing for naturalization applications and continue to reduce the adjustment of status backlog by completing 600,000 applications.

In FY 2001, INS is proposing a voluntary Premium Service Fee of $1,000 for business cases, which will guarantee processing within 15 days. This initiative will provide businesses with an option to the regular processing of business cases which currently take from 60 days to more than one year, depending upon the form type and the servicing office. INS estimates that for FY 2001 the proposed Premium Service Fee could generate an estimated $80 million in additional revenue.

Of the $80 million generated, $25 million will be dedicated to guaranteeing the premium service and benefit fraud deterrence, and the remaining funds applied to capital investment items. Details on this new fee will be included in a proposed rule to be published in the *Federal Register* and will invite public comment before implementation.

Improving Services and Preventing Fraud

$25 million of the Premium Service Fee would provide the expedited service for businesses. This funding also will increase resources dedicated to detecting and investigating benefits fraud, which includes production and use of fraudulent documents and misrepresentation of eligibility to illegally apply for immigration benefits. Enhanced activities in anti-fraud operations will include checking evidentiary submissions, initiating field investigations as needed, and expanding data sharing with other agencies.

Other service improvement efforts include $1.5 million for citizenship testing as part of the ongoing reengineering of the naturalization process that began in 1997. The resources in the FY 2001 budget will enable INS to contract for the development of a new test, designed to ensure that naturalization applicants undergo consistent, uniform testing procedures. **($25 million)**

New Capital Investment Account

For the first time, INS is establishing a fund, the Immigration Services Capital Investment Account (ISCIA), to address ongoing infrastructure needs that are not currently covered by application fees. This funding in the ISCIA would be used solely for funding infrastructure improvements and addressing immigration benefit backlogs, supporting systems upgrades, and supplying information to customers, such as INS' new nationwide toll-free hotline. INS is anticipating $127.3 million in the ISCIA from direct appropriations ($34.8 million); portions of a new voluntary Premium Service Fee ($55 million), permitting businesses to pay for accelerated processing of employment-related applications; and a portion of the funding from re-authorization of a permanent 245(i) adjustment-of-status program ($37.5 million). **($127.3 million)**

FY 2001 Initiatives
($ in millions)

Initiative	S&E	Exams	Total
Improving Services and Preventing Fraud	$ –	$25.0	$25.0
Immigration Services Capital Investment Account	34.8	92.5	127.3
TOTAL	**$34.8**	**$117.5**	**$152.3**

Fact Sheet

The President's Fiscal 2001 Immigration Budget

2/7/00 (rev.)

Detention and Removal

The FY 2001 Budget includes $119.5 million and 250 new positions to strengthen efforts to identify and remove criminal aliens by increasing and improving detention bed space and transportation. INS will also expand its ability to enter information into the National Crime Information Center (NCIC) database, allowing nationwide computerized identification and apprehension of previously deported criminals.

State and Local Detention Bed Space

To comply with the mandatory detention requirements of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, the budget requests 25 Deportation Officers, 67 Detention Enforcement Officers, and 17 support positions to sustain an additional 1,000 average daily state and local detention bed spaces. This initiative includes resources to detain, remove and transport aliens. **($78.9 million)**

Detention Standards

The budget requests $8.6 million and 40 Deportation Officers, 37 Detention Enforcement Officers, and three Procurement Officers to implement detention standards at the state and local prisons and jails where INS contracts for detention beds. This initiative will enable INS to implement a program for all aliens in INS detention that includes a legal rights video presentation, access to legal materials, private telephone access, and visitation in private consultation rooms for attorney/client meetings. INS officers will provide management and liaison with the facilities to implement and maintain detention standards, initially focusing on the largest facilities before upgrading smaller facilities. **($8.6 million)**

Juvenile Detention Bed Space

The budget requests $8.5 million to fund 120 critically needed juvenile detention bed spaces nationwide, as well as providing resources for detention vehicles and other support equipment. The budget also requests seven Deportation Officers, three Detention Enforcement Officers, and one Procurement Analyst to manage the cases, transport the juveniles and implement removals. **($8.5 million)**

National Transportation System

The budget includes $15.5 million to fund an increase of 16,000 detainee transfers and repatriations as part of the Justice Prisoner and Alien Transportation System (JPATS). JPATS, created in 1995 by the U.S. Marshals Service and INS, is an air transportation system to transfer or repatriate federal prisoners and detainees. This funding will allow INS to increase its number of JPATS transfers and repatriations to a total of 85,000 in FY 2001. **($15.5 million)**

National Crime Information Center (NCIC)

The budget includes $8.0 million for 18 Deportation Officer and 32 program specialist positions for improvements in INS' use of the NCIC system, an FBI-operated database to track criminals. INS enters deported felons into the database. Included in the request are resources for alien detention, the installation of NCIC terminals and connections, detention vehicles, travel costs and alien removals. The additional staff will allow INS to better coordinate the daily use of NCIC, validate the quality of records, confirm the accuracy of the data, respond to hits on INS records in NCIC, and take custody, transport, detain and remove aliens apprehended by other law enforcement agencies. **($8.0 million)**

FY 2001 Initiatives
($ in millions)

Initiative	S&E	BBDF*	Total
National Transportation System	$10.0	$5.5	$15.5
Juvenile Detention Bed Space	3.5	5.0	8.5
State/Local Detention Bed Space	51.9	27.0	78.9
Detention Standards	8.6	–	8.6
National Crime Information Center (NCIC)	8.0	–	8.0
Total	$82.0	$37.5	$119.5

* The $37.5 million in the Breached Bond Detention Fund will come from a proposed re-authorization of a permanent 245(I) adjustment-of-status program.

Fact Sheet

The President's Fiscal 2001 Immigration Budget

2/00

Professionalism and Infrastructure

For FY 2001, INS requests $10.1 million to continue improving the institutional development and infrastructure needed to sustain the enormous growth in the workforce over the past several years. This priority provides critical services for balanced support of the service and enforcement missions of the agency. It also ensures that a motivated and diverse workforce is well-trained to do its job. The Professionalism and Infrastructure initiative focuses on improving personnel management and accountability, restoring support staff for operational activities in the Regions and Headquarters, and integrating mission functions and strategies. This initiative will improve INS' ability to provide sustained support of its operational components and specific infrastructure and professionalism objectives to:

- Reduce the shortfall in meeting training requirements;
- Improve professionalism and motivation by effectively managing diversity in the INS workforce and through more flexible career development and geographic mobility strategies; and
- Strengthen organizational discipline and responsiveness by establishing more effective internal communication methods, and by better integrating strategic planning across enforcement and service functions.

Financial Management System

This request for the Federal Financial Management System (FFMS) will further INS' ability to become compliant with requirements of the Chief Financial Officers Act of 1990, and the Government Management Reform Act of 1994, for auditable financial statements that more accurately track the status and use of funds. These resources support the Administration's priorities to enhance professionalism and improve accountability within the INS financial management process. **($4.2 million from DOJ's Asset Forfeiture Fund)**

Legal Proceedings Base Shortfall

The INS budget requests 34 attorneys and 16 support staff to partially remedy serious understaffing of the Legal Proceedings Program. The Legal Proceedings Program provides the full range of legal support, including core responsibilities for representing INS before the Immigration Courts and the Board of Immigration Appeals. In addition, recently enacted legislation and new Congressional mandates and resources granted to the Service have increased the need for legal services support of expanded enforcement activities, increased arrests, criminal alien removal programs, Institutional Removal Programs, anti-smuggling efforts, conveyance seizures, expedited removal proceedings, and mandatory detention and removal of illegal aliens. The U.S. Army Manpower Analysis Agency recently completed a comprehensive review and documented the inadequate staffing needs in a 600-page report. The resources requested provide funding and positions for only a portion of the total documented shortfall. **($4.8 million)**

Administrative Center Staffing

Overall base resources for the Administrative Centers are inadequate to meet present commitments, thus resulting in significant backlogs and excessive overtime costs. The Administrative Centers need 30 positions to restore service to an acceptable level to meet needs for contracting, personnel and other administrative services in a growing agency. Current base resources allow only limited guidance and training to implement new initiatives, particularly in customer service areas.
($2.0 million)

Financial and Debt Management Services

- The requested 60 positions will provide INS with a fully operational Debt Management Center (DMC) that will report to the Office of Financial Management. This center will perform all duties and responsibilities for the servicing of deposits and bond receipt administration, as well as the collection and administration of other account-receivable services (e.g., administrative fines and uncollectable checks). Congressional approval of the INS finance restructuring included approval of a DMC for Burlington, Vermont, as well as the Dallas Finance Center. This request is the first step in implementing this plan. This restructuring, together with the implementation of new financial systems, requires additional resources to handle the increasing data-entry workload. This initiative will provide INS with improved financial reports and systems control. **($3.3 million)**

FY 2001 Initiatives
($ in millions)

Initiative	S&E
Financial Management Systems (Funded from Asset Forfeiture Fund)	[4.2]
Legal Proceedings Base Shortfall	4.8
Administrative Center Staffing	2.0
Financial and Debt Management Services	$ 3.3
Total	**10.1**

Fact Sheet

The President's Fiscal 2001 Immigration Budget

2/00

Construction

The FY 2001 INS budget includes $77.1 million for a portion of the infrastructure requirements resulting from INS' rapid growth in personnel and enforcement capability over the past seven years. In FY 2001, needed infrastructure projects are focused on construction of Border Patrol stations and detention facilities.

FY 2001 Initiatives
($ in thousands)

Border Patrol Construction Projects	Amount
Texas	
Construction Projects	
Rio Grande City BP Station	$ 3,837
Sanderson BP Station	3,880
Hebbronville BP Station	1,955
Laredo Sector Checkpoint System (5 sites)	400
Del Rio Sector Checkpoint System (5 sites)	400
Subtotal	**10,472**
Planning/Site Development/Design	
McAllen, BP Station	813
Port Isabel, BP Station	500
El Paso, BP Station	865
Eagle Pass, BP Station	834
McAllen, BP Sector Headquarters	685
Subtotal	**3,697**
TOTAL, Texas	**$14,169**
California	
Construction Projects	
Temecula, BP Station	$ 5,373
Campo, BP Station	5,000
El Centro, BP Station	4,000
Subtotal	**14,373**
Planning/Site Development/Design	
El Cajon, BP Station	$ 307
TOTAL, California	**$14,680**

Border Construction	Amount
Arizona	
Construction Project	
Tucson, BP Station	$ 500
Douglas, BP Station	8,000
Yuma, BP Station	5,133
Yuma Sector Headquarters	4,000
Subtotal	**17,633**
Planning/Site Development/Design	
Tucson Sector Headquarters	**$ 520**
TOTAL, Arizona	**$18,153**
Border Infrastructure	**$ 3,300**
TOTAL	**$50,302**

Detention Construction Projects	Amount
Texas	
Construction Projects	
Port Isabel SPC: 200-bed dorms (two)	$ 6,400
Port Isabel SPC Phase 2 (process/infirmary/security command)	4,000
Subtotal	**10,400**
Planning/Site Development/Design	
Port Isabel SPC Phase One A	$1,500
El Paso SPC Secure & Isolation Dorms	1,149
Subtotal	**2,649**
TOTAL, Texas	**$13,049**
Florida	
Construction Projects	
Krome SPC admin/EOIR Bldg	$ 9,500
Planning/Site Development/Design	
Krome SPC Admin & Site Infrastructure	$ 1,184
TOTAL, Florida	**$10,684**
California	
Construction Projects	
San Pedro SPC Maint/Electronic Shop Upgrade	$ 800
Planning/Site Development/Design	
El Centro SPC Expansion Projects Phase One	$ 300
TOTAL, California	**$1,100**
TOTAL Detention Construction	**$24,833**
Repairs and Alterations	**$2,000**
TOTAL	**$77,135**

TALKING POINTS FOR THE INS FY2001 BUDGET

- INS' Fiscal Year 2001 budget totals $4.81 billion, an 11-percent increase over FY 2000. With this budget, the Administration will have increased INS funding by 219 percent since FY 1993.
- The FY 2001 budget includes $523 million in new initiatives. The budget will add a total of 1,305 new positions, allowing INS to grow to 33,122 positions by the end of FY 2001.
- The FY 2001 budget supports the immigration goals the agency and the Administration have pursued effectively over the past several years. These include improving customer service, facilitating legal immigration while deterring illegal immigration, and removing criminal and other illegal aliens from the United States.

IMPROVING CUSTOMER SERVICE

- INS' FY 2001 budget intensifies the agency's renewed focus on customer service. For the first time, INS is establishing a fund to address ongoing infrastructure needs that are not currently covered by applicant fees.
- The Immigration Services Capital Investment Account (ISCIA) will be used to fund infrastructure improvements, systems upgrades, and to address immigration benefit backlogs. This marks the first time INS will have a dedicated fund, separate from the Exams Fee Account (which is funded solely through application fees) that draws on other funding sources to pay for key service-related initiatives. INS is anticipating $127.3 million in the ISCIA, funded from $34.8 million in direct appropriations and the balance from two proposed new funding sources: a voluntary Premium Service Fee for businesses and fees from the re-authorization of a permanent 245(i) adjustment of status program.
- A voluntary Premium Service Fee of $1,000 is proposed for business related applications, and will provide businesses with guaranteed processing within 15 days. Fees received above the cost of the guaranteed 15 day processing and deterring fraud, will go to the Immigration Services Capital Investment Account and will benefit all INS customers.

STRENGTHENING ENFORCEMENT

- The FY 2001 budget strengthens the multi-year border enforcement effort by providing a $52 million increase to the Border Patrol. This will fund 430 additional Border Patrol agents to more than double the FY 1993 staffing level.
- In a year of budget constraints and serious limitations, INS' FY 2001 budget reflects a continuing commitment to strengthening enforcement as well as our efforts to be in the best position to recruit and retain the best agents in a tight labor market. The budget includes a $69.8 million to support pay reform and position upgrades for Border Patrol Agents and Immigration Inspectors.

U.S. Department of Justice
IMMIGRATION AND NATURALIZATION SERVICE

QUESTIONS AND ANSWERS (Internal Use)

2/7/00

FY 2001 Budget Rollout

Q1. Realizing that deployment numbers are announced after a budget is approved, what are the planning numbers in the budget for inspectors for each of the new or expanded air and land port facilities (e.g., Eagle Pass and Los Tomates)?

A1. The budget projects distribution of inspectors, subject to Congressional approval, to land ports as follows: Los Tomates, 32; Eagle Pass, 22; Laredo, 33. The remainder would be assigned to 13 other land ports on the northern and southern land borders. The requested 154 inspectors, to be allocated among air ports of entry, are also subject to Congressional action and would be announced following Congressional approval.

Q2. Please explain the new account for immigration services that blends fees and appropriated funds.

A2. The Immigration Services Capital Investment Account (ISCIA) marks the first time INS will have a dedicated fund, separate from the Exams Fee Account (which is funded solely through application fees) that draws on other funding sources to pay for key service-related initiatives. INS is anticipating $127.3 million in the ISCIA, funded from $34.8 million in direct appropriations and the balance from portions of two proposed new fees, a Premium Service Fee for businesses and fees from the re-authorization of a permanent 245(i) adjustment of status program.

INS estimates that for FY 2001 the proposed Premium Service Fee could generate an estimated $80 million in additional revenue. Of the $80 million generated, $25 million will be dedicated to guaranteeing the premium service and benefit fraud deterrence, and the remaining $55 million funds applied to capital investment items that benefit all applicants.

Q3. Please explain the new account for support services and how it would operate.

A3. The Shared Support Operations Fund (SSOF) is an internal accounting mechanism and will provide shared support services to streamline INS internal management practices and make INS more business efficient in three areas: files and forms management, security background investigations and reinvestigations, and Equal Employment Opportunity Program services.

In FY 2001, INS will embark on a process of identifying the costs of specific agency-wide shared services, which operating divisions and field activities would "purchase" through agreements covering funding and delivery of service. This concept, which has been employed in other federal agencies with success, is consistent with the current INS restructuring proposal for shared services supporting enforcement and immigration services functions. In its first year (FY 2001), INS will develop the mechanisms for these central services to gain experience with the concept. The estimated value of services covered by the fund in FY 2001 is $154.6 million from existing resources.

Q4. What is this proposed Premium Service Fee?

A4. The proposed voluntary Premium Service Fee will provide businesses with guaranteed processing within 15 days. The proposed fee for this service is $1,000. By charging the additional fee, INS will be able to hire additional employees to provide these expanded services, and also support service-related infrastructure improvements, benefiting all INS customers. Details will be published in the *Federal Register* for public comment before implementation.

Q5. What happens if INS is unable to process a Premium Service application in the 15-day period?

A5. INS will specify guidelines for refunding the premium fee when regulations are published in the *Federal Register*, which will include a period for public comment prior to implementation.

Q6. Won't this Premium Service proposal just help the big business customers at the expense of other applicants/customers?

A6. No. Although the fee is intended to assist the business community address their immediate needs for workers in specialty occupations, it will also benefit other applicants. By charging the additional fee, INS will be able to hire additional employees to provide these expanded services, but will also be able to reassign adjudicators currently working on business petitions to other family-based applications.

Q7. What will happen to this Premium Service Fee? Will it be used to fund enforcement?

A7. INS estimates that for FY 2001 the proposed Premium Service Fee could generate an estimated $80 million in additional revenue. Of the $80 million generated, $25 million will be dedicated to guaranteeing the premium service and benefit fraud deterrence, and the remaining funds applied to capital investment items.

Some revenue will be used to ensure the integrity of immigration service benefits. These resources will be used to identify benefit fraud by providing resources to quickly check evidentiary submissions, initiate field investigations as needed, and expand data sharing with other agencies. By enhancing these operations, INS will improve the deterrence of benefit fraud and ensure the integrity of the adjudicative process.

Q8. In justifying why you did not request 1,000 Border Patrol agents in FY 2000, you said that INS was using FY 2000 as a time to allow the Border Patrol to gain experience—to "take a breather." Are you doing this again in FY 2001, or is this just recognition that you simply cannot hire any more than this in a given year?

A8. In an environment of budget constraints and clear limitations, the FY 2001 budget reflects an increase in new agents as well as a focus on efforts to recruit and retain agents. The budget includes a $52-million request for 430 new agents. It also includes $40.9 million for a comprehensive pay reform package that will put INS in the strongest position to recruit new agents and retain experienced agents.

Q9. Will INS hire the 1,000 Border Patrol Agents provided by Congress in FY 2000? If not, how many will INS hire in FY 2000?

A9. In FY 2000, INS has set a hiring target of 1,883 Border Patrol agents. The target includes covering projected Border Patrol attrition of 853 agents and hiring 1,030 new agents in FY 2000. The 1,030 agents includes 430 new agents and 600 new agents positions approved in FY 1999 which were not filled by the end of that fiscal year.

Q10. Will INS be putting more agents on the northern border?

A10. The INS is planning to allocate additional agents to the northern border in FY 2000. Locations will be announced when decisions are made after consultation with Congress. In FY 1999, a compelling need existed to address northern border enforcement requirements independent of the strategic application of resources along the Southwest border. As a result, 22 positions were deployed to the northern border in FY 1999 to respond to critical operational needs that were illustrated by recent enforcement actions. While the southwestern land border locations remain the priority for the deployment of new resources, the Border Patrol will address compelling situations in the northern and coastal border areas in FY 2000 and FY 2001.

Q11. You indicated last year that by the end of FY 2000, INS would be better able to estimate the need for further growth and schedule that growth over time. What key issues did you find during the past year in assessing the professionalism of your workforce and the effectiveness of your strategic plan, operational initiatives, and agency infrastructure requirements that led you to propose this type of budget?

A11. In short, further analyses from the past year reconfirmed and refined some initial findings and resulted in a budget enhancement request that reflected three overarching needs:

- Provide for appropriate compensation in order to recruit and retain a professional workforce,
- Address critical shortfalls and needs in the "mission-support" activities required for effective operations with the expanded workforce and mission taskings received through FY 2000, and
- Keep pace with continued growth of normally experienced workload and that generated by recent changes to INS' mission-direct operations (e.g., increased mandatory detention and removal, increased control of border areas between ports, expanding traveler traffic at ports, and increased applications processing and quality control for immigration benefits).

These themes are evident in the budget requests for the respective accounts that align directly with our mission programs:

- The Construction budget focuses on a need to catch up with past growth, as well as address normally expanding operations. Our analysis in the facilities construction and maintenance areas showed large unmet needs that continue to hamper effective operations, and in many instances, also present health, safety and morale problems for officer corps staff who risk their lives on a daily basis.
- For future growth, our analyses continue to indicate further expansion of our officer corps is required, but in a balanced manner where the mission-support activities, infrastructure and support staff are proportionately included to provide for effective operations.
- Additionally, in the highly competitive labor market that will continue to exist, which impacts the ability to hire and retain officers, an appropriate compensation package is a basic requirement. The Pay Reform initiative in our FY 2001 enhancement package is our number one priority.

Q12. Does this budget signal that the Administration believes the reorganization of INS is inevitable?

A12. While there is no specific funding in the budget for restructuring, the Administration continues to support an INS restructuring proposal that splits enforcement and services into two distinct chains of command with one senior appointed official empowered to coordinate functions between the two. This will increase efficiency and accountability and will allow the nation to administer a consistent and coherent immigration policy.

Q13. What are the implications of this budget request for the QRTs?

A13. There is no funding in the budget for additional QRTs. Establishing and staffing new offices is a process which requires significant lead time. The QRTs provided by Congress in FY 1999 are just becoming operational. It is important to assess the effectiveness of these QRTs and use that information to determine the right mix and location for additional QRTs, if necessary.

Q14. Are there any funds—or ongoing planning work for that matter—set aside for preparing plans or pilots for implementing Section 110 requirements?

A14. INS has been conducting feasibility studies to evaluate the requirements necessary and to determine the costs to comply with Section 110 along the northern and southern land borders. INS continues to move forward with its successful pilot project to implement Section 110 at airports. INS supports legislation in Congress that would change the requirement for developing an entry and exit data collection system on the northern and southern borders until INS can fully evaluate the results of its ongoing technology tests and feasibility studies for the northern and southern land borders. While the FY 2001 budget does not include additional resources for implementation of Section 110, feasibility tests will continue.

Q15. How much in the way of new resources are sought to combat the growing alien-smuggling business that has received so much public attention in the past year?

A15. While no new resources are requested in the FY 2001 budget, INS continues to expand its control of traditional crossing points on the U.S. land borders and is increasingly identifying and apprehending smuggled aliens. At the same time, INS' overseas anti-smuggling efforts have grown dramatically in the last two years through Operation Global Reach.

Q16. The FY 2001 budget has been announced and you still have not announced the deployment of your FY 2000 resources. Why and when are you planning that announcement?

A16. The appropriation for FY 2000 contained a resource level which posed a number of complications directly related to the resource deployment process as well as the development of the FY 2001 budget. As a result, it has led to a delay in making final resource deployment decisions.

To put this in perspective, last year deployment decisions for new Border Patrol positions were not announced until February 1999. This year, the deployment announcement will be made only after INS has fully coordinated deployment plans within the Department of Justice, and after the appropriate consultation with the Congress, as in previous years. INS expect to announce those plans within the next several weeks.

Q17. The 2001 budget is on the street and you still have not laid out a summary of what you received from the Congress (final passage) for FY 2000. Why is that and when do you plan to do so?

A17. The FY 2000 appropriation directed that a number of items be funded through earmarks of budget base resources. This has required a considerable amount of time to work through all of the details related to the appropriation and how to comply with the Congress' requirements. At the same time, the close relationship of determining the funding levels to development and presentation of the FY 2001 budget request that has delayed final announcements regarding the FY 2000 appropriation.

Q18. What was INS' FY 2000 budget request to DOJ and OMB? What did you ask for in comparison to what you received?

A18. While we are not going to discuss specifics, it is important to remember that the budget process is a long and deliberative one, where competing priorities are analyzed and debated. Fiscal realities dictate that not every valid requirement can be funded, and the Administration is forced to make tough decisions regarding competing priorities. The final budget request, therefore, reflects the Executive Branch position on spending priorities and levels.

Q19. Why does your budget include resources for infrastructure and administrative functions instead of applying them to critical enforcement needs?

A19. There is a direct correlation between the Agency's infrastructure and management support and enforcement operations. Enforcement needs are only met when infrastructure and management support is adequate to provide necessary facilities, equipment and administrative support services.

Over the past several years, the INS workforce has nearly doubled in size. However, support for a greatly expanded workforce has not kept pace with the result that INS employees find themselves severely hampered in their efforts to conduct enforcement and other critical mission functions.

Facilities to house the workforce are seriously overcrowded in many areas, and, in many cases, badly in need of repairs and maintenance to make them safe and usable. Administrative staff cannot handle the sheer volume of support (personnel actions, training, procurement, paying the bills and accounting for resources, logistics) that the current size of INS requires. As a result, backlogged projects and work are evident in virtually all infrastructure areas.

Q20. Why does the budget request so many additional attorneys?

A20. The FY 2001 budget reflects the special need for legal support—34 attorneys and 16 support staff—to ensure that INS can complete its expanded enforcement and other mission activities. These functions include handling removal proceedings and appeals, employer sanctions, seizure litigation, contested naturalization and denaturalization cases, and criminal alien matters. The volume of other legal activities such as labor-related cases, tort claims, contract matters, and legal advice has also grown exponentially with the growth of INS.

The lack of a sufficient number of INS attorneys has coincided with a dramatic increase in both the number and the percentage of aliens granted relief from removal by Immigration Judges. According to statistics provided by EOIR, the number of aliens granted relief from removal increased by 414 percent—from 5,710 to 29,352—between FY 1994 and FY 1999. With the sole exception of FY 1997, Immigration Judges have granted relief from removal in a greater percentage of cases each and every year since FY 1994. This trend greatly accelerated in FY 1999, with Immigration Judges granting relief in 17.2 percent of the cases, up from only 5.4 percent in FY 1994.

Because the Service cannot perform its enforcement functions without adequate legal and management support and infrastructure, these areas in themselves become critical enforcement needs for an agency that has experienced substantial growth.

Q21. What's in the FY 2001 INS budget for naturalization and other application processing? What are your performance/workload goals for both the N-400 and the I-485?

A21. In FY 1999, INS met its naturalization (N-400) goal by completing more than 1.2 million naturalization applications—a 105 percent increase from the number of applications completed the previous fiscal year—and is now on track to meet its FY 2000 goal of completing 1.3 million naturalization applications. The agency is also positioned to take on other immigration benefit caseloads more effectively, such as the adjustment of status (I-485) backlog. In FY 2000, INS plans to complete 600,000 adjustment of status applications—a 67 percent increase from the number of applications completed the previous fiscal year.

To sustain this effort in FY 2001, the INS budget includes $807 million for the Examinations Fee Account (funded solely through the collection of fees from applicants) and $127.3 million in a new account, the Immigration Services Capital Investment Account (ISCIA). With these resources, INS will maintain the 6-month processing for naturalization applications and continue to reduce the adjustment-of-status backlog by completing 600,000 applications.

In FY 2001, INS is also proposing to establish a voluntary Premium Service Fee of $1,000 for business cases, which will provide businesses with guaranteed processing within 15 days. Fees received above the cost of adjudicating the business cases and deterring fraud will be deposited in the ISCIA to support infrastructure improvements, benefiting all customers. These include improvements to INS' computer systems, service delivery systems and special backlog reduction efforts.

BORDER PATROL AGENTS

Question: Why is the Administration not seeking 1,000 new Border Patrol agents as required by law? What is the Administration doing with regard to the northern border?

Answer: The budget requests a mix of 430 new Border Patrol agents and $20 million in "force multiplying" surveillance technology targeted at asserting control over specific border locations. As part of this enhancement, INS will measure and evaluate the performance of these new resources. The result of this analysis will assist in the development of a staffing model that can assure an optimum mix of staff and technology to obtain a desired level of border control.

Since 1993, over 5,400 new Border Patrol agents have been added – a 135 percent increase. As reflected in FY 1999 hiring, INS is not capable of keeping pace with the hiring 1,000 new agents each year (INS only hired a net new 400 agents of the 1,000 agents funded). Also, from a management perspective, an International Association of Chiefs of Police report cautions that allowing the ratio of inexperienced to experienced agents to exceed 30 percent could lead to performance problems. As of January 1, 2000, the number of Border Patrol agents having two or less years of experience was 26 percent and 41 percent had less than three years. The 1996 Illegal Immigration Reform and Immigration Responsibility Act (IIRIRA) mandates that the AG request 1,000 new Border Patrol agents annually through 2001. There is no obligation on the President to request 1,000 new agents each year.

Background: The budget request not only annualizes the cost of the 430 Border Patrol agents provided by Congress in 2000, it also fully funds an additional 430 new agents in 2001. The border surveillance system relies on color and infrared cameras with the ability to survey 1.5 to 8 miles of border and the budget request will permit the installation of over 60 additional camera sites. Combined with cameras funding in 1999 and 2000, by the end of 2001 over 200 automated day and night surveillance sites will be operational along the southern and northern border. At the northern border, INS continues to deploy camera technology to maintain border control. The budget also requests $10 million for 115 new INS port of entry inspectors to strengthen enforcement and speed legitimate traffic across both the northern and southern border.

End-of-year Border Patrol agent staffing trends: 1993-3,965; 1997-6,828; 1998-7,859; and 1999-8,947 and 2000-9,377.

Prepared by: Steve Mertens (5-4935)

J:\data\00-29\DOJ\Border Patrol

CHINESE MIGRANT INTERDICTION

Question: What is the Administration doing to address the influx of illegal Chinese migrants into the U.S.? Specifically, what action is the Coast Guard taking to enhance its ability to stop this illegal traffic prior to it entering the country and what is the Immigration and Naturalization Service (INS) doing to detect, detain and remove illegal Chinese migrants?

Answer: The Administration has taken a series of steps to strengthen its ability to detect, intercept and remove illegal Chinese migrants over the past year. The FY 2001 budget requests funds to enhance and build upon these ongoing efforts.

DOJ requests an additional $25 million to fund or reimburse other agencies or entities for the costs to detain and repatriate illegal aliens held outside the continental United States. This funding will go to a newly established Detention Trustee to establish and maintain detention facilities to house illegal Chinese and other migrants in Guantanamo Bay, the Northern Marianas Islands, and Guam.

Coast Guard funding for maritime law enforcement – which includes migrant interdiction – would increase by $104 million, or 8 percent, over 2000. These funds will increase the availability of Coast Guard cutters and aircraft to patrol migrant smuggling routes and respond to smuggling attempts. They will also improve the Coast Guard's intelligence collection program, making us better able to detect and track smuggling attempts.

Background: Over the past two years, NSC has coordinated a multi-agency committee to address a range of illegal migrant issues. This effort has improved intelligence gathering, interdiction, detention, and repatriation. During the past year, NSC has developed a migrant burden-sharing action plan which the FY 2001 request supports. Under this plan, the Coast Guard will maintain its lead role in migrant interdiction with the Department of Justice leading efforts to provide migrant housing and ensure migrant removals.

In 1999, the Coast Guard interdicted several vessels trying to smuggle Chinese migrants into Guam, which seems to have had a deterrent effect. In 2000, INS is establishing a detention presence on Guam to address any future mass migrations from China. The 2000 INS funding level provides over 1,500 new detention beds and support staff to expand INS' domestic and international detention capabilities.

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BUDGET

BUDGET OF THE UNITED STATES GOVERNMENT

Fiscal Year 2001

Table 6–1. Immigration and Naturalization Service Funding by Program

(Budget authority, in millions of dollars)

	1993 Actual	2000 Estimate	2001 Proposed	Dollar Change: 1993 to 2001	Dollar Change: 2000 to 2001
Appropriated Funds:					
Border Patrol	354	1,055	1,208	+854	+153
Investigations and intelligence	142	308	328	+186	+20
Land border inspections	83	182	218	+135	+36
Immigration support	....	124	35	+35	–89
Detention and deportation	161	728	828	+667	+100
Program support and construction	227	594	649	+422	+55
Subtotal, Appropriated Funds	967	2,991	3,266	+2,299	+275
Fee Collections and Reimbursements:					
Citizenship and benefits	308	754	807	+499	+53
Detention and deportation	....	69	110	+110	+41
Air/sea inspections and support	255	487	529	+274	+42
Immigration support/enforcement	....	....	98	+98	+98
Subtotal, Fee Collections and Reimbursements	563	1,310	1,544	+981	+234
Total, Immigration and Naturalization Service	**1,530**	**4,301**	**4,810**	**+3,280**	**+509**

to a streamlined naturalization program that provides high quality and timely customer service for the most important and valuable benefit the Federal Government can bestow—citizenship. In addition, the INS has established completion goals and developed a multi-year plan to address application backlogs in other immigration services programs. The budget provides additional funds to reduce these backlogs and expand process reinvention to ensure that all immigration benefits and services are provided in an efficient and timely manner.

Border Control and Enforcement: The budget proposes support for a combination of Border Patrol agents and technology to control specific border crossing areas. Previous investments have lead to successful efforts to control and manage the border near urban areas with a high level of illegal entry, such as San Diego, California, and El Paso, Texas. Continuing this border control strategy, the budget funds 430 new Border Patrol agents and $20 million in "force-multiplying" technology. The current focus is to gain control of the border around Douglas, Arizona. Once an acceptable level of control has been achieved here, the agents and technology proposed in the budget will be used to improve Border Patrol control over border areas in and around Laredo, McAllen, and Del Rio, Texas. With the new agents to be added by the end of 2001, it is estimated that over 9,800 Border Patrol agents will be deployed along the Nation's Northern and Southern borders—nearly 150 percent more than the 3,965 agents in 1993. An additional $20 million will fund high resolution color and infrared cameras and state-of-the-art command centers as force multipliers to supplement the new agents and provide continuous monitoring of the border from remote sites. In test locations in Arizona and New Mexico, this technology has had a dramatic effect on border control and management and is increasing the safety of officers who must respond to incursions. The proposed combination of surveillance technology and

Border Patrol agents will permit INS to enforce the rule of law and enhance border management over larger portions of the border. The budget also supports the INS border safety initiative to dissuade migrants from illegal crossings, particularly in areas that could lead to their injury or death.

The budget provides funds for compensation and overtime reform for Border Patrol agents and inspectors. It also provides funds to expand, renovate, and construct Border Patrol stations, border barriers and fencing, install permanent lighting, and construct support roads along the borders. These deterrents help control the border by increasing the abilities of Border Patrol agents to apprehend those trying to enter illegally. Since 1993, INS has added over 233 night scopes, 7,299 ground sensors, 82 miles of fencing, and 22 miles of border lighting. It has also added or improved over 1,500 miles of roads. The budget provides funds for another 18 miles of border lighting and fencing, and for maintaining border deterrents now in place.

Detention and Removal of Illegal Aliens: The Administration is committed to removing those who have entered the country illegally and to detain criminal aliens. Since 1993, INS' detention budget has increased by over 407 percent and over 13,600 detention beds have been added. The budget expands on this commitment by adding another 1,000 detention beds and 38 juvenile beds—bringing total INS detention capacity to nearly 20,000 beds. It also funds INS detention and deportation staff and increases resources to remove criminal and illegal aliens swiftly. With the resources provided over the past few years, INS has targeted its efforts primarily on removing deportable aliens held in Federal, State, and local facilities to ensure these criminal aliens are not allowed back on the street. In 1999, INS removed 178,168 aliens, including 62,838 criminal aliens. At the same time, the budget provides funding to implement detention standards to ensure those detained, particularly those who have pending asylum cases, are treated fairly.

Border and Port-of-Entry Coordination: The Departments of Justice and Treasury have initiated a five-year Border Coordination Initiative with a goal of achieving a comprehensive, integrated border management strategy that provides for increased cooperative efforts to interdict illegal aliens, drugs, and other contraband. It will result in a seamless process of travel and trade facilitation and border enforcement at and between the land ports of entry, especially along the Southwest Border. During the past year, the Customs Service and INS have made strides in fostering a culture of cooperation that enables them to act in concert for improved results. These cooperative efforts include expansion of multi-agency intelligence units to coordinate intelligence gathering and dissemination among agencies and the establishment of a timetable to implement compatible and secure communications systems.

Citizenship and Benefits: The Administration is committed to building and maintaining a naturalization and immigration service system that ensures integrity and provides service and benefits in a timely manner. The surge of citizenship applications, growing from approximately 340,000 in 1993 to a peak of nearly 1.6 million in 1997, resulted in an unacceptable backlog and has required the INS to redesign its decentralized process which had been built for a far smaller application volume. The record number of applications, antiquated INS processes, and complex automation and redesign efforts contributed to an unacceptable citizenship application backlog that exceeded 1.8 million cases in 1999. As a result of a concerted and ongoing effort, this backlog has since been significantly reduced.

Over the past two years, the Administration, working with Congress, has provided $300 million to supplement INS examinations fee revenue in a successful effort to reduce naturalization backlogs and to initiate reforms in the processing of immigration service programs. Ongoing initiatives include:

- centralization of immigrant records into a National Records Center with automated query and retrieval capability to ensure accurate and complete records and to speed service delivery;
- establishment of a National Customer Service Center for telephone service, with access throughout the United States and Puerto Rico in 2000;

- centralization of application and medical waiver reviews from INS field offices to Service Centers to maximize application and file quality and integrity, thereby ensuring that INS adjudicators receive cases that can be processed properly; and,
- quality assurance audits and reviews of the benefits processing system and benefits applications.

The budget provides $35 million to address backlogs in other immigration benefit programs and establishes an Immigration Services Capital Investment Account to provide funding for ongoing backlog reduction efforts in all immigration benefit programs and for major capital acquisitions. This account will be further capitalized with an estimated $93 million from two new fees, including a premium processing fee of $1,000 for expedited adjudication of business-related services. Payment of this voluntary fee will ensure INS action on applications within 15 days through direct business-INS liaison, and permits INS to target additional resources at fraud prevention in business applications. The second proposal would re-authorize the 245(i) adjustment of status penalty provision. This provision, which expired in 1998, permits certain migrants, upon payment of a $1,000 penalty, to adjust their immigration status while remaining in the United States.

An INS Structure for the Future: Over the past few years, the Administration has worked in a close and bipartisan manner with Congress to improve INS' operations. In the same vein, the Administration remains committed to addressing systemic problems, particularly those related to INS' dual missions of service and enforcement. These systemic problems include: competing priorities; insufficient accountability between field offices and headquarters; overlapping organizational relationships, and, lack of consistent operations and policies.

The Administration's principles for a successful restructuring are that immigration enforcement and service missions must have separate and clear lines of authority at all levels, from the field to headquarters, and that the immigration agency must be led by a single executive who can integrate immigration policy, standards, and management operations. This single executive, appointed by the President and confirmed by the Senate, is essential to maintain balance between enforcement and services, while ensuring a coherent and coordinated national immigration policy. To be effective, this official must have the statutory authority to direct operations and supervise key integrating and oversight functions, such as legal counsel, financial management, policy, and communications.

The Administration will work with Congress to enact legislation that will fundamentally improve the way immigration operations are conducted, building on the progress already made to reform the INS. The Administration considers it critical to meet this challenge and enact responsible restructuring legislation this year.

Reducing Drug Use, Trafficking, Drug-Related Crime, and Its Consequences

Drug use and its damaging consequences cost our society more than $110 billion a year and poison the schools and neighborhoods where our youth strive to reach their full potential. Illicit drug trafficking thrives on a culture of crime, violence, and corruption throughout the world. Drug use is a major contributing factor in the spread of AIDS and other deadly diseases. All Americans, regardless of economic, geographic, or other position in society, feel the effects of drug use and drug-related crime.

The results of the most recent National Household Survey on Drug Abuse show that the rate of use in the past month of any illicit drug among 12 to 17 year olds declined from 11.4 percent in 1997 to 9.9 percent in 1998, a 13-percent decrease. This change is complemented by the 1999 Monitoring the Future Study finding that over the past three years, youth viewed marijuana use with greater risk. Youth use of other drugs, including alcohol, cigarettes, cocaine, and heroin, either declined or remained stable over this period. These results suggest that America's youth are receptive to the Government's "no use" message.

The budget proposes $19.2 billion for drug control programs, an $1.7 billion increase over the 2000 enacted level. The budget equipment installed before January 1, 1995, in order that court-authorized wiretaps can be conducted. Funding for this purpose would be increased from $15 million in 2000 to $240 million in 2001. Manufacturers and carriers are responsible for including the necessary features in telecommunications equipment installed after January 1, 1995.

In addition, the budget proposes increases to support upgrades in Federal wireless communications systems, including improved efficiency in the use of telecommunications spectrum assigned to law enforcement and promoting compatibility with communications equipment of public safety agencies at all levels of government. DOJ's budget for wireless systems would increase from $103 million to $205 million, which would support radio systems for the FBI, the Drug Enforcement Administration (DEA), the Immigration and Naturalization Service (INS), and the U.S. Marshals Service. DOJ's planning and infrastructure efforts also would support other agencies' wireless efforts. Treasury's budget includes $55 million to establish an Integrated Treasury Network for wireless communications, which would primarily support Treasury's law enforcement bureaus, including the U.S. Customs Service, the U.S. Secret Service, and the ATF. Increased costs in Justice, Treasury, and other agencies would be offset by $200 million in proposed fees on commercial television broadcasters' use of the analog spectrum.

Corrections: The number of inmates in the Federal Prison System has more than doubled since 1990 as a result of tougher sentencing guidelines, the abolition of parole, minimum mandatory sentences, and significant increases in Federal law enforcement spending. This growth rate is projected to continue into the 21st Century. The budget provides $4.4 billion for the Federal Bureau of Prisons, $736 million over the 2000 level, to reduce the current level of overcrowding and to accommodate this future growth. The budget also supports an effort to increase inmate enrollment in literacy programs.

Meeting the Challenges of Immigration

The United States is a Nation of immigrants. While we have always welcomed legal immigrants, the United States is also a Nation of laws and must act to combat illegal immigration. This Administration has done more to control illegal immigration than any before. Working through the INS, the Administration has reversed decades of neglect along the Southwest border and has added technology along the Northern border. Since 1993, this strategy has added over 5,400 new Border Patrol agents—over 130 percent higher than the 1993 level. And while the INS continues to recruit and train qualified new Border Patrol agents aggressively, it is also extending its enforcement efforts through the use of state-of-the-art technology, border barriers, and infrastructure to enhance the rule of law along the border. However, we must do more. The budget continues to fund this bipartisan effort to gain control and effectively manage our Nation's borders. (See Table 6–1 for INS funding by program.)

While the Federal Government takes steps to curb illegal immigration, it must also be responsive to those who seek to immigrate to this country by legal means, and to those who have emigrated and now seek to become U.S. citizens.

Over the past year, the Administration has made steady progress in reforming the naturalization process which, since 1995, has seen a dramatic upsurge in demand for naturalization and other immigration benefits. After two years of a growing application backlog and longer wait times, in 1999, the first year of a two-year naturalization program reform effort, INS reduced the pending application backlog by nearly 500,000 applications. In total, INS completed over 1.2 million applications for new citizens and reduced the average application processing times from 27 months in 1998 to 12 months in 1999. INS intends to reduce average processing times further, to just six months, by the end of 2000. This will be accomplished while completing 1.3 million applications for citizenship. The Administration is committed

THE CLINTON-GORE ADMINISTRATION FY2001 BUDGET: MAINTAINING FISCAL DISCIPLINE WHILE MAKING KEY INVESTMENTS

Summary Documents

FEBRUARY 7, 2000

To help achieve the President's vision of One America, the Clinton-Gore Administration's FY2001 budget provides funding for a variety of purposes including: to strengthen civil rights enforcement and programs, to better serve Native American communities, to provide English language instruction and fairness to immigrant families, to eliminate health disparities, and to promote educational opportunities and economic development in urban and rural areas.

CIVIL RIGHTS

The FY2001 budget proposes a significant increase for civil rights enforcement to help ensure equal opportunity for all Americans. The President's budget request of $698 million for civil rights enforcement agencies represents a 13 percent increase over last year's funding levels. Highlights of the President's proposal include

- **Department of Justice's Civil Rights Division.** The President's budget includes $98 million for the Department of Justice (DOJ) Civil Rights Division – an increase of 86 percent over the 1993 level. The proposed funding will permit the Justice Department to expand significantly investigations and prosecutions of criminal civil rights cases (including hate crimes and police misconduct), as well as fair housing and lending cases. Funds are also included to fund the Division's enforcement of the ADA.

- **Equal Employment Opportunity Commission (EEOC).** The budget provides $322 million for the EEOC, 15 percent more than the enacted FY2000 budget. The majority of increased funding will be dedicated to reducing the backlog of private sector cases and improving the Federal EEO complaint process.

- **Department of Labor's Office of Federal Contract Compliance Programs.** The budget also provides $76 million to encourage Federal contractor compliance.

- **Department of Housing and Urban Development's (HUD) Fair Housing Initiatives.** The budget proposes $50 million, a 14 percent increase above last year, for HUD's efforts to reduce housing discrimination. Of this request, $7.5 million will support the final year of a three-year, audit-based housing discrimination study being conducted in 20 communities around the country.

- **Department of Agriculture's Office of Civil Rights.** The USDA's civil rights programs increased from $18 million to $21 million, will emphasize outreach to disadvantaged farmers, involve small and disadvantaged businesses in USDA programs, increase conflict resolution activities and more effectively process complaints.

- **Department of Education's Office for Civil Rights.** The budget proposal of $76 million provides an increase of $5 million over the 2000 enacted budget to fund staff training and technological improvements to speed the resolution of civil rights issues.

Ensuring Equal Pay. The President's budget includes a $27 million Equal Pay Initiative, an increase of $12 million over FY2000. The Initiative requests $10 million for the EEOC to provide training and technical assistance to about 3,000 employers on how to comply with equal pay requirements. The Initiative also dedicates $10 million for the Department of Labor (DOL) to train women in nontraditional jobs, including high-tech jobs and other skill shortage occupations. Lastly, the Initiative provides $7 million for DOL to help employers assess and improve their pay policies, support public education efforts, provide for projects in non-traditional apprenticeships, and implement industry partnerships.

Hate Crimes. The President continues to urge Congress to pass the Hate Crimes Prevention Act, which would strengthen the existing Federal hate crimes law by expanding the situations in which the Department of Justice can prosecute defendants for violent crimes based on race, color, religion, or national origin. Further, it would expand existing law to cover cases of hate crimes based on sexual orientation, gender, or disability. The President's budget includes $20 million for training for Federal, state, and local law enforcement to prevent and respond to hate crimes, and to promote police integrity.

One America Dialogues. The budget proposes $5 million for the Department of Justice to fund Citizen Academies, where citizens will acquire public safety problem-solving tools and training and engage in honest and constructive dialogues on race.

NATIVE AMERICANS

In order to better serve Native American communities in this millennium and to honor the Federal government's trust responsibility to tribes, the President's budget includes an increase of $1.2 billion over FY2000 – the largest increase ever – for a total of $9.4 billion for key new and existing programs assisting Native Americans and Indian reservations. Some of the highlights include:

Bureau of Indian Affairs (BIA) School Construction and Repair. The President has proposed $300 million, more than double the FY2000 enacted level of $133 million, to replace and repair BIA-funded schools on reservations. This is the largest investment ever in a single year for BIA school construction and repair.

Increased Funding for Tribal Colleges. The budget proposes increased funding of $25 million for the Nation's tribal colleges for a total of $77 million.

Indian Health Service. The President's budget proposes $2.6 billion, an increase for the Indian Health Service (IHS) of $230 million or 10 percent over the FY2000 enacted level.

Improves Law Enforcement in Indian Country. The budget proposes $439 million, an increase of $103 million over FY2000, for the Departments of Justice and Interior for the third year of the President's Indian Country Law Enforcement Initiative. The initiative will improve public safety for the over 1.4 million residents on the approximately 56 million acres of Indian lands.

Building Roads and Bridges in Indian Country. The Transportation Department (DOT) will expand its program to improve roads and bridges on Indian reservations. The President's budget proposes to give the Indian Reservations Roads program the full authorization amount of $275 million with an additional $74 million from a highway receipts account for a total of $349 million, which is an increase of $117 million over the previous year. This will allow Tribes to address the estimated backlog of $4 billion in needs on these roads and bridges.

Tribal Infrastructure Projects. The President and the Vice President propose $49 million, an increase of $46 million over FY2000, for the Department of Commerce's Economic Development Administration (EDA) to fund infrastructure, planning, and public works projects.

Addressing the Digital Divide. To encourage Native Americans to pursue information technology and other science and technology fields, the budget provides $10 million, to be administered by the National Science Foundation, for grants to tribal colleges for networking and access; course development; student assistance; and capacity building.

Bureau of Indian Affairs (BIA) Contract Support Costs. Within the overall BIA increase, the budget continues to support Tribal self-determination by proposing $134 million, a $9 million or 7 percent increase over 2000 for contract support costs. This funding provides $5 million for new and expanded contracts and $129 million for existing contracts.

Trust Services. The Administration is committed to improving trust services and management through its trust reform efforts at the Interior Department. The budget proposes $108 million, a 48 percent increase over 2000, for improved trust services in the BIA for activities such as probate, real estate appraisals, and other services.

Indian Trust Fund Balances. The Administration is committed to resolving disputed Indian trust fund account balances through informal dispute resolution and supports the unique government-to-government relationship that exists in Indian trust land management issues. After Tribal consultations, BIA submitted its "Recommendations of the Secretary of the Interior for Settlement of Disputed Tribal Accounts" to Congress in November 1997. Legislation reflecting these recommendations was proposed in 1998, but not enacted. The Department will continue efforts to resolve trust fund account balances.

Trust Land Management. As part of BIA's commitment to resolving trust land management issues, Interior worked with Congress in 1999 to repropose legislation (S. 1586) to establish an Indian Land Consolidation program to address the ownership fractionation of Indian land. In addition to $13 million for the Indian Land Consolidation program, the budget provides $83 million for DOI's Office of Special Trustee, including the trust management improvement project. Current activities include verifying individual Indian's account data and converting these data to a commercial-grade accounting system.

IMMIGRANTS

English Language/Civics Instruction Initiative. Immigrant adults – and other adults who have limited-English proficiency–need access to opportunities to master English literacy in order to further their education, obtain good jobs, and become full participants in American society. To this end, President Clinton is proposing an increase for the English Language/Civics Initiative, an innovative program to help states and communities provide limited English proficient (LEP) individuals with expanded access to high-quality English-language instruction linked to civics and life skills instruction. This important initiative is a powerful tool in building a stronger American community. For FY2001, the Administration's budget request $75 million for this initiative, a nearly $50 million increase from FY2000 enacted level to help an additional estimated 250,000 LEP individuals.

Funding and Restructuring INS to Improve Services. In a continuing effort to improve INS services, this budget provides $35 million to address backlogs in naturalization, adjustment of status, and other immigration benefit applications. It establishes a $93 million Immigration Services Capital Investment Account to fund on-going backlog reduction efforts and to cover major capital acquisitions. The President also calls on Congress to move forward with a restructuring of the INS – along the principles outlined by the Administration – to improve immigration service delivery and border enforcement.

Restoring Benefits to Legal Immigrants. The President believes that legal immigrants should have the same economic opportunity, and bear the same responsibility, as other members of society. In the Balanced Budget Act of 1997 and the Agricultural Research, Extension and Education Reform Act of 1998, the President fought for and succeeded in reversing unfair cuts in benefits to legal immigrants. The FY2001 budget builds on the Administration's progress of restoring these important benefits by providing $2.5 billion over five years to: (1) restore SSI and Medicaid to legal immigrants who entered the United States after August 22, 1996, have been here for five years, and become disabled after entry; (2) restore Food Stamp eligibility to legal immigrants who were in the country before August 22, 1996 and either subsequently reach age 65 or live in a household with Food Stamp eligible children; and (3) allow states to provide Medicaid or SCHIP to legal immigrant children and pregnant women regardless of their date of entry, and to legal immigrant parents of children who are covered by Medicaid or SCHIP in the proposed FamilyCare program.

EDUCATION

Hispanic Education Action Plan. As part of the Administration's commitment to raising the educational outcomes of Latino youth, the President again proposes significant increases to programs within the Hispanic Education Action Plan to help Latinos excel academically, graduate from high school, go on to college, and continue on the path to life-long learning. The final budget includes increases of $823 million for programs that enhance educational opportunity for Latinos, including: a $416 million increase for Title I, to provide support supplemental education services for students who have fallen behind in school, in particular those in high poverty communities; $725 million for TRIO college preparation programs, an increase of $80 million, which help disadvantaged high school and college students prepare for, attend, and graduate from college; and $296 million, an increase of $48 million, for the Bilingual Education program to increase the quality of services offered to limited-English proficient (LEP) students and provide 8,000 bilingual and ESL teachers with the high quality in-service and pre-service training they need to teach this special population.

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White House Budget Briefing for Immigration Groups
Friday, February 11, 2000
3:00 p.m. – Room 180 OEOB

LIKELY ATTENDEES:

Brian Barreto – OPL
Cynthia Rice – DPC
Irene Bueno – DPC
Kathy St Denis – INS

OMB Attendees: Michael Deich
Debra Bond - DOL
Diana Meredith – EMIL
Steve Mertens – Justice

~~5~~ 7/5/00

To: Carol

FR: Jane Bueno

Immig Info

3 pages total

Dual Degree Programs for Minority-Serving Institutions. The FY2001 budget proposes a new program to increase opportunities for students at minority-serving institutions. Students would receive two degrees within five years: one from a minority-serving institution, and one from a partner institution in a field in which minorities are underrepresented. This new $40 million program will serve an estimated 3,000 students.

Title I Education for the Disadvantaged. This program provides funds to help disadvantaged children reach high academic standards. Title I will receive $9.1 billion in FY2001, an $400 million increase over last year's level. The President's budget also includes an increase of $134 million for the Title I Accountability Fund bringing total funding to $250 million. The Title I Accountability Fund supports immediate and significant State and local interventions in the lowest performing schools to improve school achievement and promotes public school choice.

HEALTH

Eliminating Racial and Ethnic Disparities in Health. In February 1998, the President committed the nation to an ambitious goal by the year 2010: eliminate disparities in six health areas where racial and ethnic minorities are disproportionately affected, while continuing the progress we have made in improving the overall health of the American people. As a key part of this effort, the budget includes $35 million, a 17 percent increase over 2000, for demonstration projects (begun in 1999) to better address racial disparities in health.

NEW MARKETS INITIATIVE

The President's budget provides tax credits and loans guarantee incentives to stimulate $22 billion of new private capital investments in economically distressed communities around the country and build a network of private investment institutions to funnel credit, equity and technical assistance to businesses in America's new markets. In addition, the budget proposes a new initiative, known as First Accounts that will provide low-cost bank accounts to working families.

More Than Doubling the New Markets Tax Credit. The President proposes to more than double the New Markets tax credit to spur $15 billion in new investment in community development in economically distressed areas. An entity making new equity investments in a selected community development project would be eligible for a tax credit worth 25 percent of the cost of the investment. A variety of vehicles providing equity and credit to businesses in underserved areas would be eligible. The total cost of the tax credits amounts to about $5 billion over 10 years.

Expanded Empowerment Zones. The proposed expanded wage credits, tax incentives, and new round of urban and rural EZs will extend and improve economic growth in the 31 existing urban and rural Empowerment Zones, administered by HUD and USDA, and support the proposed third round of 10 new empowerment zones to be designated in 2001. The total cost of these proposals will be $4.4 billion over 10 years.

America's Private Investment Companies (APICs). Modeled after the Overseas Private Investment Corporation's (OPIC) successful investment fund program, the President's budget proposes $37 million to allow APICs to provide guaranteed debt to private investment companies, licensed by HUD, to help leverage private equity capital and lower the cost of capital for investments in low- and moderate-income communities. For every dollar that private investors provide, the government will guarantee two dollars in debt to expand the APIC's pool of capital available for making investments and enhance the return on those investments to the private investors. APICs will make equity investments in larger businesses that are expanding or relocating in inner cities and rural areas.

New Market Venture Capital Firms (NMVCs). The budget proposes $52 million to allow NMVC firms to match the equity of private investors with Government-guaranteed debt and technical assistance funding to cultivate the growth of smaller firms. NMVC would invest in smaller growth companies that can also benefit from expert management assistance.

Creation of First Accounts. The President's budget proposes $30 million for the Department of Treasury to pilot strategies to help low- and moderate income Americans benefit from basic financial services. Treasury will work with financial institutions and others: (1) to encourage the creation of low-cost bank accounts (First Accounts); (2) to expand access to automatic teller machines in safe, secure, and convenient locations, including U.S. Post Offices, in low-income neighborhoods; (3) to educate low-income Americans about the benefits of having a bank account, managing household finances, and building assets. The *First Accounts* initiative complements Treasury's Electronic Transfer Accounts (ETAs) – low-cost, electronic banking accounts for "unbanked" Federal benefit recipients – by reaching those not eligible to participate in the ETA program because they are not Federal benefit recipients.

Other Elements of New Markets. Other elements in the budget include: increasing the funding for SBA's microenterprise lending program to $50 million; $15 million to fund PRIME – a program authorized last year to provide technical assistance to low-income entrepreneurs; boosting CDFI funding to $125 million; expanding support to $6.6 million for BusinessLINC to encourage large businesses to work with small businesses in new markets; and providing $5 million to establish a New Markets University Partnerships pilot project which, under the auspices of HUD, would provide Universities with funding to develop local community partnerships, assistance to intermediaries, and technical and business development assistance to new and existing firms. In addition, to better serve Native American communities, the President will provide additional funding to expand the New Markets initiative to Indian Country.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 12, 2000

THE DIRECTOR

The Honorable C.W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on the Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill, FY 2001, as approved by the House Subcommittee. As the Committee develops its version of the bill, your consideration of the Administration's views would be appreciated.

The President's FY 2001 Budget is based on a balanced approach that maintains fiscal discipline, eliminates the national debt, extends the solvency of Social Security and Medicare, provides for an appropriately sized tax cut, establishes a new voluntary Medicare prescription drug benefit in the context of broader reforms, expands health care coverage to more families, and funds critical investments for our future. An essential element of this approach is ensuring adequate funding for discretionary programs. To this end, the President has proposed discretionary spending limits at levels that we believe are necessary to serve the American people.

Unfortunately, the FY 2001 congressional budget resolution provides inadequate resources for discretionary investments. We need realistic levels of funding for critical government functions that the American people expect their government to perform well, including education, national security, law enforcement, environmental protection, preservation of our global leadership, air safety, food safety, economic assistance for the less fortunate, research and technology, and the administration of Social Security and Medicare. Based on the inadequate budget resolution, the Subcommittee bill fails to address critical needs of the American people.

Consequently, given the severe underfunding of critical programs and highly objectionable language provisions in the bill, such as language undermining Justice's current lawsuit to recover funds from the tobacco industry, the President's senior advisers would recommend that he veto the bill if it were presented to him in its current form.

Below is a discussion of the Administration's specific concerns with the Subcommittee bill. We look forward to working with the Committee to resolve these concerns as the bill moves forward.

Department of Justice

Community Oriented Policing Services. The Administration strongly opposes the decision to provide only $595 million of the $1,335 million requested for the highly effective Community Oriented Policing Services program. The level provided would jeopardize the President's goal of funding up to 50,000 additional community police officers by FY 2005. The bill would defund the community prosecutors program, and would seriously underfund technology funding requested by the President to give law enforcement the tools they need to fight crime in the 21st Century. The bill also provides no funds to expand community-based crime prevention efforts to help build partnerships between law enforcement and the communities they serve.

Tobacco Litigation Support. The Administration strongly objects to the provisions that would limit reimbursement authority by other agencies to the Department of Justice in support of their litigation against tobacco companies to recover money properly owed to the Treasury. These provisions would also restrict the use of the Health Care Fraud and Abuse Control account (HCFAC) by the Department of Justice in pursuit of this litigation. The Federal Government spends billions of dollars annually treating veterans, service members, and all Federal medical beneficiaries suffering from tobacco-related illnesses. The reimbursement from other agencies to the Department of Justice is crucial in supporting the costs associated with bringing litigation against tobacco companies. Provisions limiting the reimbursement of this money and the use of the HCFAC would seriously undercut and threaten our ability to conduct litigation in this area on behalf of the American people.

Gun Enforcement. The Administration strongly opposes the bill's failure to fund key components of the President's Gun Enforcement Initiative, including $150 million to hire 1,000 state and local gun prosecutors. These state and local gun prosecutors are critical in taking more gun criminals off our streets and continuing to bring down gun crime across America. In addition, the bill fails to provide funding for local anti-gun violence media campaigns to help cities replicate programs like Richmond's "Project Exile" that advertise penalties for breaking gun laws. The bill also does not provide funding to expand research into "smart gun" technology, which can prevent unauthorized gun use and accidents by limiting a gun's use to its proper adult owner. Finally, the Subcommittee did not include the President's proposed doubling of the National Criminal History Improvement Program (NCHIP) to help make Brady background checks faster and more effective. We are pleased, however, with the decision to fully fund the Administration's request to add more federal gun prosecutors.

Antitrust Enforcement and Consumer Protection. The Subcommittee bill provides $113 million to the Department of Justice's Antitrust Division, $21 million below the request, and $135 million for the Federal Trade Commission, $30 million below the request. These levels would deny necessary funds to address and review the record number of mergers, to investigate violations of the antitrust laws, and to protect consumers from fraud and deception.

Counterterrorism. Despite now widespread recognition that the threat of terrorism has increased, the Subcommittee has not funded most of the requested increases to enhance efforts to combat terrorism, including the initiatives in the Administration's budget amendments. For the FBI, this includes funding for services to translate electronic intercepts in a foreign language; equipment to improve the capability to conduct lawful electronic intercepts; Weapons of Mass Destruction preparedness, including the Hazardous Devices School; and, counterencryption equipment. For INS, no funding has been provided for joint terrorism task force staff, intelligence staff, and border technology, without which INS can neither strengthen our defenses on the Northern border nor work cooperatively with other law enforcement agencies. These increases are critical to our efforts to combat the increased threat of terrorist attacks. The recently released report from the National Commission on Terrorism supports many of the Administration's requests. The Administration is also disappointed that funding is not provided for the Office of Justice Programs (OJP) to assume responsibility for the Nunn-Lugar-Domenici first responder training program. The Administration believes that OJP could more effectively administer this program than the Department of Defense.

"Stop Drugs - Stop Crime" and Project Reentry. The bill provides only $103 million for the "Stop Drugs - Stop Crime" initiative, $87 million below the request. It does not fund the $75 million request for the Department of Justice's Zero Tolerance and Drug Intervention Program, which would help States and localities implement tough new systems to drug test, treat, and punish drug offenders. The bill provides $40 million, $10 million below the request, for the highly successful Drug Courts Program. Taken together, these actions would make it difficult, if not impossible, to achieve the drug reduction targets in the annual drug strategy and in the Office of National Drug Control Policy Reauthorization Act of 1998. The bill also fails to fund Project Reentry, which would provide greater community supervision of released offenders to address community safety concerns, lower recidivism rates, and promote responsible fatherhood among offenders returning to communities.

Civil Rights Enforcement/Indian Country Law Enforcement. The Administration urges the Committee to fully fund the President's request of $98 million for the Civil Rights Division. The Subcommittee level includes no programmatic increases for FY 2001 and would be inadequate to maintain current services. Funding increases are needed to continue the Division's important efforts in enforcing the Voting Rights Act, promoting compliance with the Americans with Disabilities Act, combating abuses in our institutions for the mentally ill, and prosecuting cases where there is a pattern or practice of police misconduct in law enforcement agencies. Also, the Administration is disappointed that increases for Indian Country law enforcement programs and the Community Relations Service have not been provided.

Detention Trustee. The Administration appreciates the Subcommittee's establishment of the Detention Trustee. However, the bill does not include the appropriations language or the $25 million requested to cover the Department of Justice's costs associated with the detention, care, and removal of illegal migrants held outside of the continental United States. The establishment of a source of funding for illegal migrant interdiction and detention away from the Nation's borders is a priority for the Administration.

Immigration. Funding for the Immigration and Naturalization Service (INS) is $178 million below the Administration's request and reduces the INS enforcement request for detention, investigations, inspections and the Border Patrol by $72 million. The allotment neither increases inspection fees nor removes an exemption from inspection fees for cruise ship passengers. Lack of inspection fees would result in insufficient funds in FY 2001 to maintain current inspection operations at the Nation's air and seaports, resulting in longer passenger wait times. The Administration likewise is disappointed that the Subcommittee has not reinstated the 245(I) adjustment of status provision to assist immigrant families as requested.

Radiation Exposure. The bill provides only $3.2 million for the Radiation Exposure Compensation Trust Fund, $10.5 million below the request. At this funding level, most of the projected 205 approved claimants would go uncompensated in FY 2001.

Bureau of Prisons - Advance Appropriations. While the Administration appreciates that the Subcommittee has fully funded the FY 2001 request for the Bureau of Prisons (BOP), we are disappointed that the bill fails to provide advance funding requested in FY 2002 and FY 2003 for prison construction. For capital investment programs that address a known multi-year need, advance appropriations provide the funding certainty needed to plan and execute a construction program that will reduce the overall completion time, saving money and delivering benefits sooner. Examples of such programs are Bureau of Prisons construction and State embassy security. Advance appropriations would help to reduce dangerous levels of prison overcrowding and save money by accelerating the delivery of new prison beds. Accelerating construction of new prisons by one year will help BOP keep pace with a Federal prison population expected to almost double over the next six years.

Department of Commerce

The Administration strongly objects to the inadequate funding provided virtually across-the-board for Commerce programs. The bill fails to provide funding at a current services level in most Commerce bureaus. Such low funding would unnecessarily burden the Nation with impaired levels of basic and essential services, including basic economic statistics, critical infrastructure protection, environmental and weather services, high technology research, trade compliance, economic development activities, and fee-funded patent and trademark services. Apart from the funding for the decennial census, the bill provides almost $300 million less for Commerce programs than was enacted for FY 2000.

Technology Administration Programs. The Administration strongly opposes the bill's elimination of funding for the Advanced Technology Program (ATP). ATP is an important means for developing high-risk technologies with significant commercial potential through cost-shared projects. Terminating the program, which would stop 185 ongoing projects as well as new grants, would halt research and development efforts that are beginning to produce widespread economic benefits.

The bill insufficiently funds National Institute of Standards and Technology (NIST) initiatives to promote the development of new information, electronic-commerce, and nano-technologies, as well as enhance the use of e-commerce services by small manufacturers.

National Oceanic and Atmospheric Administration. The Administration strongly opposes the bill's cuts to the President's Lands Legacy Initiative, 61 percent below the request. Coastal ecosystem protection programs such as Marine Sanctuaries, estuarine reserves, and State coastal zone grants would be cut, along with salmon habitat grants, impeding States and Tribes in their Pacific salmon recovery efforts. In addition, the failure to provide any funds for U.S. obligations under the Pacific Salmon Treaty will jeopardize the Treaty's continued implementation and put already dwindling salmon stocks at further risk.

In addition, failure to provide inflationary cost increases for core programs, along with other reductions in National Oceanic and Atmospheric Administration (NOAA) programs, could lead to staffing cuts of up to 1,000 employees. NOAA customers would receive reduced services -- including nautical charts, long-term climate and weather data, and fishery stock assessments. Reductions to the National Weather Service (NWS) request would jeopardize NWS base operations and would limit radiosonde replacements, potentially risking upper air observations. The Administration also strongly recommends full funding for the climate services initiative, the Clean Water Action Plan, the Global Disaster Information Network, the GLOBE program, NOAA weather radio, polar weather satellites, the Minority Serving Institutions initiative, and NOAA's investments in improved financial management.

The Administration urges the Committee to provide requested funding for design and construction work at the Suitland Federal Center. The nearly 60-year-old buildings at the Center are failing, threatening the day-to-day activities of NOAA and the Census Bureau, as well as the health and safety of their employees.

Digital Divide Initiatives. The Administration urges full funding for initiatives to help close the Digital Divide and help communities benefit from the emerging digital economy. During its six-year history, the Technology Opportunities Program of the National Telecommunications and Information Administration (NTIA) has helped underserved and low-income communities across the country gain access to innovative information technology applications. The new Connecting America's Families (Home Internet Access) program builds on that success by supporting communities in their efforts to help low-income families receive the benefits of home access to computers and the Internet. The bill also fails to provide $23 million for the Economic Development Administration's initiative to deploy broadband infrastructure in economically-distressed areas.

Weapons of Mass Destruction and Critical Infrastructure Protection. Recent events have underscored the importance of protecting critical infrastructure. The Administration urges provision of the President's requested funding for the Bureau of Export Administration to ensure compliance with the Chemical Weapons Convention and to control the proliferation of sensitive technologies, for the Critical Infrastructure Assurance Office, and for the Expert Review Team in

NIST to help Government agencies identify vulnerabilities and plan secure systems. Likewise, the Administration strongly urges funding to establish the Institute for Information Infrastructure Protection to address research and development shortfalls related to the protection of the Nation's critical infrastructures.

Economic and Statistical Infrastructure. While the Administration appreciates the bill's funding for the decennial census, the Committee should ensure that the census is not burdened with restrictive reprogramming language. Moreover, other statistical programs are inadequately funded, including the Census Bureau's continuous measurement program, which will provide current information to allocate nearly $200 billion in Federal funds annually, and the economic statistics programs in the Bureau of Economic Analysis. Failure to upgrade the Economic and Statistics Administration's inadequate computer and production systems would jeopardize production of the Nation's core economic statistics, including Gross Domestic Product and balance of trade accounts, and planned improvements in estimates of e-business, non-salary income, economic well-being, and exports.

International Trade Administration. The Administration urges the Committee to fully fund the $16 million trade compliance initiative requested to support the International Trade Administration's trade enforcement capabilities and ensure that U.S. companies and workers receive the full benefits of international agreements.

Patent and Trademark Office. The Subcommittee bill reduces the Patent and Trademark Office (PTO) program level by $134 million from the request. Such excessive constraints on the use of PTO fees when patent and trademark applications are at record levels make it difficult for the agency to process applications in a timely manner, leading to longer periods of patent pendency and weakening the Nation's intellectual property system.

Public Television's Digital Transition. The Administration urges full funding for NTIA's Public Telecommunications Facilities, Planning and Construction Program. Failure to fund this program could jeopardize the ability of public broadcasters to meet the Federally-mandated May 2003 deadline for the transition to digital broadcasting.

Economic Development Administration. The Subcommittee mark would impair the Economic Development Administration (EDA) efforts to assist economically disadvantaged communities. It would eliminate assistance to be provided by EDA's proposed Office of Community Economic Adjustment to communities injured by economic downturns due to trade and other causes. The bill would also restrict EDA's ability to assist Native American and Delta communities, which have some of the Nation's most distressed economic conditions.

Security and Departmental Management. The bill fails to provide the centralized security funds requested to ensure a secure environment for Commerce employees and for sensitive data. In addition, the bill does not provide funds to upgrade the Department's electronic communications systems and create paperless administrative processes.

Legal Services Corporation

The bill funds the Legal Services Corporation (LSC) at $141 million, $163 million below the FY 2000 level and $199 million below the President's request of $340 million. This funding level is unacceptable and would severely cripple the program. Such a low funding level would undermine the commitment of the Federal Government to ensuring that all Americans, regardless of income, have access to the judicial system. The Administration urges the Committee to fully fund the President's request for the LSC.

Small Business Administration

The Administration is deeply concerned that the Subcommittee bill provides insufficient funding for critical Small Business Administration programs, especially the following:

Small Business 7(a) Loan Program and Small Business Investment Companies (SBICs). The Subcommittee provides only $114.5 million of $142.6 million requested for the 7(a) loan program and will support only $9.2 billion in loan volume, a reduction of $0.5 billion from the enacted level and $2.3 billion from the Administration's request. The Subcommittee also fails to provide $2.9 million of $26.2 million requested for the SBIC participating securities program, which would limit loan volume to a level $220 million less in loan volume than requested by the Administration. This funding level for these programs would be insufficient to meet demand for small business loans and would lead to fewer new business start-ups.

New Markets Initiative. The Subcommittee fails to provide the $52 million requested for the programs in the May 23rd New Markets Agreement between the President and the Speaker of the House ($21.7 million for venture capital and $30 million for technical assistance). Without these funds, the Administration and the Congress will be unable to keep commitments to bring America's economic prosperity and growth to those communities lagging behind the rest of the Nation.

Business Assistance Initiatives. The Subcommittee has failed to provide any of the $46.6 million requested for several key business assistance initiatives, including PRIME Technical Assistance Grants ($15 million), BusinessLINC ($6.6 million), SBIR Phase III ($15 million), Electronic Commerce ($5 million), and HUBZones ($5 million). The Subcommittee also has not provided the requested $4.5 million for the Native American Initiative ($3 million for Native American Small Business Development Centers and $1.5 million for Tribal Business Information Centers), which would provide needed business assistance to an important economically-underserved segment of our Nation.

Administrative Expenses. The Subcommittee bill fails to provide the full Administration request for operating expenses, the additional $5 million requested for the Systems Modernization Initiative to begin work to modernize the disaster loan systems, and the $7 million for the needed upgrade and maintenance of SBA's IT systems. These reductions will weaken SBA's loan program management and result in higher loan program costs.

Department of State and the Broadcasting Board of Governors

Contributions to International Peacekeeping. The Administration is strongly opposed to the devastating $241 million reduction of funding to pay our U.N. peacekeeping assessments. These payments fund ongoing operations and are for bills that we must pay. The absence of full and timely payment of our assessments would severely impede the success of critical U.N. missions in Kosovo, East Timor, Sierra Leone, Congo, Lebanon, and elsewhere. These missions support important U.S. interests. This reduction would also create substantial new arrears to the U.N. and jeopardize negotiations for much needed reforms that the Administration is undertaking to achieve the goals of the United Nations Reform Act of 1999 passed by the Congress last year, including a reduction in the U.S. peacekeeping assessment percentage.

Contributions to International Organizations. The Administration strongly opposes a provision that would withhold $100 million of our U.N. assessment pending a semi-annual budget certification. This provision would only serve to handicap the U.N. finances unnecessarily, delay payment of our assessment as much as 20 months from the due date, and seriously undermine our campaign to lower the U.N. assessment rate ceilings for both the U.N. regular budget and for peacekeeping. We share the Subcommittee's commitment to strict budget discipline at the United Nations and have worked hard to reduce the U.N.'s proposed operations budget to a level less than $3 million above the budget for the 1998-1999 biennium. We will continue to insist, as we have successfully done in the past, that any program increases in the U.N. be fully offset by program decreases. The Administration is also very concerned by a reduction of $43 million from our $923 million request that would leave us unable to pay our full assessments to the budgets of the U.N. and other international organizations. This reduction would also lead to the creation of new arrears.

State Department Operations and Embassy Security. The Administration appreciates the Subcommittee's continued strong support for Administration efforts to improve embassy security by providing the President's full request for this critical activity. The Administration also appreciates funding provided to support the worldwide operations of the Department of State. However, the Administration is concerned that several earmarks, language provisions, and report language seek to micro-manage the activities of the Department of State and reduce the Administration's flexibility to address foreign policy needs. Of particular concern is report language that seeks to restrict the Department's ability to construct Agency for International Development facilities to be colocated on embassy compounds as required by the Secure Embassy Construction and Counterterrorism Act of 1999. The Administration is also concerned with the spending limit on machine readable visa fee revenues, constraining a program important to our border security, and is disappointed that the Subcommittee has not recommended permanent authority to retain machine readable visa fees essential to sustaining the Department's border security program in future years. The Administration appreciates the Subcommittee's support for the pilot test of a common information technology infrastructure overseas as recommended in the Overseas Presence Advisory Panel but regrets that additional new funding is not provided in the bill. Finally, the Administration is disappointed that the bill does not include requested advance appropriations for embassy security, funds for trade compliance and labor and environmental standards coordination, and transfer authority to meet potential needs of the Presidential Advisory Commission on Holocaust Assets. We believe the requested advance appropriations for embassy security will help ensure successful implementation of that long-term capital investment program.

Other International Accounts. The Administration is concerned about the large reductions below the FY 2001 request for the International Boundary and Water Commission, the International Joint Commission, the International Boundary Commission, the Border Environment Cooperation Commission, and the International Fisheries Commissions. These reductions would place a disproportionate burden on the operating budgets of these small agencies and would make it impossible to meet international treaty obligations. We also oppose the Committee's decision to eliminate funding for the East-West Center and the North-South Center.

International Broadcasting Operations. The Administration appreciates the Subcommittee's support for the consolidation of WORLDNET with the Voice of America.

Emergencies in the Diplomatic and Consular Services. The Subcommittee bill cuts the President's request for emergencies in the diplomatic and consular services by 50 percent, leaving the Department unprepared to bear the costs associated with evacuations above only a minimal level and to pay rewards currently advertised for the capture of suspected terrorists, narcotics traffickers, and war criminals.

Educational and Cultural Exchanges. While the Administration appreciates funding provided to continue ongoing educational and cultural exchanges at a current services level, we are disappointed that no program increases were provided, including the requested increase to the J. William Fulbright Educational Exchange Program.

Departmental Management. The Subcommittee bill contains two unrequested authorization provisions that would significantly affect the management and operation of the Department of State. Section 403 would limit the number of Deputy Assistant Secretaries to 71 and constrain the Department's ability to meet current management requirements. Section 405 would create a new position, the Deputy Secretary for Management and Resources. The Secretary of State has identified an immediate need for the creation of an additional Under Secretary position for Security, Law Enforcement and Counter Terrorism. We oppose the creation of a second Deputy, and believe that any other organizational changes should be addressed through the regular authorization process.

Equal Employment Opportunity Commission

The Subcommittee mark for the Equal Employment Opportunity Commission (EEOC) would eliminate over $30 million in requested program increases needed to ensure fair, efficient, and effective handling of employment discrimination charges, preventing the EEOC from achieving its goal of reducing its private-sector backlog to under 29,000. The Subcommittee's $10-million increase over the enacted level falls short of amount needed by EEOC just to cover inflationary increases, forcing it to absorb the difference through program reductions. The Subcommittee level would also set back the Commission's efforts to expand mediation opportunities for employers and employees. In addition, the EEOC will be unable to provide training and outreach to combat wage discrimination as part of the President's Equal Pay Initiative. The Administration urges the Committee to support these important activities.

Commission on Civil Rights

The Subcommittee's recommendation to freeze the Commission's funding at the FY 2000 level of $9 million, $2 million below the President's request, would impair the Commission's ability to advance civil rights for all Americans.

Office of the United States Trade Representative

The Subcommittee mark, which is below the current services estimate for the Office of the United States Trade Representative (USTR), would reduce USTR's personnel level at a time when the President's Executive Order on environmental reviews, the Trade and Development Act of 2000, and the entry of China into the WTO would add major additional responsibilities to USTR's expanding workload, reinforcing the need for the 25 additional positions requested. The bill does not fund the 15 new enforcement positions requested as part of the President's Trade Compliance Initiative, which are needed to enforce those agreements that the United States has already concluded, and to ensure that our trading partners live up to their commitments so that American companies and workers receive the benefits promised under these agreements. Nor does the bill provide requested funds for the 12 professional positions for core negotiators and a security officer -- positions that are needed in the China, Agriculture, Japan, and other offices to implement existing trade laws and agreements, including the "Built-In " agenda under the Uruguay Round Agreement for agriculture and service. Without these additional staff, the implementation of these agreements will be slowed, and trade benefits for U.S. companies delayed.

Federal Communications Commission

The Subcommittee mark would reduce funding the Federal Communications Commission (FCC) below the FY 2000 level. This could seriously impair the FCC's ability to carry out its mission by delaying implementation of necessary information technology systems and would likely require an agency-wide furlough. We urge the Committee to fully fund FCC.

Securities and Exchange Commission

The Administration appreciates the Subcommittee's increase of $25 million over the FY 2000 enacted level to provide for adjustments to base funding. However, the Administration encourages the Committee to provide an additional $30 million in requested program increases for information systems, additional staff, and special pay rates that are critical to ensuring the Commission can adequately respond to changes in the securities industry. Given the anticipated level of fees and the dynamic nature of the securities markets, it would be wise to enhance the Commission's oversight capacity.

Kyoto Protocol

The Administration would strongly oppose an amendment that may be offered that would interfere with the Administration's ability to work on issues related to climate change. The Administration has no intent to implement the Protocol prior to congressional ratification. To the extent this language might reach expenditures for negotiations with foreign governments, it would raise serious constitutional concerns, because the Constitution commits to the President the power to decide whether to engage in such negotiations.

We look forward to working with the Committee to address our mutual concerns.

Sincerely,

Jacob J. Lew
Director

Identical Letter Sent to The Honorable C. W. Bill Young,
The Honorable David R. Obey, The Honorable Harold Rogers,
and The Honorable Jose E. Serrano