

White House Will Reject Advice to Abolish Immigration Service, Officials Say

By ERIC SCHMITT

WASHINGTON, Jan. 20 — The White House is preparing to reject a Federal advisory commission's recommendation to abolish the troubled Immigration and Naturalization Service and assign its duties to other Government agencies, officials said today.

Instead, the Clinton Administration proposes reorganizing the agency to clarify its dual — some say conflicting — roles of battling illegal immigration and giving benefits to legal immigrants. Toward that end, it has hired a major consulting firm, Booz-Allen & Hamilton, to help work out the details of the redesign.

A White House official who participated in the review, speaking on the

condition of anonymity, said, "Right now, we're not ready to embrace the commission's proposal to disband the I.N.S., but many of its points are valid, and reform is necessary."

White House officials insist that President Clinton and his top aides have not made any final decisions and that Mr. Clinton will outline his plan in the fiscal 1999 budget he proposes to Congress early next month. But other Government and Congressional officials say they have been notified that a White House review has decided in principle against splitting up the agency, as the United States Commission on Immigration Reform recommended in September.

Even before the Administration's plan was formally announced, Re-

publicans on Capitol Hill who have been exploring the idea of disbanding the agency, expressed skepticism that a reorganization plan would solve the problems.

"The proposal to split the agency is an issue that needs to be vetted further," said Senator Judd Gregg, the New Hampshire Republican who heads the Senate appropriations subcommittee that controls the immigration service's spending. "It is a major move and I don't subscribe to it carte blanche, but it may be the best way to go. But I don't think this requires another outside consultant to review the management structure."

At issue is the advisory panel's conclusion that the immigration service suffers from such "mission

overload" that it can no longer manage its many priorities effectively.

The panel recommended that the Justice Department, the immigration service's parent agency, retain responsibility for controlling the border and removing illegal immigrants. The State Department, which now deals with visas at American embassies overseas, would handle immigration services and benefits, like citizenship requests. The Labor Department would assume a greater role in overseeing the hiring of foreign workers.

Breaking up the immigration service is an idea that has bounced around Washington for at least a decade. But the proposal has gained greater currency lately as Congress and many of the nation's governors are growing increasingly exasperated with the immigration service's inability to cope with soaring requests for citizenship, to weed out criminal aliens living in the United States and to crack down on the steady stream of illegal immigrants entering the country.

Republicans greeted the Administration's plan for a reorganization and outside review with skepticism, and said they would continue to consider more drastic changes.

Senator Spencer Abraham, the Michigan Republican who heads the Senate immigration subcommittee, said last August, "We should consider splitting the I.N.S. up into one law enforcement agency and one legal immigration agency to increase the efficiency of both."

A spokesman for Mr. Abraham, Joe McMonigle, said today that the Senator stood by his remarks and would hold hearings early this year on reorganizing the agency.

The House Appropriations Committee last summer directed Attorney General Janet Reno to review the commission's report and, along with other Federal agencies, develop a restructuring plan by April 1 that would allow the immigration service to perform its duties more efficiently.

In response, the White House's Domestic Policy Council interviewed a wide variety of officials in Govern-

ment, Congress and independent groups about the advisory panel's conclusions. "For the most part, there was support for reform but not for the commission's recommendation" to disband the agency, said the White House official who was involved in the review.

Ms. Reno and Doris M. Meissner, the Commissioner of Immigration and Naturalization, vociferously opposed any proposal to abolish the agency, and urged the White House to let them solve the agency's prob-

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lems.

Mrs. Meissner argued that the agency had recently achieved significant victories in tightening the nation's asylum system and the border with Mexico south of San Diego, and deserved a chance to clean its own house.

At the same time, other agencies that would assume duties from the immigration service were cool to the idea. The State Department, for example, argued that it was already absorbing the Arms Control and Disarmament Agency and the United States Information Agency.

Mrs. Meissner said White House officials notified her in late December that the immigration agency would remain intact. The immigration service then hired Booz-Allen to a two-month contract for \$374,498 that requires the consultants to give their recommendations by March 1.

By laying out a detailed reorganization before Congress's April 1 deadline, Administration officials say they hope to head off any effort by Republicans to use the agency's troubles as a political issue in the 1998 elections.



Paul Hosefros/The New York Times

A Day for the Medal of Honor

Maj. Gen. James L. Day, retired, received the Medal of Honor from President Clinton yesterday in a White House ceremony. General Day, 72, was recognized for heroism as a Marine corporal in Okinawa in

1945. He repelled a Japanese advance while dragging four wounded comrades to safety. His award was delayed for 52 years because of a series of mixups and paperwork mistakes.

cc: Bruce
Julie
LeanneImmigration — 0002
structural reform

IMMIGRATION

Backlog, Management Woes Fuel GOP Drive To Dismantle Agency

But Immigration and Naturalization Service plan to streamline and restructure may counter Republican plans

In recent years, the Immigration and Naturalization Service (INS) has been about as unpopular on Capitol Hill as any federal agency. Its most determined detractors want to tear it apart and start over. Its defenders — or what passes for such — can only muster the faintest praise: that it could be worse, and will be if critics get their hands on it.

This year, Republicans in Congress are intent on restructuring the agency, but first they must develop a consensus among themselves on how to do it, then overcome objections from the Clinton administration.

Rep. Harold Rogers, R-Ky, chairman of the Appropriations subcommittee that funds the INS, which is part of the Justice Department, has been soliciting support for a proposal to terminate the agency and hand its functions to other parts of the government. Other Republicans agree that an overhaul is needed, but they want to move cautiously.

Such proposals are rooted in years of dissatisfaction with the agency's performance in handling its dual missions of trying to keep out illegal immigrants while welcoming those who come here lawfully. Since Republicans took control of Congress in 1995, they have been the loudest critics of INS, led by advocates of stringent immigration control such as Rep. Lamar Smith, R-Texas. But many Democrats acknowledge that some of the complaints are not unfounded.

Rogers' plan, which he hopes to include in the fiscal 1999 appropriations bill funding the departments of Commerce, Justice and State, would split the INS up and hand its functions over



Immigrants wait outside the Immigration and Naturalization Service Building in Los Angeles, Sept. 29, 1997. The INS is proposing changes of its own to counter GOP splitting up the agency.

to three other departments. Its border enforcement functions would remain in the Justice Department but would be better integrated with other law enforcement agencies. Visas and naturalization would be given to the State Department. And policing of illegal immigrants in the workplace would be given to the Labor Department.

Rogers recommends the split for two reasons. First, he said, the INS has botched so many missions that it is in need of radical restructuring. Second, its problems stem from the fact that it has two distinct — and sometimes conflicting — missions.

"They have a mixed mission," said Rogers. "At once they are charged with serving immigrants and at the same time enforcing the laws against those immigrants."

Rogers' proposal is based on recommendations made last year by the bipartisan U.S. Commission on Immigration Reform, a panel that was created through 1990 legislation (PL 101-649) to recom-

mend changes to American immigration policy. Its recommendation to split up INS was its last before disbanding. (1990 Almanac, p. 483)

The Clinton administration and INS officials adamantly oppose the split, arguing that there is an inherent inter-relationship between enforcement and immigrant processing, and splitting them into different departments would be a disaster. An agent considering a visa application, for example, needs to know in a timely manner if an applicant has entered the country illegally, or been convicted of a crime. A split would only compound the problems INS has had in coordinating its work with other agencies within the Justice Department, they argue.

The INS is pushing a number of management reforms as an alternative. On Feb. 9, agency officials announced a plan to streamline and improve its naturalization programs. By April, the INS is expected to release a management plan covering the entire agency.

Years of Problems

In criticizing the INS' general operations, lawmakers cite the agency's inability to reduce the ranks of illegal immigrants, estimated at around 5 million, and its growing backlog of legitimate applications for visas and citizenship.

More specific criticism has centered on an INS effort to beef up naturalizations, known as Citizenship USA, during which approximately 180,000 people were granted citizenship in late 1995 and 1996 without proper background checks (1997 Weekly Report, p. 595)

An outside audit by the accounting firm KPMG Peat Marwick, released Feb. 9, said 369 had been convicted of crime

By Dan Carney

and should have their citizenship revoked. Another 5,954 had problems in their applications that could lead to revocation of citizenship. Most of these had been arrested for crimes and lied about it on their applications. The arrests themselves would not be grounds for denying an application, but lying on an application on such a serious matter would normally disqualify the applicant on the grounds that he or she lacked "good moral character." Just what to do with this group now that they have citizenship is still being studied.

After examining all qualifications for citizenship, the accounting firm also suggested the number of people who were given citizenship in error might be even higher. A random sampling of 5,438 of the more than 1 million naturalizations found problems with 3.7 percent. If extrapolated to the entire pool, that would be 38,850. Most of those were guilty of only technical offenses. But more than 11,000 could be considered to have failed the "good moral character" test.

Republicans argue that these problems were caused by pressure from the White House to naturalize as many citizens as possible before the 1996 election, with the thinking that the majority of those voting would select Democratic candidates. The INS vigorously disputes this charge, but freely concedes the program was mismanaged.

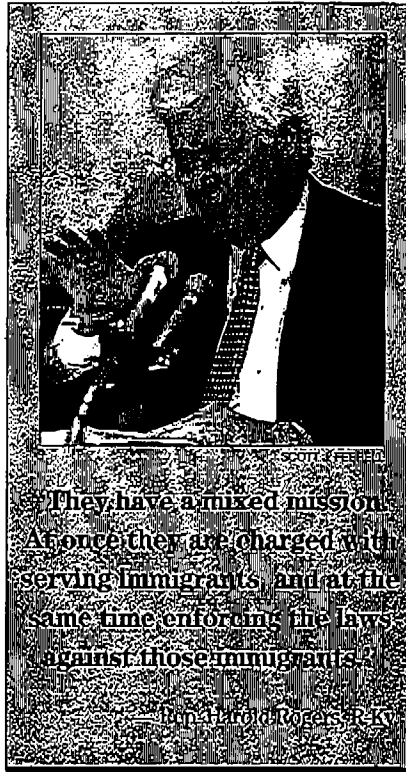
Among people reliant on the INS for their future, the agency comes under attack for the opposite reason. They criticize it for not processing citizenship applications fast enough for the overwhelming percentage of the applicants that are law-abiding. The current backlog, said Robert K. Bratt, executive director of naturalization operations, is more than 1.1 million. The bulk of the backlog is the result of a surge in applications, he said. But the effort to correct past errors has contributed as well.

A similar backlog occurred in the early and mid-1990s for permanent resident visas, when applications skyrocketed as a result of the 1986 Immigration Reform and Control Act (PL 99-603). In both instances, citizenship and visas, the INS did not see the wave of applicants about to hit them.

Lack of candor has also enraged INS critics. In 1995, INS managers at the Krome Detention Center south of Miami intentionally deceived a congressional fact-finding mission. In order to reduce overcrowding at the center before the arrival of the delegation, about 45 detainees were transferred to other facilities and 58 were released into the

community, according to an inspector general's report.

With a list of problems this long, interest in reforming the INS is widespread. But agreement on how to proceed is nowhere to be found. Rogers has had some discussions with the Republican leadership and other members who have jurisdiction over immigration



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— Sen. Harold Rogers, R-Ky

policy, and he hopes to write an INS split into his appropriations bill this year. But he is far from having the kind of support he would need.

"There's no consensus yet," said Rogers. "But we've just begun."

Opposition to his plan is coming from some unlikely sources, namely fellow INS critics. Smith, who chairs the Judiciary Committee's Immigration Subcommittee, and is one of the INS' most persistent foes, is urging a careful assessment.

A Top-to-Bottom Review

Smith is not impressed by anything he considers a quick fix. He said the agency's problems need to be rooted out through ongoing oversight and a management overhaul.

Any attempt to restructure the INS, he said, "needs to go beyond just moving people around or changing the organizational flow chart."

Similarly, Spencer Abraham, R-Mich., chairman of the Senate Judiciary

Immigration Subcommittee, is planning hearings but expects no immediate action. Judd Gregg, R-N.H., chairman of the Appropriations subcommittee that funds the INS, agrees with Smith that a thorough assessment is needed before overhauling the agency, an aide said.

Advocates for immigrants say the enforcement and naturalization branches of INS need to work together and that breaking the agency apart would undermine its overall mission. They also suspect an ulterior, divide-and-conquer motive on the part of those who want to break it up, saying that anti-immigrant forces in Congress would be in a better position to manipulate immigration policy if enforcement were placed in one part of the government and naturalization in another.

Pro-immigrant groups also say that those who want to break up the agency are simply trying to reduce immigration by neutering the agency that oversees it.

"It seems the INS serves as a proxy for immigration," said Frank Sharry, executive director of the National Immigration Forum, a pro-immigration group.

The INS may be the only agency that is at once unpopular in Congress and growing by leaps and bounds. Its budget has swelled by 166 percent in five years — nearly \$4 billion is proposed for fiscal 1999 — as Congress has placed greater emphasis on controlling the flow of illegal immigrants into this country. In some cases, Congress has given the agency more agents than it has asked for and says it can properly train. That is one indication that while the INS is a target of criticism in Congress, its enforcement mission is clearly a popular one on Capitol Hill.

The agency, meanwhile, is proposing changes on its own, including a beefed-up screening process to be undertaken when an application for citizenship is first received, and an enhanced fingerprinting system. Under the fingerprinting system, the INS itself would be responsible for all of the prints, which would be digitally recorded and sent electronically to the FBI for a background check.

INS Commissioner Doris Meissner said the agency was determined to "take every step possible to make sure the same mistakes are not made again."

A second report on the overall management structure of the INS is due by April 1. That report is expected to address the divided mission problem raised by Rogers by more clearly separating the enforcement and service portions of the INS. At the same time, it will oppose any formal split. ■

THE WHITE HOUSE

Tillie/Leanne-

Could you please put together a memo to the President on ~~background~~ INS structural reform - where we are, why we're there, what we're doing, what we're hearing from the Hill. He deserves an opportunity to tell us he disagrees - or just to make suggestions on strategy. Make it clear that we are making recommendations to him, but also make it clear that these are consensus views. Let me know if you have any questions - let's try to get this in by mid-week. Thanks.
Elena

MANAGEMENT OBJECTIVES

ON DIRECTOR'S LIST: PRIORITY OBJECTIVE___/OTHER_X_/RECOMMENDED FOR DIRECTOR'S LIST:___

TITLE: INS Reorganization Proposal

OBJECTIVE: Reorganize the INS to address long-standing internal management weaknesses and establish a structure that can accomplish the agency's dual mission of law enforcement and service provider.

BACKGROUND: INS has a complex and diverse mission. In its enforcement role, it serves as the Nation's border management agency through the Border Patrol, port-of-entry inspectors, interior investigators, and detention officers. INS also serves the immigrant community by providing immigrant benefits -- the highest and most visible being citizenship.

Over the past year, INS has come under intense Congressional scrutiny related to problems in its management of the naturalization program and incomplete implementation of some Congressional enforcement, detention and removal initiatives. This heightened attention comes at a time of unprecedented growth for INS. Since 1993, total agency staffing has increased by 7,750 (37 percent) and funding both from discretionary and fee sources has increased a total of \$2,111 million (138 percent).

On September 30, the Commission on Immigration Reform (CIR) issued its final report. The report recommended a reordering of immigration policy and a restructuring of responsibilities. The CIR cited "mission-overload" as an overriding criticism of the INS and recommended reorganizing the agency structure and reallocating responsibilities both within the Department of Justice (DOJ) and outside the agency. Under the CIR proposal, all enforcement responsibilities would be consolidated and remain within the Department of Justice in a Bureau of Immigrant Enforcement; and all visa and benefit functions would be transferred to the Department of State to a newly established Undersecretary of State for Citizenship, Immigration and Refugee Admissions. The CIR also recommended that all immigrant appeal processes be established in an independent agency (currently the Executive Office of Immigration Review conducts administrative hearing under the authority of the Attorney General) and that the Department of Labor expand its enforcement role by verifying employer compliance with laws requiring employers to hire only legal aliens.

ANALYSIS: The CIR proposal would sever the link between INS benefit/services and enforcement. INS believes that these two functions, while distinct, are not mutually exclusive -- linkage is necessary for both functions to perform effectively (*e.g.*, enforcement needs to know an alien's status to effectively perform its role). The passage of the recent immigration reform law makes the link between enforcement and adjudications even more important. Enforcement officers are now required to make eligibility

determinations on the spot and work in tandem with benefit and asylum officers to determine an alien's eligibility to remain in this country, hear a possible appeal, and expeditiously remove those who don't meet a "credible fear" threshold within a prescribed timeframe.

We question the CIR's assumption that the Department of State is better equipped from a mission perspective or with the necessary management infrastructure and resources to assume INS' naturalization and benefit responsibilities and perform them better than the INS. A CIR commissioner who dissented from the report's restructuring proposal stated,

"The Department of Justice has long experience with and is the preeminent repository of expertise in both the immigration enforcement and adjudication functions...[it] epitomizes the values of due process and the rule of law, which are especially important in achieving effective enforcement and fair, accurate adjudications for a well-regulated, highly selective legal immigration system."

Unlike the DOJ's mission of enforcing the rule of law, the Department of State's mission is the conduct of foreign affairs. This activity includes the conduct of consular affairs -- a major part being the adjudication of immigrant and non-immigrant visas -- that provide for the lawful entry of foreign nationals into the United States. Incorporation of a major domestic function -- adjudication of citizenship -- would be incongruous to the Department's mission of implementing the foreign policy of the United States both domestically and overseas. Placing naturalization within State would fundamentally redefine citizenship and related naturalization activities as within the realm of foreign policy.

The CIR report asserts that competition for management attention and resources is a serious problem with the current INS. We largely disagree. While competition for management time is inevitable regardless of placement in either the Department of State or Justice, there is little funding competition between the benefit and enforcement sides since the source of funding is separate: benefits operations are fee funded and enforcement money is appropriated. We further believe that splitting the agency will ultimately diminish the management attention and resources focused on what are would then be two smaller pieces.

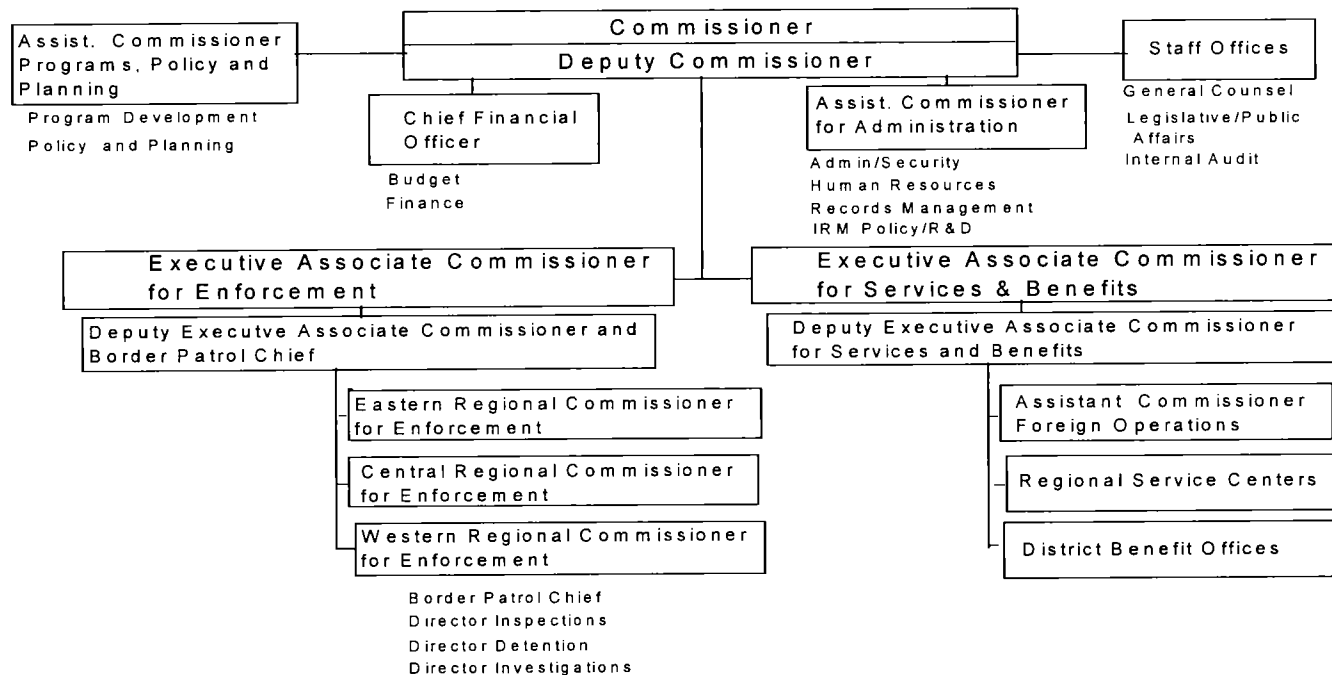
Certain CIR recommendations for improving enforcement operations have merit, such as merging all of INS' law enforcement agents into one uniform service. Similarly, CIR recommendations for streamlining and improving the integrity of the benefits process and strengthening INS systems, statistical measurement and management processes are on target and are currently being either addressed or implemented by INS.

PLAN: Up until 1993, INS operated with insufficient resources, weak or non-existence management systems and processes, and lackluster internal management. Under the current Commissioner, INS has made progress in implementing major changes to enforcement and benefit systems, improving management practices, and upgrading staff capabilities while INS' resources and

responsibilities have grown significantly. Instead of dismantling an improving INS, an effort should be made to build on the accomplishments of the past four years. What INS needs is a streamlined organizational structure based on programmatic priorities with clear lines of authority, responsibility and accountability. Such a structure would focus attention and assign responsibilities to those charged with carrying out INS' dual enforcement and benefit roles. We believe these dual but interrelated responsibilities should remain within one agency and properly within DOJ. A future INS organization should have these features:

- **INS Headquarters**, lead by a Commissioner and Deputy Commissioner, would focus on policy, strategic planning and management support (finance, records, Information Resource Management (IRM) policy and R&D); budget formulation; and compliance with policy and procedures. All line management and operational authority for agency-wide support systems like finance, budget, IRM policy, R&D, and records management would be consolidated in Headquarters.
 - Reflecting the importance of INS' fee and fine account receipts (\$1.3 billion) and the deficient condition of INS' financial operations, a separate Chief Financial Officer (CFO) would be established and report directly to the Commissioner. The CFO organization would include agency-wide budget formulation and execution.
 - IRM policy and standards and all R&D initiatives would be consolidated within Headquarters. Operational and support IRM functions would report to the respective program offices.
 - A small policy and planning office would develop long-range strategic plans, perform GPRA implementation and monitoring, and improve INS' important statistically policy and measurement responsibilities.
 - Headquarters Administration should focus on consolidating records management, improving agency facilities, and managing a streamlined administrative service center operation to effectively meet the needs of field operations.
- While the CIR recommends splitting the agency, a programmatic split that maintains the enforcement/benefit link necessary to function effectively accomplishes the same goal. The reorganization would separate **Enforcement** and **Services** under the leadership of two **Executive Associate Commissioners** (EAC). The EACs would ensure that clear lines of authority, responsibility and accountability exist in program operations, and bring a field perspective to Headquarters decision making. The CIR recommendation to merge INS' enforcement agents (Border Patrol, inspection and detention) into one uniform service and a white-collar investigative service should be implemented. Our proposal supports this evolutionary initiative by putting the Border Patrol Chief in a direct line of authority for all enforcement activities. The CIR also calls for higher visibility and management attention focused on the provision of services and benefits to immigrants and to ensure organizational safeguards exist so that fee account receipts support fee-related activities. The proposed division of responsibilities and improved financial systems will help achieve these goals. Under the proposed organizational structure, the EACs for Enforcement and Services would be responsible for the following:

- **Executive Associate Commissioner for Enforcement** would coordinate all enforcement operations and staff (Border Patrol, investigation, inspections, intelligence and detention).
 - A Deputy Executive Commissioner, who would also be the Border Patrol Chief, would have line authority for all enforcement activities to ensure coordination between enforcement components.
 - Three Regional Enforcement Commissioners would be responsible for coordinating INS enforcement functions within the regions. A Deputy Regional Commissioner would also be the Regional Border Patrol Chief with line authority in that region.
 - INS enforcement functions would be organized along the Border Patrol sector model with sector chiefs for each function reporting to the region.



- **Executive Associate Commissioner for Services and Benefits** would be responsible for providing efficient service and effective and accurate delivery of benefits to the immigration community.
 - Regional Service Centers, that will play an expanded role as direct mail benefit processing comes on line, will report to this EAC.

- Foreign Operations, which has a dual benefits and enforcement responsibilities for refugees, asylees and international anti-terrorism efforts would report to this EAC.
- All existing District Office operations (31 district offices or the expanded 80 suboffices currently under development) would report directly to the Deputy EAC. This direct reporting line relationship will minimize differences in standards and procedures which currently exists within INS' districts and regions.

NEXT STEPS: We would recommend that this reorganization proposal be shared with the Domestic Policy Council (DPC) to be incorporated into their interagency review of the CIR report recommendations. If they concur with these suggested structural changes, we would propose sending the DPC recommendations to DOJ and INS at passback for reaction and ultimately to include an Administration reorganization proposal for INS as part of the FY 1999 Budget.

BRIEFING PAPER ON PROPOSALS TO REORGANIZE THE U.S. IMMIGRATION SYSTEM

November 13, 1997

The purpose of this paper is to briefly review proposals for the reform of the U.S. immigration system and the various agencies that form that system.

BACKGROUND

The starting point for discussion must be the depths to which the immigration system fell during the 1980s in its ability to manage an ever increasing workload related to historically high levels of legal and illegal immigration. In 1991, the General Accounting Office (GAO) issued a report entitled, Immigration Management: Strong Leadership and Management Reforms Needed to Address Serious Problems, that described a baseline of ineptness at the beginning of the decade and called for reforms of the immigration system through the 1990s. Unfortunately, many observers still use this dated experience not as a baseline but as a description of the current performance of the immigration system.

In the last 5 years, the Administration and Congress have combined forces to provide the immigration system and, especially, the historically neglected Immigration and Naturalization Service (INS) with the increase in resources needed to begin to get the job done. The INS received \$1.5 billion from all its accounts in FY93. Its FY98 budget will be approximately \$3.8 billion, a 152% increase over FY93 levels.

Under new leadership, the INS also started internal reforms to overcome the extensive management and organization problems of the past and to launch a reinvigorated agency to tackle the challenges of the 1990s. The first steps began in 1994 when INS reorganized to overcome the "stovepiping" of its former organizational structure. According to studies conducted by DOJ's Justice Management Division and the GAO, the former structure resulted in confused roles and responsibilities, excessive spans of control, inconsistencies in service processing and adjudications, difficulties in coordinating enforcement activities, and barriers to effective communication between the field and headquarters.

The 1994 INS reorganization took a first step to support the dramatic increase in resources and assignments. It began to reorganize to take advantage of the increasing resources by investing significantly in new technologies, reforming its core service systems beginning with the asylum system, coordinating new enforcement operations, especially along the Southwest border and in the Caribbean, and seeking a policy leadership role in immigration affairs.

INS also instituted at that time a management by objective system that foreshadowed the requirements of the Government Performance and Results Act (GPRA). INS is already fully involved in defining and monitoring its performance in outcome measures that tie closely to the budget process, as required for all agencies by FY99.

ACCOMPLISHMENTS

Growth in the INS workforce parallels the tremendous increase, after three decades of large-scale immigration, in the workload facing the immigration system. Simply recruiting, hiring, and incorporating the number of new personnel is an accomplishment that few public agencies have either faced or achieved. In FY94, INS had 17,486 full-time personnel. By FY97, it had reached 24,984.

In priority areas, INS reached nearly 100 percent of its ambitious hiring goals. With this action, INS will increase the Border Patrol, for example, from 4,226 in FY94 to a projected 8,859 by FY99. Reflecting the priority given to removals of illegal immigrants from the United States, the INS will also increase its deportation and detention officer corps from 1,260 in FY94 to a projected 2,900 by FY99.

The increase in staff has also lead to significant outcomes. In any year, the Border Patrol makes approximately 1.3 million apprehensions of people attempting to cross the Southwest border illegally. In areas where the Border Patrol has concentrated its new resources, the early signs of gaining control are emerging and apprehensions are dropping dramatically as fewer people attempt to cross in those areas.

The track record in removals of criminal and non-criminal aliens is also impressive. Working with the Executive Office of Immigration Review (EOIR), the Marshals Service, and other components of the Department of Justice, INS has increased its removals from 45,395 in FY94 to 110,000 in FY97. As resources continue to grow, INS projects it will remove 142,750 criminal and non-criminal aliens by FY99.

The capacity to provide immigration-related services has also grown substantially in the last 5 years. After three decades of large-scale immigration, new applications for immigration benefits, such as naturalization or family reunification, are growing at historically unprecedented rates and reaching unsurpassed levels. In FY94, for example, new naturalization applications reached approximately 540,000, which significantly surpassed any year since the early part of the century. By FY99, however, INS projects that new naturalization applications will reach 1.8 million. INS has been able to respond. In FY94, INS completed 444,0074 naturalizations. By FY99, INS projects completions to reach 2.4 million as the Service works off the backlog created during this period of tremendous growth.

Every year, the INS, Customs Service, and other Federal inspections agencies successfully examine millions of foreign and U.S. travelers passing without incident through border ports of entry and airports. For example, according to the Department of Commerce, which works closely with the INS to foster travel and tourism, international arrivals by air into the United States were 44.8 million in FY94 and are projected to increase to 57.2 million by year 2000. Across the southern land border, federal inspection agencies, working together, examine 300 million individuals on average per year. At the northern border, another 130 million travelers are inspected each year.

In FY97, INS also faced implementation of the new Illegal Immigration Reform and Individual Responsibility Act of 1996 (IIRIRA), which the President signed on September 30, 1996. A much smaller Immigration Service had been unable to write the regulations or to fully implement the Act's predecessor, the Immigration Act of 1990. A full five years after the 1990 Act, regulations had still not been published and significant parts of the law not implemented. In FY97, however, INS drafted new or amended regulations for more than 60 sections of the Immigration and Nationality Act, created, modified, and consolidated approximately 75 forms, added 25 new reporting requirements, and trained 16,000 officers by April 1, 1997, only six months after passage of IIRIRA.

The Department of State (DOS) has faced similar pressures from the growth of immigration and travel over the last few years. For instance, the Department issued over 6 million passports in 1997 and is expected to face, with INS, replacement of perhaps up to 5 million Border Crossing Cards. Without a Congressional extension, DOS and INS will have to replace 2 million cards and issue about 1 million new cards within a one-year period.

The scale of current operations and the progress being made throughout the current immigration system provide an essential backdrop to any discussion of reorganization. In considering the need for reorganization, it is important not to confuse unprecedented growth that comes with accomplishment, with expansion that creates malfunction. Even with the frustration that comes with bold expectations, and the need for many more improvements, the performance of the immigration system over the last few years has been unprecedented.

REFORM AND REORGANIZATION PROPOSALS

Over a year ago, INS began developing its second round of organizational reforms. Since 1994, the dramatic increase in personnel and workload supported another review and adjustment to increase the efficiency and effectiveness and to overcome problems that lingered from the initial reorganization. The decision was that the FY94 reorganization had not gone far enough to clarify roles and responsibilities among field and headquarters managers, to strengthen the position of the Border Patrol within the organization, and to reorganize the service delivery system. New problems had also emerged. Systemic problems with the naturalization program called for a complete overhaul of the way in which delivery of these services meshed with the need to protect against fraud.

INS leadership developed an interim reorganization plan that would correct some of these problems and set the stage for a more extensive reorganization in FY99 when core infrastructural developments had been fixed. These anticipated developments included the centralization and automation of records, personnel and pay reform, and naturalization reform.

The current Administration and Congressional review of the organization of the immigration system provides an early, but opportune mechanism for INS to put forward its long-term reorganization proposal. As an interim measure, INS has put forward for immediate Congressional approval elements of the interim proposal that strengthen administrative and financial management and that have already been thoroughly vetted through the Administration and Congress. The rest of the INS interim proposal will now be folded into the long-range, comprehensive plan to be put forward in the next few months.

In September, the Congressional Commission on Immigration Reform proposed reorganizing the functions of the immigration system into four categories. These include moving the following functions into new places within the Federal bureaucracy:

Immigration enforcement into a Bureau for Immigration Enforcement at the Department of Justice; Adjudication for eligibility for applications into the Department of State, creating a new Undersecretary for Citizenship, Immigration, and Refugee Admissions; Enforcement of immigration-related employment standards into the Department of Labor; and Appeals of administrative decisions, including exclusion, deportation, and removal hearings, into an independent Agency for Immigration Review.

The Commission testified on November 7, 1997, that these reforms are aimed at overcoming the inherent incompatibility of enforcement and service functions within one agency. The problems they believe this incompatibility create include competition for resources, lack of coordination and cooperation, and personnel practices that cause confusion about mission and responsibilities. The Commission also argues that combining responsibility for enforcement and benefits blurs the distinction between illegal immigration and legal admissions.

In opposition to the Commission's recommendations, Congressman Reyes submitted legislation (H.R. 2588) to establish the Office of Enforcement and Border Affairs within the Department of Justice and to separate out of INS all enforcement functions. The problems that this proposal seeks to overcome include a perceived weakness in the position of the Border Patrol within INS, competition for resources between enforcement and service activities, and the ambiguity of the status of Immigration Inspectors as law enforcement personnel.

INS' proposed reorganization addresses each of these problems and takes additional steps forward. Several examples are provided below.

For example, the INS proposal will strengthen the role of the Border Patrol within the agency, clarify the law enforcement status of immigration inspectors, and significantly improve communication with borderwide personnel by placing the Chief of the Border Patrol outside Washington, D.C., and closer to the majority of his agents on the Southwest border. These ideas have already generated demonstrable support from the Border Patrol Chiefs Association and others.

The INS has been working on personnel and coordination issues. For more than a year, for instance, it has been engaged in resolving a legacy of ambiguous, overlapping, and contradictory statutory authorities on personnel and, especially, pay reform issues. Working with the U.S. Customs Service and other Federal agencies, the INS has also demonstrated the capacity to achieve coordination and cooperation at critical points in the immigration system. For example, in response to a National Performance Review initiative, and during the last two years under Congressional mandate, INS and Customs have tested and demonstrated that coordinated management at the ports of entry is both possible and desirable. Successful coordination among Federal agencies performing their specialized functions under their own legal authorities is often preferable to unification under a single agency.

In INS' experience, the perceived competition for resources among enforcement and services results primarily from Congressional mandate and the structure of Congressional committees than from the structure of the immigration system. In fact, unless statutorily mandated by Congress, user fee accounts derived from adjudication of benefits cannot pay for any items that are not clearly related to providing the service or benefit for which the fees were paid. For example, resources from application fees cannot be expended for Border Patrol, Detention and Deportation programs or any other programs related expenses that are not in support of processing Exams Fee Account applications and asylum and refugee services.

INS and the Department of Justice are now facing an April 1 time frame set by Congress to put forward their full reorganization proposal. INS will hire two outside management consulting firms to assist in developing and validating its management and organization reform proposals.

The core features of these comprehensive reforms include the following:

comprehensive re-engineering of the way in which INS delivers services to legal applicants for benefits; dramatic improvement in the way INS interacts with its customers and the communities in which it works through function and physical delineation of enforcement and service delivery at local levels; strengthening of the Border Patrol in line with its increase in size and responsibility; deployment of new generations of technology made possible by returns on earlier, huge investments in infrastructure, including especially the centralization and automation of INS records. These changes in records makes efficient, streamlined, and prompt service possible, while strengthening the integrity of adjudications process; increase in the standards of professionalism within INS as a result of a complete overhaul of the career development system, including improved training and resolution of the pay and retirement issues that have caused internal personnel confusion; expansion of service to other Federal, state and local law enforcement needs through consolidation of records and information and improved identification systems involving state-of-the-art fingerprint technology; enhancement of communication between frontline INS employees and managers at all levels of the organization.

THRESHOLD QUESTIONS

Proposals to reorganize the Immigration and Naturalization Service and the entire U.S. immigration system have been considered in at least every decade since the 1930s. On occasion, the arguments have supported splitting various functions, while at other times they have advocated consolidation. In reviewing this long-

term history, and the experience of proposed reorganizations of other agencies, several threshold questions should guide deliberations on proposals for reorganization of any public agency. These include:

Reorganizations involve considerable redirection of effort and productivity during typically extended periods of debate and implementation. Reorganizations always take longer and cost more than anyone anticipates. Should the Administration or Congress delay progress in the current immigration system in order to design and test a new concept?

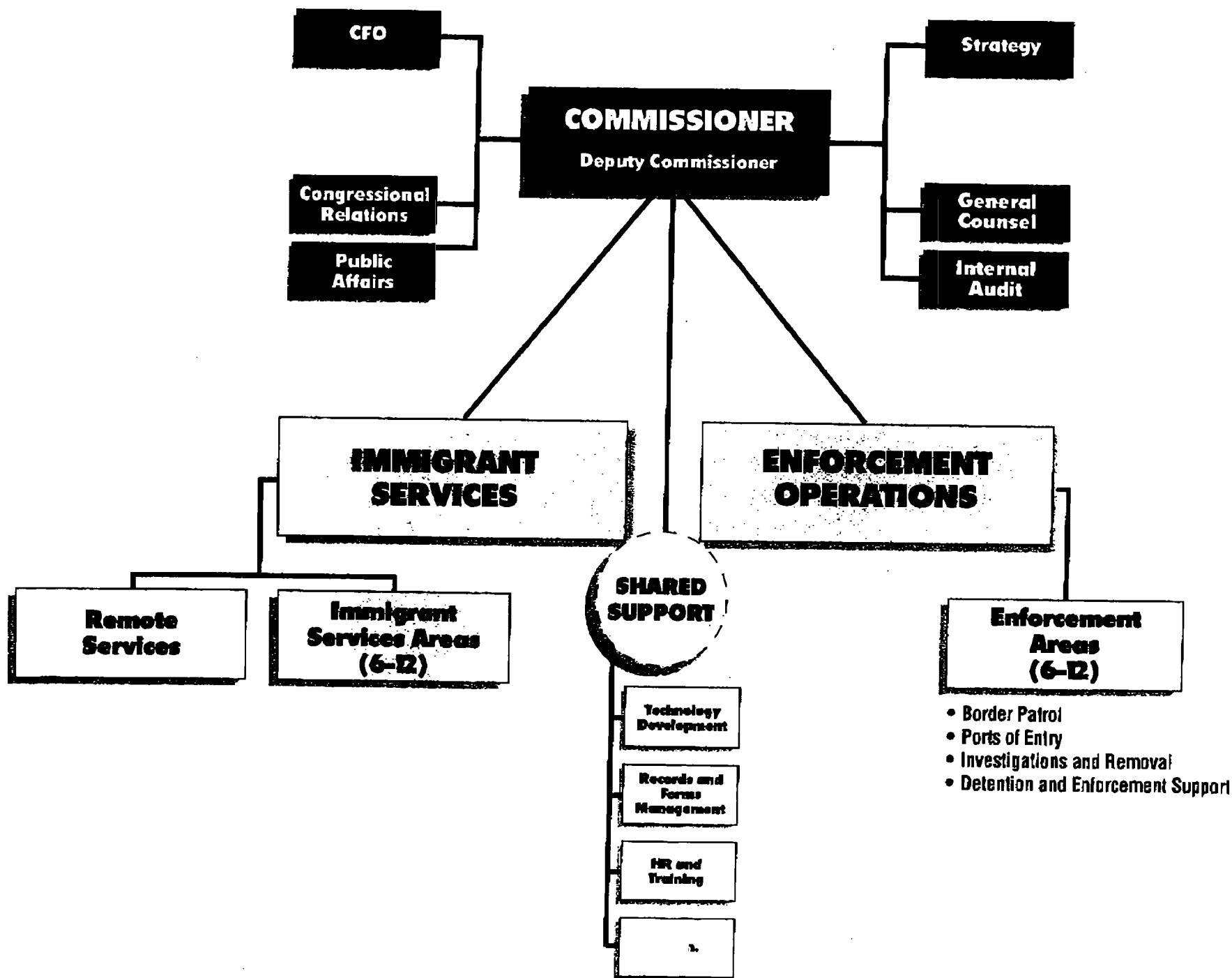
Is the diagnosis of current problems accurate? Efforts to reorganize the wrong problems can lead simply to new difficulties. Has there been sufficient analyses and broad-based agreement on the nature of the problems to warrant reorganization? All reorganizations are costly. Is reorganization the answer to the problems or can they be solved within current structures?

In the end, is what may be gained by reorganization so significantly different and better that it could not have been accomplished without the loss of time, effort, and resources to accomplish it?

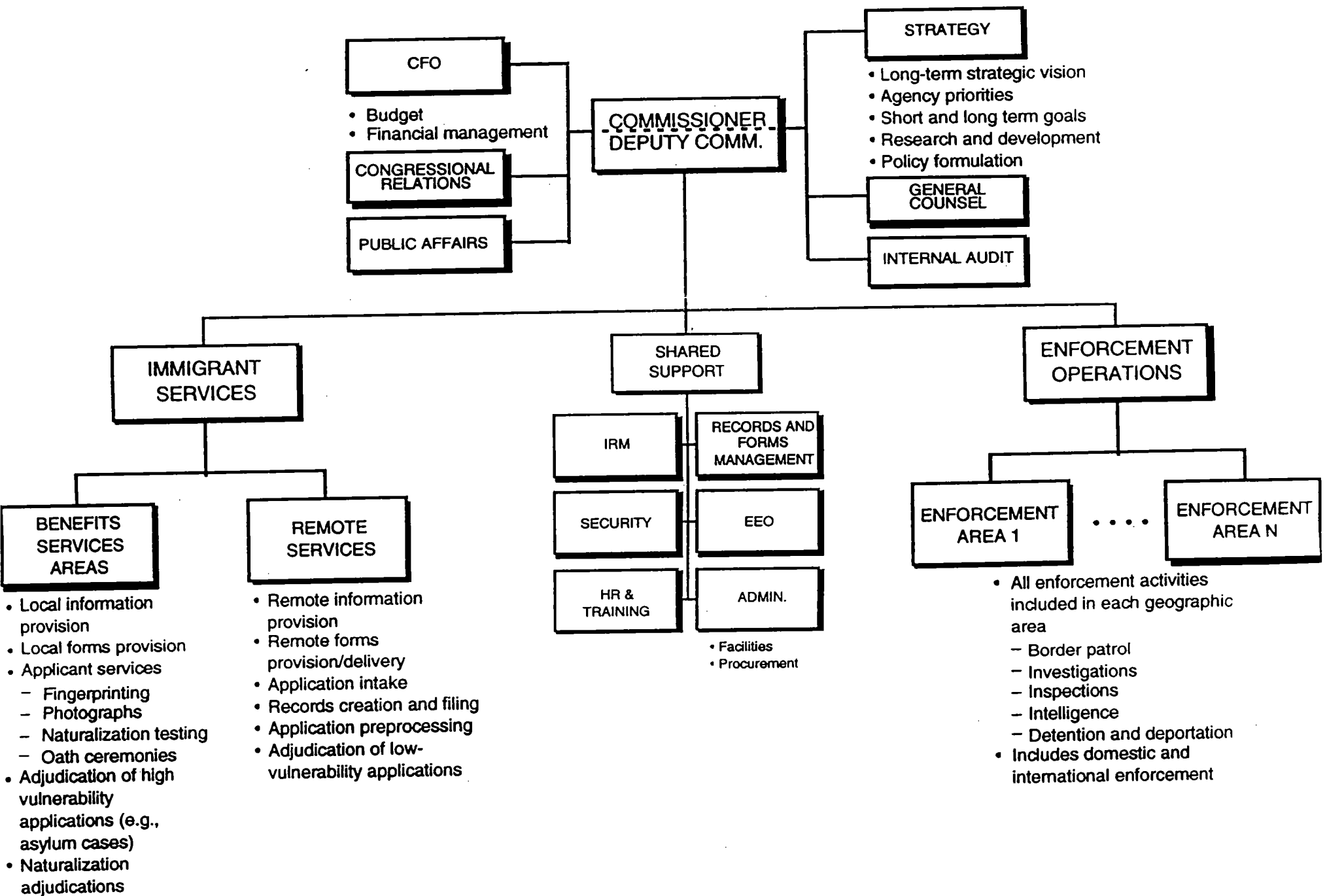
Have all stakeholders' interests been taken into account, including the various groups, such as public employees unions, which have been strong and active participants in previous attempts at reorganization? Cross-agency reorganization involves complex personnel issues, including significant impacts on civil service and foreign service employees. In the era of labor-management partnership, has sufficient preparation and consultation occurred?

Beyond these threshold questions, the fundamental challenge in any review of reorganization proposals is to establish a basis for evaluation. Current organizational structures and agencies have a track record to examine and analyze thoroughly. But proposed organizations can offer performance promises that end up as superficial suggestions.

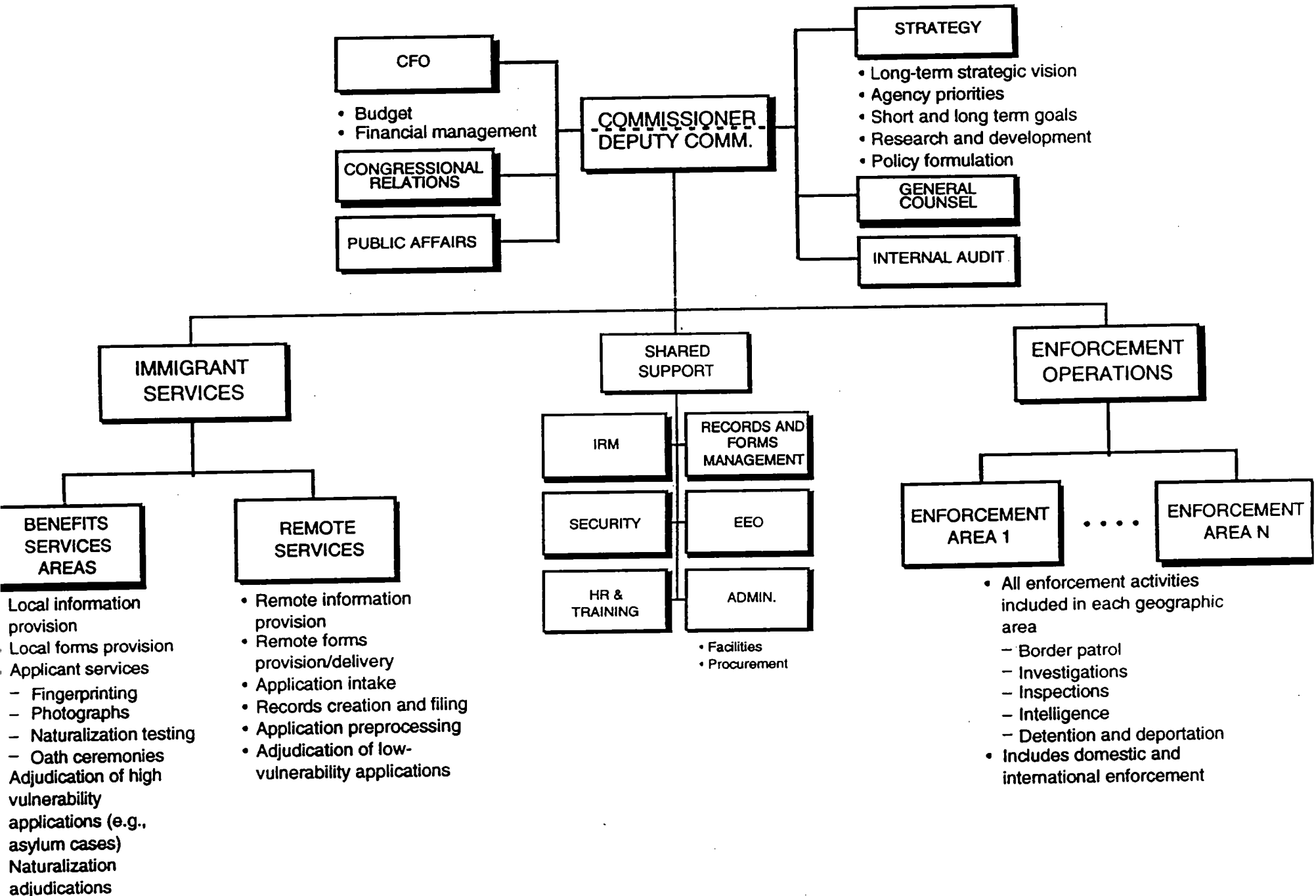
PROPOSED I S ORGANIZATION



PROPOSED INS ORGANIZATION



PROPOSED INS ORGANIZATION



Restructure and Reform of the Immigration and Naturalization Service Comparison of the Administration and Commission on Immigration Reform (CIR) Proposals

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
1. Establish, within the Department of Justice, a new Bureau of Immigration Enforcement that would contain border and interior enforcement responsibilities.	Establishes an Executive Associate Commissioner for Enforcement Operations consisting of all enforcement functions (Border Patrol, inspections, investigations, detention and intelligence) reporting directly to the INS Deputy Commissioner/Commissioner.	Preserves integration/synergy between enforcement and services but establishes clear lines of authority and divisions of responsibility between these two missions. Maintains a single immigration focal point within the Department of Justice.
1a. Bureau Director appointed for a set term (5-years).	INS Commissioner remains a Presidential appointee with no set term.	Ensures agency-head has the confidence of the Attorney General and President.
1b. Bureau personnel should be upgraded to receive law enforcement pay and benefits commensurate with those of other DOJ law enforcement components.	<u>Agree.</u> The Administration is reviewing pay comparability options to ensure law enforcement officers, with similar duties receive the same pay and benefits.	Pay comparability options are being studied. Changes in pay and benefits will require legislation that will likely affect pay and benefits for the Customs Service.
1c. Establish a Uniformed Service Enforcement Branch that merges INS Inspectors, Border Patrol and detention offices into one uniform service.	<u>Agree.</u> Establishes a uniform officer corps merging Border Patrol, inspections and detention officers within this corps. This merger will be implemented in a phased approach to ensure consistency in hiring, training, standards and mobility between enforcement operations.	Options for merging law enforcement job categories within INS are being considered. Unions representatives and affected employees will be fully involved in the development of an uniform officer corps prior to finalizing a plan. A final plan will require legislation and phased implementation process.

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
1d. All uniformed officers within a particular geographic area would be under the authority of a single integrated enforcement manager.	<u>Agree.</u> All functional enforcement operations (Border Patrol, inspections, investigations, detention and intelligence) will be consolidated in local enforcement units under a single command structure.	The Administration's plan consolidates all law enforcement components under Directors of Enforcement Operations (DEO) at a sub-headquarters level. This approach is similar to a traditional law enforcement organizational model.
1e. Establish a "Removal Officer" position that integrates the functions of investigations and deportation.	<u>Agree.</u> Investigations and deportation officers will be merged into the same enforcement removal units. The merits of merging of the two occupational series are still under consideration.	Under the DEO, an investigations and removal branch will coordinate these functions which will be physically located at the local unit or sector. Close coordination, oversight and management will ensure optimum use of this staff.
1f. Field offices structured to address comprehensively the immigration enforcement challenges within that locality	<u>Agree.</u> The proposed enforcement field structure is likely to mirror the current Border Patrol "sector" model and will include all enforcement related activities (Border Patrol, inspections, investigations, detention and intelligence).	All enforcement officers will report to local enforcement sector chiefs or the detention and removal branches, who report to a DEO, and finally report to the EAC for Enforcement Operations. The result is clear reporting relationships and a manageable span of control.
1g. Regional offices would be retained for administrative and management oversight of field office operations.	Regional offices will be restructured as operational rather than administrative. The total number of enforcement areas will be between six and 12 and report directly to the EAC for Enforcement Operations.	The operational DEO structure has not been designated. The optimum span of control for DEO will require the establishment of six to 12 regional offices reporting to the EAC for Enforcement Operations.

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
2. Establish, within the Department of State, a new Undersecretary for Citizenship, Immigration and Refugee Admissions to adjudicate immigration related applications for benefits.	Establishes an Executive Associate Commissioner for Service Operations consisting of all immigrant benefit and service functions reporting directly to the INS Deputy Commissioner/ Commissioner.	Preserves integration/synergy between enforcement and services but establishes clear lines of authority and divisions of responsibility between these two missions. Maintains a single immigration focal point within the Department of Justice.
2a. Establish a Bureau of Immigration Affairs to manage the immigration process including application adjudication/examination and employment verification.	Included within a restructured EAC for Service Operations.	Immigration enforcement responsibilities are integrated in the benefit review and adjudication process. Neither can be conducted effectively if separated. Both enforcement and service operations enforce the same law (Immigration and Nationality Act) and consistent outcomes -- both in enforcement and services -- require common processes, data requirements and employee cross-training.
2b. Establish a Bureau of Refugee Admissions and Asylum Affairs responsible for overseas refugee admissions and asylum adjudication.	Included within a restructured EAC for Service Operations.	Same as above. INS and State will initiate an operations review to minimize any overlap and duplication of effort in INS and State run refugee and asylum programs.
2c. Establish a Bureau of Citizenship and Passport Affairs responsible for naturalization and determinations of citizenship and passport issuance.	Included within a restructured EAC for Service Operations.	The State Department is not equipped to conduct the service and enforcement processes required in the naturalization program. The naturalization redesign has addressed the concerns raised by the CIR without removing the function from INS.

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
2d. Establish Quality Assurance Officers to oversee records management, procedure monitoring, fraud investigations and internal review.	<u>Agree.</u> INS has expanded its INSpect program to assist in internal review and audits. The EAC for Service Operations will establish an office to monitor and ensure quality service, benefit processes, products and operations.	The naturalization redesign has established integrity quality assurance checks throughout the process. The redesign incorporates sweeping changes in processes, records management, data flow and retention and customer service as measures of quality and integrity.
2e. Establish a field structure that uses existing INS Regional Service Centers and State' National Visa Center and local office located separately from enforcement offices.	<u>Agree.</u> The EAC for Service Operations will rely heavily on direct mail to existing INS service centers. Local service offices will move from the current district office configuration to a community-based operation modeled on immigrant population density data. Service offices will no longer be collocated with enforcement operations.	The naturalization redesign study has recommended direct-mail to service centers for benefit processing. INS is implementing this recommendations beginning April 15 for naturalization. Phased implementation for all benefit application processing through direct-mail to service centers is under development.
3. Transfer the enforcement of immigration-related labor and employment standards to the Department of Labor.	Enforcement of immigration-related labor and employment standards will be shared between the Department of Labor and INS.	Both INS and Labor have enforcement responsibilities in this area. The Domestic Policy Council (DPC) will develop an MOU that will ensure both agencies can meet their program mission requirements effectively.

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
3a. All worksite investigations to ascertain employers' compliance with employment eligibility verification requirements should be conducted by the Department of Labor.	The authority to verify compliance and sanction employers for violations of employment eligibility will be shared between INS and the Department of Labor. The Department of Justice may delegate employer sanctions authority to the Department of Labor to assist INS in this area.	Same as above. The DPC-lead effort will ensure sufficient delegation of authority to DOL so employer verification and sanctions tools that can support DOL's mission are available. INS will also strengthen its enforcement efforts in these areas.
4. Establish an independent Agency for Immigration Review and consolidate all immigration appeal proceedings adjudicated by the Departments of Justice, Labor and State into this agency.	Maintains the current multi-agency review and appeals mechanism.	The Administration believes that the differences in appeal requirements justifies separate adjudication bodies within their respective Departments.
4a. Organization headed by a Presidentially appointed Director with no say in the substantive decisions reached on cases considered by any division or component of the agency.	Maintains the appeal processes within existing Departments with review and oversight by the Department head as appropriate.	Placement of the adjudication process within a Department provide an appeal mechanism which is lost if adjudication is conducted by a separate, independent agency.
5. The Commission urges the federal government to make needed reforms to improve management of the immigration system.	<u>Agree</u> . Significant management improvements have been accomplished at INS over the past five years. This restructuring plan addresses a number of management and process weaknesses that remain within the agency.	INS has accomplished major management, system and process improvements in the face of a highly visible and growing mandate, huge increases in resources and staffing and unceasing demands for services.

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
5a. Set more manageable and fully-funded priorities (realistically-achievable short and long-term goals and greater numerical specificity on expected annual outcomes to which agencies should be accountable.	<u>Agree.</u> The INS has developed strategic enforcement plans and performance plans and measure in both enforcement and service operations. We believe that these plans and measures are manageable and will accurately capture agency performance. As measures are refined, annual outcomes can help judge performance, highlight strengths and weakness that require management attention.	INS' FY 1999 Budget justification provides measurable performance goals in enforcement and service operations. These goals are being refined and expanded as additional information and data becomes available. The goal is results oriented performance measures that allow management to judge performance in the aggregate and provide line-managers with the data necessary to do their job effectively.
5b. More fully develop the capacity for policy development, planning, monitoring and evaluation.	<u>Agree.</u> The Administration plan will consolidate long-term immigration planning within its strategic planning office reporting to the Commissioner. This group will coordinate agency-wide policy development.	The DPC has established a policy-level group that includes immigration-related agencies and Executive Office of the President staff. This group looks at short and long-term immigration policy issues and concerns and coordinates the development of Administration positions on immigration matters.
5c. Improve systems of accountability.	<u>Agree.</u> The key feature of this restructuring plan is to build clear lines of responsibility and accountability within the INS. Much of the work INS performs requires close coordination between enforcement and services, under this structure reporting relationship are clear so that policy can be consistently developed and applied.	The restructuring will ensure that line managers have the necessary tools to effectively do the job. Current confusing and overlapping organizational relationships will be eliminated and replaced with clear lines of command in enforcement, services and within the administrative support functions -- vital to INS' operational effectiveness.

<i>CIR Recommendation</i>	<i>Administration Restructuring Proposal</i>	<i>Rationale</i>
5d. Improve the recruiting and training of managers.	<u>Agree.</u> INS has consolidated its recruitment efforts to ensure consistency and quality and has emphasized the importance of basis, advanced and management training. Training is a core element of the Commission's professionalism initiative and performance is measured by INS and the Department. INS has sought to infusion new skill and thinking by hiring from both public and private sectors.	Consolidated and consistent recruiting has been achieved by establishing a central operation in Minneapolis for hiring. Similarly, INS has established a management training facility in Dallas, Texas and equipped the Border Patrol training facility in Charleston, S.C. In concert with the establishment of these facilities is the creation of training modules for enforcement, service and professional staff.
5e. Strengthen the customer service orientation.	<u>Agree.</u> The CIR noted that the lack of a clear career path for enforcement and service personnel means INS often losses its best employees. This restructuring will establish career paths for enforcement and service personnel.	INS has undertaken a number of steps to improve the information its shares with its customers as a way to improve quality. As example: ports of entry inspectors have developed informational packets to facilitate border crossing, and the naturalization redesign makes timely and accurate information dissemination to the immigration population its first priority.
5f. Use fees for immigration services for effectively.	<u>Agree.</u> The naturalization redesign, which will be broadened to all benefit processes, combined with this restructuring will address the concerns raised by the CIR. INS completed a activity-based-costing (ABC) review of its benefit fee structure which has resulted in a proposed fee increase that accurately estimates the cost of providing benefits.	INS will conduct a base examination in FY 1998 to ensure that benefit/service fees support service-related operations. This review and the ABC review should help assure the immigrant community that fees reflect true costs and that theysupport fee serv

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AILA Fax Cover Sheet

To: Leanne Shimabukuro

From: Judy Golub

Maria Echaveste

Fax #: 456-7028

Date: 1/21/98

456-2983

Re: AILA Principles/Goals re INS

of Pages: four (including cover)

As promised, here is AILA's statement of principles and goals that must result from any restructuring of the INS. We also gave this material to Commissioner Meissner.

We would appreciate the opportunity to discuss this with you in more detail. Thanks.

AMERICAN IMMIGRATION LAWYERS ASSOCIATION:
Statement of principles and goals that must result from any restructuring
of the INS

Please see attached Resolution adopted by the American Immigration Lawyers Association on October 25, 1997. AILA opposes the Commission on Immigration Reform's proposal to dismember the INS, and supports increasing the authority and independence of the Benefits branch of INS.

Benefits

1. The benefits side of INS must be given the resources it needs to complete adjudications in a timely fashion. Immediate improvement is needed as backlogs are growing exponentially in all benefits functions: nonimmigrant petitions, immigrant petitions, adjustments of status, and naturalization. These backlogs must be resolved immediately, as clearly qualified applications are delayed in some instances several years.
2. The benefits branch should retain 100% of funds generated by user fees, and user fees should be kept reasonable and affordable. Resources should be allocated in a balanced fashion between business, family, and naturalization applications.
3. The benefits branch should have sufficient independence and authority, including budgetary authority, to develop immigration policy, and to direct the implementation of benefits and services programs.
4. Any restructured INS should include provision for greater protection for career advancement of employees of the benefits branch.
5. Restructuring plans must include improved training and supervision of the adjudications branch to ensure consistency in decision-making. Prompt, effective communication to Service Centers and District Offices of policies established by Headquarters will be an essential step in improved consistency.
6. Duplicative readjudication of petitions by the Department of State should be eliminated.
7. Admissions determinations now conducted by Inspections must continue to be made by personnel from the Examinations/Benefits branch of INS with emphasis on fairness and due process considerations.

Enforcement

1. Steps must be taken to improve professionalism of the Border Patrol, including enhanced training, and better communication of Headquarters policies to the field.
2. Enforcement priorities should be set at the national level, and applied consistently by all INS offices. INS enforcement efforts should be closely coordinated with other law enforcement agencies to target the most egregious violations.
3. Protection of individual rights and due process is paramount in the enforcement context. Current practices must be improved through enhanced professional training.
4. Responsibility for and control of detention centers, including public and private facilities under contract with INS, must be maintained by INS to insure protection of rights and consistency of policy. Facilities must be maintained with the understanding that immigration violators are not criminal offenders, and should not be detained in criminal facilities.
5. The right to counsel must be protected in a meaningful way through access and ability to communicate with detained aliens.

**RESOLUTION OF
THE AMERICAN IMMIGRATION LAWYERS
ASSOCIATION ADOPTED OCTOBER 25, 1997**

RESOLVED

- 1. That AILA opposes the U.S. Commission on Immigration Reform's proposal to dismember the Immigration and Naturalization Service.**
- 2. That AILA supports the restructuring of INS to give the benefits branch increased budgetary authority, increased authority to develop immigration policy on benefits and services, increased authority to direct the implementation of benefits and services programs and greater protection for career advancement to ensure adequate funding and independence of the benefits branch.**

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be

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STATEMENT OF WORK

Provide Support to the Department of Justice for the Implementation of an Organizational Restructuring of the Immigration and Naturalization Service that Separates Enforcement and Services Functions, Improves Accountability and Clarifies Lines of Authority

I. Purpose and Objectives

The purpose of the tasks listed in the statement of work is to coordinate closely with the Department of Justice (DOJ), the Immigration and Naturalization Service (INS), and the Executive Office of the President (EXOP) to: (1) examine the organizational restructuring of the INS proposed by the Office of Management and Budget (OMB) and outlined in Budget passback; (2) develop an implementation plan for this restructuring proposal built on the principle that enforcement and benefit/services operations are separated -- both in headquarters and the field; and (3) recommend focused, specific alternatives to organizational and management recommendations contained in the OMB passback proposal, where necessary and appropriate. The objective of this effort is to maintain INS' enforcement and benefit functions within one agency; develop an implementation strategy that achieves a separation of enforcement and benefit functions with clear and distinct lines of reporting and accountability; and, details improvements in management, organization and structural support functions that will enhance this separation and result in improved agency operations.

II. Statement of Work

In response to the purposes and objectives outlines above, the contractor shall perform the following services:

The contractor shall develop an organizational implementation plan based on the restructuring proposal outlined in the OMB passback and the President's Budget narrative. The project shall include the completion of the following tasks:

Task 1. Interviews and Data Collection.

Conduct structured interviews with INS, Department and EXOP policy officials.

Convene a series of focus groups in Washington, D.C. for key INS and senior management officials, including field-based officials, such as Regional Directors, District Directors, Chief Border Patrol Agents, Regional and District Counsels, and INS Headquarters officials, including the Commissioner and other senior agency, department and EXOP officials.

Task 2. Recommend an Implementation Strategy for INS Restructuring

Based on the restructuring proposal outlined by OMB and the data and information obtained from the interviews and data collection conducted under Task 1, propose an implementation strategy that adheres to the principles contained in Section I of this document.

III. Progress Reports and Status Reporting

The contractor shall provide detailed, written progress reports to, and meet weekly with, a Senior Policy Board and brief this Board on the progress of the project, solicit input and receive guidance. Board membership shall include representative from the INS, DOJ and EXOP.

IV. Period of Performance

The duration of this project will be two months, beginning on December 31, 1997. The contractor will provide a draft report to the Board described in Section III no later than Monday, February 16, 1998, with a final report, reflecting guidance provided by the Board, to the Department of Justice by March 1, 1998.

V. Government Support

The contractor will receive the following Government support for the performance of these tasks:

- A. Documentation. Access to reports, studies, data and related materials necessary to perform these tasks.
- B. Technical Assistance. Points of contact will be designated by applicable DOJ, INS and EXOP offices to ensure consistency in areas related to data exchange and verification and other liaison matters. This assistance normally will be available only during normal business hours.
- C. Senior Policy Board Input. The contractor will meet weekly with a Senior Policy Board of INS, DOJ and EXOP to discuss progress and problems related to the successful completion of these tasks and deliverables in accordance with the approved workplan and schedule. The Policy Board will provide assistance, guidance and direction to the contractor as necessary.

VI. Deliverables

In performance of the above tasks and in accordance with the above purpose and objectives, the contractor shall submit the following deliverables:

<u>Deliverable</u>	<u>Due Date</u>
Conduct Interviews and Data Collection	January 31, 1998
Present Draft Report to Board	February 16, 1998 ✱
Present Final Report to the Department	March 1, 1998

Final Narrative
FY 1999 President's Budget
Enforcing the Law -- Meeting the Challenges of Immigration
January 20, 1998

Organization and Structure: The final report issued by the Commission on Immigration Reform called for major changes in how the Federal Government sets and implements immigration policy. In particular, it urged a separation of the enforcement and benefit functions that INS now performs.

The Administration has studied these and other reform proposals and is developing a plan to enhance immigration law enforcement while improving the delivery of immigration services and benefits. It recognizes that enforcement and benefits are interrelated and, thus, neither should be addressed without the other in mind. The plan, however, will make Federal immigration activities more efficient and effective by separating enforcement and benefit/service operations -- both in headquarters and in the field -- thereby strengthening accountability and lines of authority. In addition, the plan will enhance coordination among Federal agencies involved in immigration and establish greater accountability within each agency. Together, these reforms within individual agencies and across the Government will support and sustain the Administration's progress over the last five years in enforcing our immigration laws and fulfilling the Nation's commitment to its immigration heritage.

INS Reorganization

In response to the September 1, 1997, release of the final report of the Commission on Immigration Reform (CIR), the President directed the Domestic Policy Council (DPC) to review the CIR report and recommend ways to improve and streamline Federal immigration policy development and management. The DPC working group will use the President's FY 1999 budget as the vehicle to transmit the President's proposal to the Congress. Towards that end, the following organizational option for the INS has been developed. This reorganization proposal permits INS to meet the fundamental programmatic challenges facing the agency in a way that addresses the concerns identified by the CIR while permitting INS' core functions to remain intact. The Department and INS are requested to address this organizational proposal as part of any appeal.

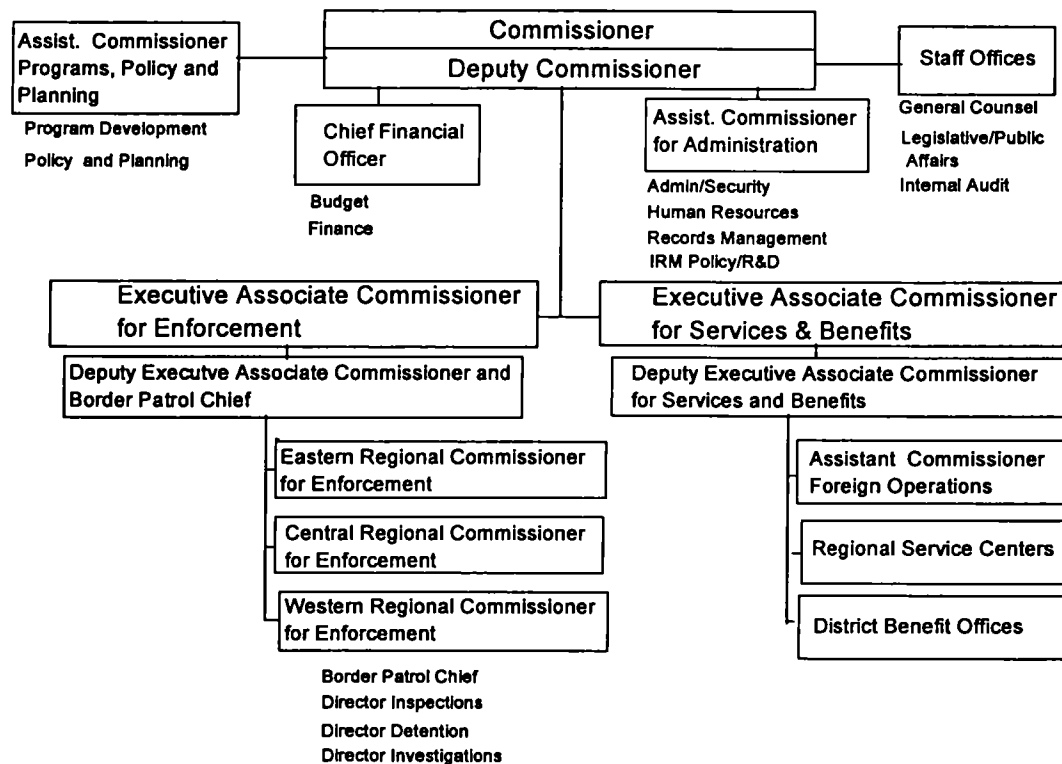
Restructure Headquarters:

Up until 1993, INS operated with insufficient resources, weak or non-existent management systems and processes, and lackluster internal management. Since then INS has made progress implementing major changes to enforcement and benefit systems, improving management practices, and upgrading staff capabilities at a time when resources and responsibilities have grown significantly. Instead of dismantling an improved INS as recommended by the CIR, an effort should be made to build on the accomplishments of the past four years. What INS requires is a streamlined organizational structure based on programmatic priorities and clear lines of authority, responsibility and accountability. Such a structure would focus attention and assign responsibilities to those charged with carrying out INS' dual enforcement and benefit roles. We believe these dual but interrelated responsibilities should remain within one agency and properly within DOJ. A future INS organization should have these features:

INS Headquarters, lead by a Commissioner and Deputy Commissioner, would focus on policy, strategic planning and management support (finance, records, Information Resource Management (IRM) policy and R&D); budget formulation; and compliance with policy and procedures. All line management and operational authority for agency-wide support systems like finance, budget, IRM policy, R&D, and records management would be consolidated in Headquarters.

- Reflecting the importance of INS' fee and fine account receipts (\$1.4+ billion) and the deficient condition of INS' financial operations, a separate Chief Financial Officer (CFO) would be established and report directly to the Commissioner. The CFO organization would include agency-wide budget formulation and execution.
- IRM policy and standards and all R&D initiatives would be consolidated within Headquarters. Operational and support IRM functions would report to the respective program offices.

- A small policy and planning office would develop long-range strategic plans, perform GPRA implementation and monitoring, and improve INS' important statistically policy and measurement responsibilities.
- Headquarters Administration should focus on consolidating records management, improving agency facilities, and managing a streamlined administrative service center operation to effectively meet the needs of field operations.



Programmatic Focus:

While the CIR recommends splitting the agency, a programmatic split that maintains the enforcement/benefit link necessary to function effectively accomplishes the same goal. The reorganization would separate **Enforcement** and **Services** under the leadership of two **Executive Associate Commissioners** (EAC). The creation of these two EACs would ensure that clear lines of authority, responsibility and accountability exist in program operations, help bring a field perspective to Headquarters decision making, and reduce stovepipe operations currently

prevalent in enforcement operations. The CIR recommendation to merge INS' enforcement agents (Border Patrol, inspection and detention) into one uniform service and a white-collar investigative service should be implemented. This reorganization supports this evolutionary initiative by putting the Border Patrol Chief in a direct line of authority for all enforcement activities and operations organized along Border Patrol sector and regional boundaries. The CIR also calls for higher visibility and focused management attention on the provision of services and benefits to immigrants, and to ensure organizational safeguards exist so that fee account receipts support fee-related activities. The division of responsibilities as proposed under this reorganization and improved financial systems will help achieve these goals. Under this proposed organizational structure, the EACs for Enforcement and Services would be responsible for the following:

Executive Associate Commissioner for Enforcement would coordinate all enforcement operations and staff (Border Patrol, investigation, inspections, intelligence and detention).

- A Deputy Executive Commissioner, who is also the Border Patrol Chief, would have line authority for all enforcement activities to ensure coordination between enforcement components.
- Three Regional Enforcement Commissioners would be responsible for coordinating INS enforcement functions within the regions. A Deputy Regional Commissioner would also be the Regional Border Patrol Chief with line authority in that region.
- INS enforcement functions would be organized along the Border Patrol sector model with sector chiefs for each function reporting to the region.

Executive Associate Commissioner for Services and Benefits would be responsible for providing efficient service and effective and accurate delivery of benefits to the immigration community.

- Regional Service Centers, which will play an expanded role as direct mail benefit processing comes on line, will report to this EAC.
- Foreign Operations, which has dual benefits and enforcement responsibilities for refugees, asylees and international anti-terrorism efforts would report to this EAC.
- All existing District Office operations (31 district offices or the expanded 80 suboffices currently under development) would report directly to the Deputy EAC. This direct reporting relationship will ensure that standards are consistent agency-wide and these standards and operating procedures are understood and applied consistently within all of INS' districts.

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Transfer of INS Functions to State

Implications for Consular Affairs

If the recommendations of the Commission on Immigration Reform to transfer the benefits functions of INS to the Department of State are accepted and acted on by the Administration and the Congress, the changes would have a major impact on the Department of State. This paper analyzes in general terms how the Bureau of Consular Affairs (CA) and INS overlap in some functions relating to immigration and U.S. citizenship, what transferred INS functions would be completely new, and how we might reengineer the immigration system to maximize efficiency, while assuring the integrity of the services provided. A more detailed analysis of the impact of combining certain INS operations with State will only be possible with close cooperation with INS. The recommended changes would also have a significant effect on the Bureau of Population, Refugees and Migration, the Bureau of Democracy, Human Rights and Labor and the Office of the Legal Adviser, that are not addressed by this paper. Report language in the House version of the CJS Appropriations bill directs the Attorney General to review the Commission's recommendations in consultation with State, Labor and OMB; and requires an OMB plan to transfer some of the responsibilities of INS to other Departments and Agencies in FY 1999.

The taxpayers and the Administration would be ill served if the impact of moving INS benefits programs to State only resulted in transferring the same problems cited by the Commission to a new organization. This change only makes sense if we can dramatically improve the level of service to the public by streamlining functions, eliminating redundancies, and reducing fraud.

Scope of the Merger

The Immigration and Naturalization Service maintains four service centers and 34 district offices. The service centers, which process most of the services related to aliens in the U.S. and prequalification for visa applicants abroad, are staffed by about 2,000 employees. Half are INS employees and half are contractors. An undetermined number of employees of the district offices, who perform benefits adjudications, would also be transferred to State under the Commission's recommendations. In FY-1996, INS approved 1.7 million visa petitions, 45,000 changes of nonimmigrant status, 505,000 permanent residents, 875,000 employment authorizations, and 1.1 million naturalizations. INS also processed 60,000 refugee applications worldwide and 62,000 applications for political asylum by aliens in the U.S.

By way of comparison, the Bureau of Consular Affairs has 1050 direct and 300 contract employees in the U.S. Most of these (860 direct and 140 contract) are involved

in passport issuance in Washington and at the fifteen regional offices throughout the U.S. These offices issued 5.7 million passports in FY 1996 and expect to issue 6.3 million in FY-97. About 185 employees in Washington support citizen services abroad or provide policy guidance and support for visa operations. Four CA employees and 140 contract employees staff the National Visa Center in New Hampshire. Abroad, 464 Foreign Service officers and 1,647 Foreign Service nationals provide a number of consular services. In FY-96, our officers abroad issued 6.2 million non-immigrant visas and 423,000 immigrant visas. Consular staff overseas also issued 300,000 passports and assisted several thousand Americans in emergency cases. They also provide voting assistance, administration of federal benefits and other services to over 3,000,000 U.S. citizens, who reside abroad.

Immigrants and Visitors

Application for an immigrant or temporary worker visa generally requires at least two principal steps. The applicant's sponsor must file a visa petition, which is adjudicated by the INS. Then, if INS approves the petition, it is sent to the State Department. The applicant then applies for a visa with a Department consular officer, who often may review whether the initial petition was properly approved.

Under the Commission's proposal, State would adjudicate both the petition and the visa application, thereby creating an opportunity to:

- streamline the process,
- avoid redundancies, such as consular review of previously approved petitions,
- achieve greater consistency in adjudications, and
- initiate anti-fraud investigations at the beginning of the process, when they are most efficient and cost-effective.

There are two broad immigrant visa categories: family-based and employment/skill-based. The process of immigrating to the U.S. usually begins when a close relative or future employer files a petition with INS on behalf of the alien to establish entitlement to an immigrant visa category. Petitioning employers, in most cases, must first request certification from the Department of Labor that there are no available workers to fill the position. Visa petitions are generally processed by mail at one of the four INS service centers, but some are submitted in person at INS district offices, or at U.S. consular offices abroad. Except in some cases where the beneficiary is already in the U.S., INS forwards all approved petitions to State's National Visa Center (NVC) in New Hampshire. Once the case is ready for processing, NVC then forwards the petition to the appropriate overseas consular post. Paper thus changes hands many times under the current process.

Once an immigrant visa is available, the alien beneficiary applies at a consular office abroad or, if the alien is physically present in the U.S., he/she may be allowed to apply at a domestic INS office for "adjustment of status." After adjustment of status is

approved or the alien is admitted to the U.S. with an immigrant visa, INS generates an alien registration card ("green card") and mails it to the alien's U.S. address. Visas for temporary workers are processed in a similar way, although the alien does not receive permanent residence.

Although State and INS have worked to reduce duplication of effort, many redundancies for both applicants and the government remain. One advantage of consolidation would be the opportunity to develop more efficient information systems that would eliminate the need to reenter data, or even to retain a paper file for most of the process. Having one agency process all immigrants, regardless of whether they apply abroad or in the U.S., should help ensure greater consistency in eligibility determinations and would facilitate the process of allocating visa numbers and complying with annual numerical limitations on immigrants.

One area that would need closer examination is the labor certification process. In performing the certification function, the Labor Department must analyze the domestic labor market. Labor Department officials rely heavily on the labor departments in the fifty states, with which they have regular contacts. The State Department, however, does not have the necessary state-level contacts or the domestic labor market expertise required to perform the labor certification function. While we might take on the employees from Labor, this would add to the burden of absorbing the INS employees and would bring us far afield from the Department's traditional diplomatic and consular functions. It should be noted that the Commission on Immigration Reform has separately proposed replacing the current labor certification process with a system that relies largely on the good faith of the employer to meet certain stated commitments. This would simplify the process and make it easier for State to take over the function. However, there appears to be little enthusiasm on the Hill for the Commission's proposed labor certification reform and, in the absence of such a reform, moving the labor-certification portion of the immigrant visa process to State would pose many hurdles.

The process of issuing visitors visas for business or tourism would change little since this process is now performed almost entirely abroad at consular offices. The difference would be that, once in the U.S., an alien who wanted to extend a stay or change activity, i.e., from tourism to study, would seek permission from the Department of State rather than from INS. Having State adjudicate both the initial visa application and subsequent requests in the U.S. to change or extend status should help ensure greater consistency in eligibility determinations and would more readily ensure that all necessary security checks and other background checks are done --- a step which INS sometimes overlooks with aliens already in the U.S. An important objective of joining INS and State immigration functions would be to assure access to computerized alien immigration records by U.S. officials at any time, anywhere in the world. Such a system would improve service for legitimate visitors and make it easier to detect fraud. INS or a successor organization would still retain authority for the apprehension and removal of overstays, but their efforts would be enhanced by better record keeping to provide leads to the alien's activities and whereabouts.

Naturalization and Passports

The adjudication of claims of nationality at birth and naturalization are logical areas for consolidation. In fact, in the area of nationality at birth and derivative naturalization, INS and State administer the same law. We currently work closely with INS, and have periodic meetings to attempt uniformity in interpretation and implementation of laws. In addition, we clear on each other's instructions and guidelines. Even though we differ on only a few issues, without consolidation, there is a better chance for inconsistency in interpretation and forum shopping. State adjudicates claims of nationality at birth by an objective documentary review. The adjudication for naturalization requires a similar review of statutorily imposed objective requirements. Cross training of passport examiners and consular officers in naturalization work, and INS adjudicators in passport issuance, would be relatively easy. The challenge would come in improving procedural steps for naturalization such as file location, fingerprinting and scheduling of applicants for naturalization.

In processing naturalization cases, an adjudication officer must look for four legal requirements: sufficient residence/physical presence; good moral character; the ability to read, write, and speak English, and understand the fundamentals of American history and government; and support for democratic principles of government. The review is objective, and usually adjudicated by review of evidentiary documents. INS contracting with private organizations for testing in English and civics and the designation of private businesses to take fingerprints has been problematic in the past. There are a number of testing services with a national infrastructure and proven results that could probably perform these functions with integrity and at no expense to the government. Likewise, it should be possible to contract for support services such as data entry and file maintenance as the Department of State already does for immigrant visa applicants.

The current backlog in naturalization cases is a result of two major factors: 1) a wave of aliens, who became permanent residents after the amnesty of the 1986 Immigration Act, became eligible for naturalization, and 2) changes in federal programs, which have cut benefits for non-citizens, creating a financial incentive to naturalize rather than to remain a permanent resident. The surge in demand for naturalization occurred at the same time the INS received statutory authority to adjust the status of over 400,000 illegal aliens who had managed to qualify for legal immigration. Prior to FY 1995, these applicants were required to apply for immigrant visas at consular offices abroad. Although INS services are fee funded, INS used a large portion of the retained fees to support immigration enforcement rather than investing heavily in systems and people to improve adjudication services. The result was a dramatic increase in backlogged work and public scandals over irregularities and misperceptions in the naturalization process. This is one of the most compelling lessons for State as we contemplate taking responsibility for INS functions.

INS district offices in New York, Miami, San Francisco and Los Angeles all handled well over 100,000 naturalizations in FY-96. This compares with some domestic passport agencies, which process hundreds of applicants daily (although the naturalization process is more cumbersome and time consuming), or with large immigrant visa sections abroad, which process 300-400 applicants daily. Applicants who meet all requirements on their naturalization appointment date are then scheduled to take an oath of allegiance, either in court or at an INS administered ceremony. By incorporating the issuance of the naturalization certificate into the application process, as we do for passports and visas, we could greatly streamline the process. Since most naturalized citizens apply for passports, we would incorporate the passport application process into the naturalization procedures for those who wanted a passport, thereby eliminating the need for a separate application.

When an application for naturalization is denied, INS supports a review process which includes both statutory and regulatory reviews of adverse decisions. These include appeals from determinations to administratively revoke naturalization; appeals from decisions to cancel a Certificate of Citizenship; and hearings on denials of naturalization. The INS by statute sues in Federal Court to revoke naturalization. Like State, INS may be sued by an individual who challenges a holding of non-citizenship in Federal District Court for a declaration of citizenship. Passport revocations, which usually involve people abroad are subject to administrative review, followed by appeal to an independent board for individuals challenging loss of nationality. Most of the few cases involving loss of nationality or denial of passports are resolved without going to court. Although the Commission on Immigration Reform has recommended an independent appeals board, there should still be an internal appeals process to resolve as many cases as possible before seeking recourse to an outside body.

The naturalization file and the passport file, currently stored separately and by agency, should be consolidated into a "citizens file," located at one place, easily accessible and identifiable. The current naturalization certificate is a large paper document with a photograph and signature. It does not incorporate modern security features such as those in the U.S. passport or alien registration card. It is not convenient to carry around, which poses a problem for the naturalized citizen who may be asked to present evidence of citizenship. We would look at modernizing the documentation of naturalized citizens to make it fraud resistant and more convenient to carry. We would also look at all citizenship documentation to streamline the process, automate the recordation and eliminate duplication.

Insuring Integrity

Consolidating State and INS' Anti-Fraud Work

INS' current anti-fraud work suffers from poor management, a failure to integrate the work into normal application processing, and very spotty intelligence sharing.

Separation of authority between adjudicators and investigators and a break in the chain of processing when petitions are sent abroad for final action hinders fraud detection. These impediments have demoralized INS service center personnel dealing with fraud and encouraged the filing of visa petitions that should be easily detected as spurious, but which have been routinely approved.

The State Department's fraud prevention program at our 15 regional passport agencies would serve as a model of how to properly integrate anti-fraud work into adjudication. Each passport agency employs a Fraud Program Manager (FPM) who integrates intelligence, training and operational support into the process. The FPM can count on effective policy coordination, training and intelligence support from Washington via CA/FPP as well as automated anti-fraud data base systems created and maintained by the Bureau of Consular Affairs. Together with investigative assistance from the Bureau of Diplomatic Security, this system is relatively seamless in deterring fraud throughout the passport process. While the INS "product line" is more varied than our passport operation, there is no reason why the FPM model could not be applied with equal efficiency to INS' benefits work.

INS is a very good collector of intelligence on fraud patterns, alien smuggling, and other criminal activities that count on fraud to succeed, but they are poor at getting the information out to the line adjudicators who can do something about it. State is better at moving such information to where it is needed expeditiously, and using it sensibly to make eligibility decisions. Better training of INS adjudicators is essential to detecting and deterring fraud. We would look to the National Foreign Affairs Training Center that has taught consular officers the basics of their trade (including anti-fraud work) for fifty years to provide training for INS employees joining State.

Consolidation of fraud work would bring synergy and allow for regulatory streamlining to reduce the redundancies caused by two agencies having jurisdiction over the same process. Merging State and INS databases would provide adjudicators with more rapid and accurate information on foreign applicants, while bringing the entire process under one roof would eliminate the disconnect between visa petition adjudication in the United States, and the visa approval abroad. The domestic adjudicator would then have support for anti-fraud work prior to petition approval, where it is most effective.

INS and State bring different strengths that would combine to enhance the integrity of the final product. State officers have language skills and foreign area experience that cannot be replicated by a domestically based service, and which are invaluable in adjudicative work on everything from visa petitions to asylum claims, while INS officers are strong in legal and evidentiary standards and criminal intelligence collection. State's overall management structure and culture are both more centralized and less hierarchical than that of INS, with more frequent and more open contact between operations and policy makers at all levels. Working together, the two sides would sidestep turf battles and separate chains of command that have frustrated cooperation in the past.

Reviewability of Consular Decisions

One of the most controversial aspects of the Commission's plan is its proposal to allow appellate review of certain visa refusals. Under current law, visa refusals are subject to review by a supervisory consular officer at post, but there is no formal appeal beyond that point. However, the applicant is free to reapply and seek to overcome the initial decision. The applicant may also request that CA's Visa Office review the case. Although the Visa Office can only issue an "advisory opinion" to post and has no authority to direct a consular officer to issue a visa, the Visa Office's advisory opinion on legal issues is binding on the consular officer. The advisory opinion process thus allows the Visa Office to help ensure uniform application of the law and provides an opportunity to correct legal errors at post. The current system places the decision and principal review in the hands of overseas consular officers, who understand the alien's culture and the context of the application and are therefore in the best position to determine the alien's eligibility.

Under the legal doctrine of consular nonreviewability, courts generally will not hear suits based on overseas visa denials. This doctrine is based on the principle that Congress has broad powers to control entry of aliens into the U.S. and that such powers generally should not be limited by judicial review. Because Congress vested consular officers abroad with exclusive authority for adjudicating visa applications, the Department rarely faces visa-related suits and, when it does, these suits are usually quickly dismissed. In contrast, aliens already in the U.S. enjoy much greater procedural protections. INS enforcement actions and many benefits-related decisions, such as employment-based and certain family-based immigrant petition cases, are subject to administrative review by bodies such as the DOJ's Board of Immigration Appeals (BIA) and INS's Administrative Appeals Unit (AAU), and such determinations ultimately may end up in federal court. Consequently, INS and DOJ must devote substantial resources to the administrative appeals process and litigation.

The Commission proposes the establishment of a new Board of Immigration Review, which would be independent of DOJ, INS, and State, and would hear appeals from both INS enforcement actions and State benefits decisions. The proposed Board appears to be patterned on the structure of the current BIA. The Board would have several levels of review, with decisions of the highest level subject to review in the federal courts. The classes of cases subject to review would generally remain the same, with one very critical exception: the Commission proposes allowing U.S.-based visa petitioners to appeal consular decisions to deny visas to aliens sponsored by the petitioner. Allowing appeals in petition-based visa cases would be a radical departure from current practice, and would lead to increased workload and litigation.

The Commission proposes permitting review in petition-based visa cases because it believes that the U.S. petitioner has a valid U.S. interest that needs protection through

appellate review. However, it is questionable whether the Commission's petition-based distinction would survive judicial scrutiny. First, many applicants in non-petition cases have U.S. sponsors or other U.S. contacts, and it is likely that such U.S.-based individuals would argue that they have an equally compelling interest and should have the same right of review as U.S.-based petitioners. Second, the Commission's proposal would allow appeals in any petition-based case, even if the basis for the refusal had nothing to do with the petitioner, but instead, related to some ineligibility on the part of the alien, such as drug trafficking, prior criminal history, or excludable medical condition. An alien refused on one of these same grounds in a non-petition case might rightly ask why he/she has no right of appeal when the same determination would be subject to review in a case involving a petition. Based on these arguments, courts may find the Commission's petition-based distinction arbitrary and might well allow review in non-petition cases.

If this were to happen, it might lead to loss of consular non-reviewability across-the-board, which would have a chilling effect on consular processing and would greatly increase workload and resource requirements.

Personnel, Facilities, Systems, Budget and Fees

State and INS have similar domestic operations which separate services for which personal appearance is required, e.g., first time passport applications, and large processing centers for work that does not require personal appearance, such as, passport renewals. We would have to look closely at how to reconfigure current State and INS operations in the U.S. Operations at the State Department's National Visa Center in New Hampshire would blend well with INS service centers that handle primarily immigration related work for which no personal appearance is required. The Commission strongly recommends moving the INS benefits adjudication out of District Offices to separate INS enforcement functions from benefit adjudication. Finding new facilities and designing them to efficiently accommodate large numbers of customers would be challenging and costly. One approach would be to combine INS and passport regional offices at some locations into consular service centers that would share facilities and personnel. Service centers would need to be in all major urban areas with high immigrant populations. We would want facilities designed to accommodate large numbers of customers efficiently and comfortably. Benefits work at INS offices abroad would be handled in expanded consular sections, but INS or its successor would continue their enforcement related missions abroad, for example, countering immigrant smuggling.

One way State makes it more convenient for Americans to apply for passports is to enlist a network of approximately 4500 acceptance agents, who accept applications on a part time basis in return for a portion of the passport fee. These agents are specially designated U.S. postal clerks, county and state court clerks and personnel technicians in the U.S. Armed Forces. Two-thirds of all passport applications in the U.S. are made to acceptance agents. The acceptance agents make sure applications are completed correctly, take oaths, accept fees and provide information to the customer. A similar

arrangement for providing immigration services might also be feasible. Contractors perform extensive non-adjudicative services for both State and INS. For State, these functions, which include fee collection, data entry, mail handling and file retrieval, are performed under the supervision of State Department personnel with excellent results. We would explore new possibilities of extending outsourcing to improve service to customers.

The integration of State Department consular employees and INS career employees would be a major challenge. True integration will require developing a leadership cadre of Civil Service and Foreign Service employees who have served in both domestic and overseas immigration/consular positions. We would need to expand and strengthen our personnel offices to support a much larger employee base and develop the policies to facilitate integration. We would also have a union with which to negotiate any changes in performance standards, job descriptions and working conditions. We expect that early efforts to streamline INS/State visa operations would free up a number of INS adjudicators to be available for deployment in consular positions overseas. We would want to crosstrain INS and State consular staff through overseas and domestic excursion tours and other programs. INS employees would naturally be wary of being transferred to another agency in much the way employees of ACDA and USIA are. Unlike these agencies that perform similar and complimentary functions, INS and State perform functions much more alike and under the same statutes. The key to reducing the natural anxieties of INS employees is to focus on the mission of improving service, increasing professional opportunities through training and new assignment possibilities, and offering employees the opportunity to participate in reinventing their organizations.

INS benefits programs are principally fee-funded; user fees are offset against appropriated funds. User fees collected for benefits services also support INS enforcement activities. To make integration work, it would be essential to extend INS fee retention authority to State and to negotiate an equitable distribution of those fees to offset the cost of improved services. This thorny issue will require legislation. INS and CA fee issues raise the over-arching questions of whether the new consular and immigration operations should be fully fee-funded. Operationally, fee-funding would require development of a cost-based accounting system, which the Department does not currently have. Whether a cost-based accounting system would be integrated into or operate parallel to the Department's financial management system would be a major issue to be resolved by Congress, OMB, State, INS, and Treasury.

Systems Integration

INS has a plethora of independently designed systems performing various functions. Many of these systems are not immediately compatible with other INS systems and will probably be costly and difficult to integrate with each other and with State Department systems. It is not clear where INS stands in ensuring that its systems are Year 2000 compliant, but given the large number of applications and systems involved, it seems likely that INS' Y2K effort is more complex than that facing CA. The high cost of systems integration and Y2K concerns make it likely that in the near to medium term CA would need to run INS applications and systems in parallel to existing consular applications.

In the long run, an INS/State merger provides CA with an opportunity to integrate and rationalize systems in ways that should promote efficiency and lower recurring costs. Although potentially facing a major system redevelopment effort, the reward could be high because CA could control access to data (central index) currently unavailable to the Bureau. Given the role of inspection and enforcement personnel in generating and using lookout information, it is not clear that the proposed reorganization will have any impact on CLASS or on the architecture of DataShare, other than possibly to simplify the flow of DataShare information prior to overseas adjudication.