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Divider Title: 4

MEMORANDUM

TO: Susan Martin and Andy Schoenholtz
FROM: Brandon Mitchell
RE: REPROGRAMMING
DATE: May 16, 1997

The purpose of this memo is to clarify the role played in the reprogramming process by House and Senate Appropriations Subcommittees, INS, DOJ, and OMB. Further, it should help to identify the statutory requirements, political dynamics, and timelines that affect the process. [See Attachment #1.]

FINDINGS

- INS development of reprogramming notices can exceed four to five months.
- Executive branch officials fault the INS for submitting overly conservative reprogramming notices that prompt additional notices.
- Executive branch staff are exceedingly deferential to Congressional appropriators.
- The strength of personal relationships between executive and legislative parties significantly shape which funds and programs are subject to reprogramming and how quickly they are reviewed.
- The Chairman of the House Appropriations Subcommittee on Commerce, Justice, and State drives the process. The minority members, as well as the corresponding Senate Subcommittee, defer to the House Subcommittee Chairman's office.
- The INS is poorly regarded by Congressional appropriators, which consequently hurts its ability to be flexible and efficient in allocating fee monies to address program needs.

BACKGROUND

The 1980 Appropriations Authorization Act

The 1980 Department of Justice Appropriations Authorization Act (P.L.96-132), updated in the 1995 Justice Department Appropriations, specifically Section 605, requires that the Department and all of its divisions notify the Congress fifteen days in advance whenever it plans to spend the lesser of either 10 percent or \$500,000 of approved spending for a variety of purposes including:

- Eliminating programs, projects or activities;
- Relocating an office or employees
- Augmenting existing programs by more than \$500,000 or 10 percent of approved funding.

President Clinton proposed lifting the threshold to \$5 million before requiring Congressional reprogramming notices. However, no change in the threshold has yet been adopted by the Congress.

The statute requires the Department to notify the Congress about reprogramming funds and activities rather than seek approval. However, in practice the Department rarely proceeds with reprogramming initiatives until they are blessed by Congressional appropriators. As one Congressional Appropriations staffer summed up, "When agencies go ahead with reprogrammings without our approval, they live to regret it." A 1994 Department of Justice memo, circulated to INS staff the following year, clearly articulates the Department policy of waiting for Congressional approval prior to executing reprogramming plans. The memo notes that Subcommittee Chairs don't like to learn of changes through the media and expect the Department to keep them apprised of changes to avoid being "embarrassed." The memo points out that the Attorneys General over the previous seven years have received important funding flexibility based on "trust, courtesy and comity" in exchange for a "little paperwork."

In addition to giving the Executive branch the green light, Congressional appropriators also disapprove portions, and in a few cases, entire reprogramming notices, despite a Supreme Court decision which found the practice unconstitutional. [See attached memo on constitutional issues.]

Immigration Examinations Fee Account [IEFA]

The INS currently operates four accounts totaling dozens of fees and activities. One of the accounts subject to frequent reprogramming is the Immigration Examinations Fee Account [IEFA] established under the 1989 Department of Justice Appropriations Act (P.L. 100-459).

The IEFA is comprised of more than forty different fees for a variety of applications, including naturalization, travel and nonimmigrant worker petitions. Fees range in cost from \$65 to \$155. This memo restricts itself to IEFA. [See Attachment #2.]

Approximately 45 percent of the IEFA supports Adjudications and Naturalization [A&N], which includes direct costs for citizenship processing. The remainder of the Account is devoted to programs that the Service defines as support for A&N, including Information and Records Management, Inspections, and automated data and information processing.

Fees for all government agencies and departments have increased significantly in recent years. A 1995 OMB report found that INS' fees had increased by 26 percent from 1991 to 1994. At the time, fees comprised approximately one third, or \$550 million, of the INS \$1.5 billion FY '93 budget. The current INS budget exceeds \$3.2 billion.

The last fee increase implemented by the Service was in 1994, representing an across-the-board 7.5 percent increase. Unsuccessful law suits have been brought against the INS challenging previous fee increases. A recently completed INS fee study, according to INS staff, will recommend a significant fee increase for natural-

ization as well as other applications. At present, the study is not available to the public pending review at OMB and DOJ.

The process by which the INS sets fees has been criticized by many parties. The GAO criticized the INS, most recently in a 1994 study, for failing accurately to identify and attribute costs and consequently failing to set correct fee levels. The 1994 report also noted that support costs have risen dramatically since the establishment of the IEFA. For instance, the Information and Records Management unit grew from 2 percent of IEFA in 1990 to 17 percent by 1993.

Since the establishment of IEFA both the executive and legislative branches have attached more obligations to the Account. In a 1988 letter to Chairman Mazzoli, INS Commissioner Nelson clearly stated that the intent of the Account would be to "augment the level of resources available to adjudicate applications and petitions." In Chairman Mazzoli's subsequent response, he reiterated that the Account should "not be used for any purposes unrelated to adjudications, such as enhancing the border patrol." However, in 1989, the Congress approved an Administration request to transfer \$30 million from IEFA to enforcement. Representative Lamar Smith supported the transfer, while Commissioners Morrison and Leiden at the time noted that the transfer contradicted the intent of the Congress and the stated purpose of the Administration.

Nonetheless, Members of Congress, former INS officials, and immigrant advocates, have criticized the INS for subsidizing programs and defining costs so broadly that services that do not support adjudications are draining monies away from services for which immigrants have paid. The recently-completed INS fee study may help clarify the degree to which these complaints are valid and identify possible remedies.

PARTICIPANTS IN THE REPROGRAMMING PROCESS

How does the INS make Projections and Develop Reprogramming Notices?

According to Budget staff, there is an ongoing INS working group led by the Budget and Statistics staff that includes program, policy, and management personnel. The working group continuously monitors trends that include input from Field Operations staff and district reports. INS Budget staff noted that their analysis includes reviews of historical patterns, regression analysis, and demographic evaluations. In addition to developing reprogramming, which is in essence a short-term funding correction, the Service develops tentative budget priorities two fiscal years in advance. Formal meetings of the working group are convened once a quarter.

The time that each reprogramming consumes varies according to the complexity and dollar amount of the request. Political considerations and controversies delay the internal consideration. INS Budget staff claim that they have improved the process by which priorities are developed by including more of the affected parties in the process, which they concede is time consuming. The NAPA study noted the number of "decision units." DOJ Budget staff criticized INS for the amount of time required to develop reprogramming notices, estimating that it takes the INS four to five months from the initial discussions to the actual reprogramming document.

Another criticism leveled at INS by both OMB and DOJ staff is that the reprogramming requests are too conservative, requiring additional reprogrammings. DOJ characterized the Service as "gun shy" and OMB attributes the conservative reprogramming to "poor management." OMB, DOJ, and Congressional Staff all voiced frustration with the INS tendency to hold details of upcoming reprogramming notices "close to the vest" until they are virtually complete.

DOJ budget staff noted that the process could be expedited, internal workloads better distributed, and potential allies on the Hill identified if the Department had more information earlier in the process. The INS view, however, is that the DOJ objectivity in assessing the merits of a request could be compromised if it was more

involved in the development of requests. As the internal INS process nears completion, drafts and briefings are made available to DOJ budget staff. Once the Commissioner signs the notice, it is forwarded to the Department of Justice budget staff and Office of the Assistant Attorney General for Administration, Stephen Colgate.

The Justice Department Role in the Reprogramming Process

Colgate's office defers to the Justice Management Division [JMD] budget staff for analysis of the reprogramming, but it is on high alert for any items in the request that may pose potential political problems or conflicts with overall Department priorities. For example, if a portion of a previous request has been disapproved by the Congress, Colgate's office will question INS if a similar provision is included in the next request. Additionally, Colgate's office is charged with ensuring that divisions and programs potentially affected by a reprogramming have an opportunity to review and comment on the notice.

JMD reviews all of the numbers and projections for accuracy. Unless the request includes potential controversies, much of the review amounts to edits for clarity. The DOJ memo points out that most reprogramming notices are approved quickly and without controversy. The JMD staff member with whom I spoke indicated that no one on staff has a "working knowledge of naturalization," which may consequently delay the Department's consideration of the request. However, INS typically briefs JMD staff.

Once JMD and the AAG's office have reviewed the document, it is forwarded to the Office for Legislative Affairs [OLA], which also looks for potential political landmines and prepares presentations for Congressional briefings. The entire DOJ process consumes six to eight weeks due, at least in part, to the volume of reprogramming requests produced by the Department. House Appropriations subcommittee staff confirmed that DOJ produces the most reprogrammings of all of the agencies and Departments in its Jurisdiction. Once DOJ completes its review of the reprogramming, it is then forwarded to OMB for review.

The OMB Role in the Reprogramming Process

As the review process in DOJ nears completion, a draft is forwarded to OMB. OMB budget staff review the calculations to ensure that they are accurate and “realistic.” As noted above, OMB staff complained that poor management and conservative projections by INS in the long run create more work for everyone involved and additional unnecessary reprogrammings. Staff also expressed concern about the DOJ policy of waiting for approval from Congress before acting on reprogrammings due to its impact on DOJ’s ability to meet changing program needs.

OMB normally completes its review within five business days, at which time the reprogramming is returned to DOJ. After an additional review, which may take as long as a week, Assistant Attorney General Colgate then forwards the document to House and Senate appropriators. OMB staff is aware that the Service continually monitors and evaluates data and begins to conceive reprogrammings months before they are officially submitted. Although there is frequent and open communication between INS and OMB once a request is submitted, like their counterparts at DOJ, OMB budget staff expressed the desire for notification or general outlines earlier in the process.

What Happens to Reprogramming Notices Once they Reach the Congress?

The 1994 DOJ memo points out that 97-98 percent of the reprogramming notices are approved without controversy and “move through the Appropriations Subcommittee quickly.” As noted above, there is a fair amount of sensitivity and deference to Congressional Appropriators in the development and execution of reprogramming notices. According to all parties involved, the House Subcommittee Chairman’s office drives the process. The Senate defers to his office. Democrats,—Representative Mollohan, the ranking member, in particular—on the Subcommittee receive copies of reprogramming notices but rarely involve themselves in substantive matters.

Once a notification is forwarded to the Hill, the INS refrains from actually executing a reprogramming until advised to proceed by Congress. The 1994 DOJ memo explicitly warns Department staff about the perils of doing otherwise.

According to the memo, in 1989 the Attorney General failed to solicit Congressional support for a proposed consolidation of several FBI regional offices and compounded the mistake by proceeding with the reprogramming prior to receiving approval from Congress. The reaction was "swift." According to the memo, the A.G. was stripped by the Congress of reorganization authority and "found himself dead in the water with a promise that his loss of reorganization authority could be made permanent." A subsequent meeting between the A.G. and Congressional Appropriators, at which the A.G. agreed to refrain from implementing reprogramming plans until notified by the Congress, led to reinstatement of reorganization authority.

In 1994, the Department's failure to notify Representative Mollohan of an impending reprogramming prompted a written response in which the Congressman stated bluntly that as a consequence the Committee "would have no recourse but to preclude the Department from reprogramming any funds during a fiscal year."

The DOJ memo cautions that Congressional appropriators have expressed their "displeasure" in the past by "targeting" funding cuts at those offices in which the bulk of policy decisions are made. The Department memo puts a significant premium on trust, comity, and courtesy. (Courtesy apparently became a priority as a result of Chairman Rogers' complaint that "the Department's leadership had been particularly discourteous to him.") Agencies that breach this trust "pay the price" according to Appropriations staff.

It is apparent that history and relationships between the Executive and Legislative branches exert a strong influence on the development and implementation of reprogramming initiatives.

Rogers' Subcommittee staff person is a former member of the INS budget staff. Given the staff person's expertise and the controversy surrounding naturalization, IEFA reprogramming notices receive close and lengthy scrutiny. Rogers has disapproved portions of INS reprogramming initiatives, with which the INS has

complied. For example, Rogers disapproved a provision of the most recent \$58 million IEFA reprogramming notification which dedicated funding to convert temporary staff to permanent FTEs. [See Attachment #3.]

INS generally provides oral notice to the Subcommittee staff of impending reprogramming notifications months in advance of official submission. However, no written notices are submitted until the actual finished product is forwarded by Assistant Attorney General Colgate. Staff briefings and occasional phone conversations usually follow official submission of the reprogramming notice. Nevertheless, Congressional staff also expressed the desire to get more detailed information about upcoming reprogramming notices earlier in the process.

The length of time required for Congressional review and response to INS' reprogramming notices varies. A recent \$58 million IEFA reprogramming took more than two months to gain Congressional approval—from mid-December to early March. An \$86.4 million reprogramming submitted in October 1995 took more than four months to receive approval. This notice, however, may have been delayed by the federal shutdown that winter.

As noted above, the Department of Justice points out that 97-98 percent of reprogramming notices are approved quickly and without controversy. The challenge is to identify those characteristics that comprise the remaining 2-3 percent. One reason for the length of time required may simply be the volume of reprogramming requests submitted to Appropriations staff for review. During FY 1997, the INS has forwarded seventeen reprogramming requests to Congressional staff. [See Attachment #4.] Additionally, some of the reprogramming notices receive more scrutiny than others, depending on the programs and issues involved. However, the Service's IEFA reprogramming notices receive particular attention due to the controversies surrounding naturalization and, in the opinion of one Appropriations staff, a desire to make the INS "sweat a little." Finally, as noted above, personal trust and comity, according to Congressional and Executive branch staff with whom I spoke, do expedite the review process.

ALTERNATIVES TO THE CURRENT REPROGRAMMING PROCESS

Appropriations staff consider the reprogramming process to be a useful budgeting tool “to know how they spend money.” However, different departments and the funding pools within them receive varying levels of scrutiny, depending on the purpose of the fund and the relationship between the Congress and particular representatives of the Executive branch. For instance, the Commerce Department has a \$90 million working capital fund through which it provides services such as security and computer maintenance to all of its divisions and for which it charges fees. The fund is not subject to reprogramming notices but, rather, periodic reporting requirements. Additionally, the Commerce Department’s reprogramming notices for the Office of the Secretary normally take about fifteen days to receive Congressional approval.

The Service has explored several alternatives to the current process including:

- Establishment of a revolving fund account;
- Authority to spend +/-5 percent as conditions demand, free of reprogramming requirements, but subject to Congressional notification;
- Establishment of a reserve to be used in specific adjudications emergencies.

However, according to Congressional Staff, while appropriators give some agencies and departments greater flexibility in the use of fee monies and reporting requirements, the INS will continue to be subject to greater, rather than less, oversight and “micromanagement.” Further, appropriators’ willingness to entertain changes to the current process may decrease relative to the growth in the percentage of the Service’s budget comprised of fees.

REPROGRAMMING: Participants, Responsibilities & Timelines

Immigration & Naturalization Service

- Budget and statistics staff monitor trends
- Solicit information from field and district staff
- Convene quarterly meetings
- Develop and forward reprogramming notice to DOJ
- Four to five months

Department of Justice

- Justice Management Division and Office of Assistant Attorney General review for accuracy, clarity and political pitfalls
- Distribute to Office of Legislative Affairs, and potentially affected divisions
- Forward to OMB
- Six to eight weeks

Office of Management & Budget

- Review figures, projections and calculations for accuracy
- Discuss with DOJ and INS
- Five business days and return to DOJ

Department of Justice

- Review and complete final edits
- Organize Congressional briefings with INS
- Forward to Congressional appropriators
- One to two weeks

Congressional Appropriators

- House Subcommittee Chair takes lead in review
- Meets with INS and DOJ staff
- Issues letter to DOJ stating approval or disapproval of notice
- Eight weeks

REPROGRAMMING

Participants, Responsibilities & Timelines

Immigration & Naturalization Service

- Budget and statistics staff monitor trends
- Solicit information from field and district staff
- Convene quarterly meetings
- Develop and forward reprogramming notice to DOJ
- 4-5 months

Department of Justice

- Justice Management Division and Office of Assistant Attorney General review for accuracy, clarity and political pitfalls
- Distribute to Office of Legislative Affairs, and potentially affected divisions
- Forward to OMB
- 6-8 weeks

Office of Management & Budget

- Review figures, projections and calculations for accuracy
- Discuss with DOJ and INS
- 5 business days and return to DOJ

Department of Justice

- Review and complete final edits
- Organize Congressional briefings with INS
- Forward to Congressional appropriators
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Congressional Appropriators

- House Subcommittee Chair takes lead in review
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- Issues letter to DOJ stating approval or disapproval of notice
- 8 weeks

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LIST OF EXAMINATIONS FEES

FORM	FORM TITLE	FORM DESCRIPTION	FEE
I-17	PETITION FOR SCHOOL APPROVAL FOR ATTENDANCE BY NONIMMIGRANT STUDENTS	For filing petition for school approval, except in the case of a school or school system owned or operated as a public educational institution or system by the United States or a state or political subdivision thereof.	\$140.00
I-90	APPLICATION TO REPLACE ALIEN REGISTRATION CARD	For filing application for Alien Registration Receipt Card (Form I-551) in lieu of an obsolete card or in lieu of one lost, mutilated or destroyed, or in a changed name.	\$75.00
I-102	APPLICATION FOR REPLACEMENT/INITIAL NONIMMIGRANT ARRIVAL/DEPARTURE DOCUMENT	For filing application (Form I-102) for Arrival-Departure Record (Form I-94) or Crewman's Landing Permit (Form I-95), in lieu of one lost, mutilated, or destroyed.	\$65.00
I-129	PETITION FOR A NONIMMIGRANT WORKER	For filing a petition for a nonimmigrant worker: <i>Petition with Unnamed Beneficiaries:</i> Fee per petition..... <i>Petition with Named Beneficiaries:</i> ----Base fee of \$75 per petition plus either : ----\$10 per worker if requesting consulate or port-of-entry notification for visa issuance or admission; ----\$80 per worker if requesting a change of status; or ----\$50 per worker if requesting an extension of stay. If filing an extension of stay or change of status for one worker, dependents may be included for a fee of \$10 per dependent.	\$75.00
I-129F	PETITION FOR ALIEN FIANC(E)	For filing petition to classify nonimmigrant as fiancée or fiancé under section 214(d) of the Act.	\$75.00
I-130	PETITION FOR ALIEN RELATIVE	For filing a petition to classify status of alien relative for immigrant visa.	\$80.00
I-131	APPLICATION FOR TRAVEL DOCUMENT	For filing application for issuance of reentry permit.	\$70.00
I-140	IMMIGRANT PETITION FOR ALIEN WORKER	For filing petition to classify preference status of an alien on basis of profession or occupation under section 204(a) of the Act.	\$75.00
I-191	APPLICATION FOR ADVANCE PERMISSION TO RETURN TO UNRELINQUISHED DOMICILE	For filing application for discretionary relief under section 212(c) of the Act.	\$90.00
I-192	APPLICATION FOR ADVANCE PERMISSION TO ENTER AS NONIMMIGRANT	For filing application for discretionary relief under section 212(d)(3) of the Act, except, in an emergency case, or where the approval of the application is in the interest of the United States Government.	\$90.00
I-193	APPLICATION FOR WAIVER OF PASSPORT AND/OR VISA	For filing application for waiver of passport and/or visa.	\$95.00
I-212	APPLICATION FOR PERMISSION TO REAPPLY FOR ADMISSION INTO THE U.S. AFTER DEPORTATION OR REMOVAL	For filing application for permission to reapply for an excluded or deported alien, an alien who has fallen into distress and has been removed as an alien enemy, or an alien who has been removed at Government expense in lieu of deportation.	\$95.00
I-246	APPLICATION FOR STAY OF DEPORTATION	For filing application for stay of deportation under part 243 of this chapter of 8 CFR.	\$155.00
I-290A	NOTICE OF APPEAL TO THE BOARD OF IMMIGRATION APPEALS (BIA)	For filing an appeal from any decision under the immigration laws in any type of proceeding over which the Administrative Appeals Unit does not have appellate jurisdiction.	\$110.00

Attachment #2

LIST OF EXAMS FEES PAGE 2

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FORM	FORM TITLE	FORM DESCRIPTION	FEE
I-290B	NOTICE OF APPEAL TO THE ADMINISTRATIVE APPEALS UNIT (AAU)	For filing an appeal from any decision under the immigration laws in any type of proceeding over which the Board of Immigration Appeals does not have appellate jurisdiction. (The fee will be charged whenever an appeal is filed by or on behalf of two or more aliens and the aliens are covered by one decision.)	\$110.00
I-360	PETITION FOR AMERASIAN, WIDOW(ER), OR SPECIAL IMMIGRANT (EXCEPT FOR A PETITION SEEKING CLASSIFICATION AS AN AMERASIAN IN WHICH CASE THE FEE IS WAIVED)	For filing a petition for an Amerasian, Widow(er), or Special Immigrant, except that there is not fee for a petition seeking classification as an Amerasian.	\$80.00
I-485	APPLICATION TO REGISTER PERMANENT RESIDENCE OR TO ADJUST STATUS	For filing application for permanent residence status or creation of a record of lawful permanent residence: ---If 14 years of age or older..... ---If under 14 years of age.....	\$130.00 \$100.00
SUPP. A	SUPPLEMENT TO FORM I-485	For filing adjustment to permanent resident status under the provisions of section 245(i) of the Act: ----\$650.00 in addition to above fee for I-485	
I-512	AUTHORIZATION FOR PAROLE OF AN ALIEN INTO THE UNITED STATES	For request authorizing parole of an alien into the United States.	\$65.00
I-526	IMMIGRANT PETITION BY ALIEN ENTREPRENEUR	For filing a petition for alien entrepreneur.	\$155.00
I-538	CERTIFICATION BY DESIGNATED SCHOOL OFFICIAL	Requirement for granting a program extension for students in lawful status.	\$70.00
I-539	APPLICATION TO EXTEND/CHANGE NONIMMIGRANT STATUS	For filing an application to extend or change nonimmigrant status: ----\$10 per coapplicant.	\$75.00
I-600	PETITION TO CLASSIFY ORPHAN AS AN IMMEDIATE RELATIVE	For filing petition to classify orphan as an immediate relative for issuance of immigrant visa under section 204(a) of the Act. (When more than one petition is submitted by the same petitioner on behalf of orphans who are brothers or sisters, only one fee will be required.)	\$155.00
I-600A	APPLICATION FOR ADVANCE PROCESSING OF ORPHAN PETITION	For filing application for advance processing of orphan petition. (When more than one petition is submitted by the same petitioner on behalf of orphans who are brothers or sisters, only one fee will be required.)	\$155.00
I-601	APPLICATION FOR WAIVER OF GROUNDS OF EXCLUDABILITY	For filing application for waiver of grounds of excludability under section 212(h) or (i) of the Act. (Only a single application and fee shall be required when the alien is applying simultaneously for a waiver under both those sub-sections.	\$95.00
I-612	APPLICATION FOR WAIVER OF THE FOREIGN RESIDENCE REQUIREMENT	For filing application for waiver of the foreign-residence requirement under section 212(e) of the Act.	\$95.00
I-690	APPLICATION FOR WAIVER OF GROUNDS OF EXCLUDABILITY	For filing application for waiver for grounds of excludability under section 212(a) of the Act, in conjunction with the application under sections 210 or 245A of the Act, or a petition under section 210A.	\$35.00
I-694	NOTICE OF APPEAL OF DECISION	For appealing the denial of application under sections 210 or 245A of the Act, or a petition under section 210A.	\$50.00

LIST OF EXAMS FEES PAGE 3

May 3, 1995

FORM	FORM TITLE	FORM DESCRIPTION	FEE
I-695	APPLICATION FOR REPLACEMENT OF TEMPORARY RESIDENCE CARD	For filing application for replacement of Form I-688A, Employment Authorization Card, or Form I-688, Temporary Residence Card.	\$15.00
I-698	APPLICATION TO ADJUST STATUS FROM TEMPORARY TO PERMANENT RESIDENT	For filing application for adjustment from temporary resident status to that of lawful permanent resident under section 245A of the Act. The adjustment date is the date of filing of the application for permanent residence or the applicant's eligibility date, whichever is later. ----Applicants filing within 31 months from the date of adjustment to temporary resident status, a fee of \$80 for each application is required. The maximum amount payable by a family (husband, wife, and any minor children under 18 years of age, living at home is \$420.00. ----Applicants filing after 31 months from the date of approval of temporary resident status, who file their applications on or after July 9, 1991, a fee of \$120.00 (a maximum of \$360.00 per family) is required.	
I-751	PETITION TO REMOVE THE CONDITIONS ON RESIDENCE	For filing a petition to remove the conditions on residence which is based on marriage.	\$80.00
I-765	APPLICATION FOR EMPLOYMENT AUTHORIZATION	For filing application for employment authorization pursuant to 8 CFR 274a.13. ----Except that an applicant who is a national of El Salvador in temporary protected status must pay a fee of \$20.00 for the employment authorization for which application is made at the time of the applicant's final reregistration for temporary protected status on or before June 30, 1992.	\$70.00
I-777	APPLICATION FOR ISSUANCE OF REPLACEMENT OF NORTHERN MARIANA CARD	For filing application for replacement only of Northern Mariana Card.	\$15.00
I-817	APPLICATION FOR VOLUNTARY DEPARTURE UNDER THE FAMILY UNITY PROGRAM	For filing application for voluntary departure under the Family Unity Program. ----\$235.00 maximum amount payable by the members of a family filing their applications concurrently.	\$80.00
I-821	APPLICATION FOR TEMPORARY PROTECTED STATUS	For filing an initial application for Temporary Protected Status under section 244A of the Act. The exact amount of the fee will be determined at the time a foreign state is designated for Temporary Protected Status.	\$50.00
I-823	APPLICATION FOR LAND BORDER FACILITATION PORTPASS PROGRAM	For filing application to participate in land border inspection pilot programs established under section 286 of this chapter of 8 CFR. ----\$50 maximum amount payable by a family (husband, wife, and any minor children under the age of 18 years).	\$25.00
I-824	APPLICATION FOR ACTION ON AN APPROVED APPLICATION OR PETITION	For filing for action on an approved application or petition.	\$30.00
I-829	PETITION BY ENTREPRENEUR TO REMOVE CONDITIONS	For filing petition by entrepreneur to remove conditions.	\$90.00
N-300	APPLICATION TO FILE DECLARATION OF INTENTION	For filing application for declaration of intention.	\$75.00

LIST OF EXAMS FEES PAGE 4

May 3, 1995

FORM	FORM TITLE	FORM DESCRIPTION	FEE
N-336	REQUEST FOR HEARING ON A DECISION IN NATURALIZATION PROCEDURES	For filing request for hearing on a decision in naturalization procedures under section 336 of the Act.	\$110.00
N-400	APPLICATION FOR NATURALIZATION	For filing application for naturalization. ----\$120.00, if the applicant will be interviewed in the Philippines.	\$95.00
N-455	APPLICATION FOR TRANSFER OF PETITION FOR NATURALIZATION	For filing application for transfer of petition for naturalization under section 335(i) of the Act, except when transfer is of a petition for naturalization filed under the Act of October 24, 1968, Public Law 90-633.	\$90.00
N-470	APPLICATION TO PRESERVE RESIDENCE FOR NATURALIZATION PURPOSES	For filing application for sections 316(b) or 317 of the Act.	\$115.00
N-565	APPLICATION FOR REPLACEMENT NATURALIZATION/CITIZENSHIP DOCUMENT	For filing application for a certificate of naturalization or declaration of intention in lieu of a certificate or declaration alleged to have been lost, mutilated or destroyed; for a certificate of citizenship in a changed name under section 343(b) or (d) of the Act; or for a special certificate of naturalization to obtain recognition as a citizen of the United States by a foreign state under section 343(c) of the Act.	\$65.00
N-600	APPLICATION FOR CERTIFICATION OF CITIZENSHIP	For filing application for certificate of citizenship under sections 309(c) or 341 of the Act.	\$100.00
N-643	APPLICATION FOR CERTIFICATE OF CITIZENSHIP ON BEHALF OF AN ADOPTED CHILD	For filing application for a certificate of citizenship on behalf of an adopted child.	\$80.00
N-644	APPLICATION FOR POSTHUMOUS CITIZENSHIP	For filing application for posthumous citizenship.	\$80.00

February 28, 1997

Congressional Approval of FY 1997 Exams Fee Reprogramming Part I

Description of Request	INS Request	Cong. Approval
Item #1: Naturalization Processing		
Adjudications & Naturalization		
Conversion of 178 temp. pos. to permanent	\$13,774	\$6,164
Temporary Staffing Extension	7,914	7,914
Officers		
Clerical		
Overtime (Temp. Positions)	1,012	1,012
Officers		
Clerical		
Facilities	1,866	1,866
FBI Clearance Checks	6,306	6,300
U.S. Courts	750	750
Data and Communications		
ADP Field Support and Production Control	1,457	...
NACS Mainframe Restructure	700	700
Subtotal, Naturalization Processing	33,779	24,706
Item #2: Adjustment of Status Processing		
Adjudications and Naturalization		
Extension of Temporary Staffing	7,913	7,913
Officers		
Clerical		
Overtime (Temp. Positions)	1,012	1,012
Facilities for Temporary Staff	1,866	1,866
FBI Clearance Checks	4,044	4,044
Subtotal, Adjustment of Status Processing	14,835	14,835
Item #3: Service Center, Records Contract, and Forms Center Support for Application Processing		
Adjudications and Naturalization		
Overtime for Service Center Staff	1,200	1,200
Service Center Records Contract	1,873	1,873
Information and Records Management		
Local Office Records Contract	4,799	4,799
Staff and Equipment for the Forms Centers	1,241	1,241
Subtotal, Service Center, Records Contract	8,113	8,113
Item #4: Additional Support Requirements		
Construction and Engineering		
Permanent position to work on facilities issues	69	...
Management and Administration		
Permanent positions to provide support for: recruitment, evaluation, selection, and retention requirements	502	...
Subtotal, Additional Support Requirements	571	...
Total, All Items	\$56,296	\$48,654

Attachment # 3

**IMMIGRATION AND NATURALIZATION SERVICE
FY 1997 REPROGRAMMINGS AND NOTIFICATIONS**

#	Account	Description	(\$000) Amount	Date out of Budget	To Dept	To OMB	Approved by OMB	To Congress	House Response	Senate Response
1	WCF - retained earnings	INS Financial Systems Acquisition (prepared & submitted by Office of Financial Mgt directly to Jim Williams)	\$1,593.8	n/a	08/22/96	n/a				
	VCRP- carry fwd	Narrative justification provided to JMD by HQBUD per Colgate meeting --added use of VCRP carryforward.	\$3,000.0	n/a 04/30/97	01/24/97 05/01/97	n/a 05/12/97				
2	Exams	Natz/245(i)/records contracts/NACS/ forms centers/support staff <i>Dept combined with #3 INSpect for OMB. OMB approved 245(i)/Natz --deferred approval of #3 INSpect pending further discussion w/INS & IG #3 INSpect sent separately to Hill.</i>	\$58,298.0	09/17/96	10/01/96	11/19/96	12/03/96	12/18/96	02/26/97 (letter rec'd 2/28)	03/03/97
3	S&E Exams User	INSpect <i>Dept combined with #2 Natz, etc. for OMB Sent separately from #2 to Hill.</i>	\$5,122.0	10/03/96	10/16/96	11/19/96	12/12/96	12/23/96	02/12/97	03/03/97
3a		Response to Roger's request for plan.	n/a	03/12/97	04/04/97	n/a	n/a	04/29/97		
4	n/a	Contracting out of Bell, CA forms center	n/a	10/02/96	10/16/96	11/04/96	11/15/96	11/25/96	02/12/97	12/23/96
5	Exams	CUSA oversight	\$2,000.0	10/25/96	10/28/96	11/13/96	11/20/96	12/18/96	02/26/97	03/03/97
6	n/a	Opening Enrollment Center in In San Clemente area DOJ Letter to update on progress of computer facilitation. <i>House letter approved only one BP agent to be assigned to the center.</i>	n/a	12/19/96	01/28/97	n/a 03/10/97	n/a n/a	n/a 03/10/97	03/20/97	03/24/97

Attachment #4

**IMMIGRATION AND NATURALIZATION SERVICE
FY 1997 REPROGRAMMINGS AND NOTIFICATIONS**

#	Account	Description	(\$000) Amount	Date out of Budget	To Dept	To OMB	Approved by OMB	To Congress	House Response	Senate Response
7	AFF-SS WCF	Request to fund MIRP/financial system data cleanup, software acquisition, interface with peripheral systems/'96 Act implementation/relocation of Uvalde, TX checkpoint/border barriers, fences, lighting/JTF-6 projects		12/31/97 (draft) 01/03/97 (final)						
8	n/a	Letter from Colgate on San Clemente Commissioner testimony/IG reports drafted by DOJ	n/a	n/a	n/a	n/a	n/a	02/12/97		
9	S&E/VCRP User	Basic Training	\$23,800.0	02/20/97	03/17/97	04/28/97	05/06/97			
10	User	Reimbursement Claims for detention of in-transit allens DOJ draft provided for review --5/14	\$7,500.0	02/25/97	04/25/97					
11	Emer Fund	Repatriation of smuggled aliens (GENERATED BY DOJ)	\$7,400.0	n/a	n/a	n/a	n/a	03/03/97	03/18/97	03/24/97
12	VCRP carryover	Border Patrol Construction	\$2,852.0	03/17/97	04/16/97	05/12/97				
13	Exams	Letter to Hill on Coopers & Lybrand Natz Re-engineering - DOJ generated DOJ draft provided for review --3/26		03/27/97	n/a	05/12/97				

**IMMIGRATION AND NATURALIZATION SERVICE
FY 1997 REPROGRAMMINGS AND NOTIFICATIONS**

#	Account	Description	(\$000) Amount	Date out of Budget	To Dept	To OMB	Approved by OMB	To Congress	House Response	Senate Response
14	IDA/IEA	Notification on actions related to two new accounts --Immigration Detention Account and Immigration Enforcement Account Generated by DOJ DOJ draft provided for review --4/20 DOJ draft provided for review -5/14		04/21/97						
15	Exams User	Reimbursement to IG -\$5M + \$1,481 CUSA Mtg w/Adrian/OIG/IA 3/26/97 OIG (faxed draft after hours 4/4) rcvd 4/7/97 Comments to Eugene 4/11/97 ? draft from Eugene for comment 4/29/97	\$3,981.0 \$2,500.0	mtg w/JMD 03/26/97 04/11/97 04/29/97	n/a n/a					
16	All accts	TO Reprogramming	n/a							
17	Exams	Exams II	\$53,109.0	05/13/97						

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Divider Title: 2

MEMORANDUM OF UNDERSTANDING

Between the

Immigration and Naturalization Service

Department of Justice

And the

Employment Standards Administration

Department of Labor

TABLE OF CONTENTS

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- IV. Agreement.

I. Purpose.

The purpose of this agreement is to foster cooperation and coordination between the Immigration and Naturalization Service (INS) of the Department of Justice (DOJ) and the Employment Standards Administration (ESA) of the Department of Labor (DOL), clarify the enforcement role of each agency in areas of shared authority, ensure more efficient use of resources, reduce duplication of effort, and delineate respective responsibilities.

The agreement affects the following INS and ESA enforcement and compliance components:

INS: Investigations Division
Border Patrol Division
Employer and Labor Relations Division

ESA: Wage and Hour Division
Office of Federal Contract Compliance Programs

Where investigative and enforcement jurisdiction is shared between the signatory agencies, both shall work cooperatively and, when appropriate, undertake joint activities. The federal statutes provided for in this agreement include, but are not limited to, the following:

- Immigration and Nationality Act as amended [Title 8 of the United States Code, Section 1101 et seq., specifically 8 U.S.C. Section 1324a] (INS and ESA)
- Title 18 of the United States Code, Sections 911, 1001, 1015, 1028, 1426, and 1546 (INS)
- Migrant and Seasonal Agricultural Worker Protection Act (ESA)
- Fair Labor Standards Act (ESA)
- Davis-Bacon Act and Related Acts (ESA)
- McNamara-O'Hara Service Contracts Act (ESA)
- Walsh-Healey Public Contracts Act (ESA)
- Contract Work Hours and Safety Standards Act (ESA)
- Executive Order 11246, as amended (ESA)
- Section 503 of the Rehabilitation Act of 1973 (ESA)
- Vietnam Veterans Readjustment Assistance Act of 1974 (ESA)

II. Background.

Historically, INS and ESA have maintained excellent working relationships in areas of mutual law enforcement interest. Immigration reform legislation has significantly expanded and intensified this interaction, prompting a revision of the Memorandum of Understanding which was executed in October 1983.

INS has primary responsibility for enforcing Section 274A¹ of the Immigration and Nationality Act, the provisions commonly referred to as "employer sanctions." The Act gives DOL a role in the enforcement of the employer sanctions provisions by requiring that employers "make [the Employment Eligibility Verification Form I-9] available for inspection by officers of...the Department of Labor."

The primary responsibility of ESA is the enforcement of labor standards statutes with the goal of ensuring that all covered workers are afforded the full benefits and protections of these laws. ESA, in carrying out the intent of this MOU, will take no action which will compromise its ability to carry out its fundamental mission, regardless of the workers' immigration status. This agreement standardizes the procedures to be used in enforcement activities common to both agencies.

III. Implementation.

A. National Procedures.

Liaison

The headquarters enforcement and compliance components of INS and ESA shall maintain liaison concerning matters of mutual interest and jurisdiction, including matters set forth in this Memorandum, and shall actively seek to improve communication at all levels. Information sharing at the headquarters level of each agency will include cooperation and coordination in the development of policy, procedures, regulations, enforcement approaches, training materials, and activity reports.

In order to implement this Memorandum, INS and ESA agree to exchange, periodically update, and disseminate to all their field offices information concerning office locations and jurisdictional areas of responsibility of their respective operational field units.

¹ Section 274A, which pertains to the unlawful employment of aliens and the verification of employment eligibility of workers, was enacted on November 6, 1986, as part of the Immigration Reform and Control Act (IRCA).

ESA shall acquire sufficient quantities of the Handbook for Employers (M-274) for distribution to all employers inspected by ESA officers. INS will provide to ESA printer's proofs for reproduction of the document and information regarding suppliers.

INS Authority

INS has primary responsibility for employer sanctions enforcement, including assessing civil penalties and initiating legal proceedings under Section 274A of the Immigration and Nationality Act. In addition, INS has responsibility for promulgating employer sanctions program policy, including the circumstances in which a warning notice may be issued to employers. Because of possible resource implications, INS will consult with ESA regarding proposed changes in employer sanctions program policy and, as changes are implemented, the two agencies will modify their procedures accordingly.

ESA Authority

Under the conditions prescribed in this MOU and in accordance with policy established under the direction of the Attorney General, authority is extended so that ESA, in addition to INS, may issue warning notices to employers found in violation of the employment eligibility verification requirements of the Act. In executing this authority, INS and ESA officers will adhere to the same standards of investigation.

Warning Notice Format

ESA shall utilize the standard warning notice format developed by INS. The warning notice advises the employer of his/her obligations under the law and of specific findings of non-compliance, as well as the need for corrective action(s). This format may be modified: (1) to specify ESA's authority under Section 274A of the Immigration and Nationality Act to conduct inspections of an employer's I-9 forms and other employment records to determine compliance with the law; (2) to enumerate follow-up procedures; and (3) to name a contact point at ESA to respond to questions from employers.

Referral Procedures

ESA will be responsible for the prompt referral to INS of all suspected substantive hiring violations, i.e., violations of the provisions against knowingly hiring or continuing to employ unauthorized workers, and violations of the prohibition against indemnity bonds. INS and ESA will work jointly to develop standard criteria for these and other referrals, including specification of the level of evidence sufficient to suggest substantive violations. ESA referrals that meet these criteria will be subject to appropriate follow-up action by INS field offices.

ESA's referrals will be made on Form ESA-91, specifying the number and kinds of violations disclosed, identifying a point of contact at ESA, and including a brief narrative explanation containing

sufficient information for INS to pursue the lead. INS and ESA will work jointly to ensure the usefulness of the information contained on the ESA-91 referral forms and will revise the form and procedures as may be deemed necessary. In compliance cases and warning cases, procedures will be jointly developed whereby ESA will provide INS with either ESA-91 forms or automated listings for informational purposes only.

The revised INS Immigration Officer's Field Manual for Employer Sanctions will clearly emphasize the Form ESA-91 as a primary source of credible information for predicated employer inspections and/or investigations. INS field offices will utilize this valuable source of lead information effectively and will provide feedback to the appropriate local ESA office on the outcome of cases initiated as a result of information furnished by ESA. If INS declines to follow-up a case in which ESA has made a determination of non-compliance, INS will advise the appropriate ESA field office of the basis for that decision. INS and ESA will promote the enhanced exchange of information and interaction among their respective field offices in such a manner as to avoid any extensive reporting burden on either field staff.

Training

INS shall assist ESA in revising its Employment Eligibility Verification training, to include policy and procedures on the issuance of warning notices. This training will be developed jointly by ESA and INS to help assure that useful leads are provided and to ensure conformity with established referral and reporting procedures.

ESA shall assist INS in training INS officers to identify suspected violations of the statutes under primary jurisdiction of ESA, and as otherwise determined by both agencies to be appropriate.

Information Exchange

ESA will share with INS periodic reports of employer sanctions enforcement activities, including data on employer compliance. ESA and INS will jointly explore the feasibility of utilizing management information systems (MIS) at the headquarters level to capture detailed compliance inspection information on a regular basis.

Until its conversion to an automated system is completed, INS will provide ESA with interim summary reports of employer sanctions field activity. To the extent possible, INS shall also furnish ESA with reports on INS enforcement actions (e.g., warning notices issued, fines levied, and aliens apprehended) resulting from receipt of ESA-91's showing evidence of non-compliance.

INS and ESA shall continue to examine the possibility of mutual access to any automated information systems, where such systems

relate to the enforcement of statutes of shared jurisdictional responsibilities.

B. Field Procedures.

Liaison

Field level liaison between INS and ESA is the responsibility of the INS District Director or Chief Patrol Agent and the District Director of the appropriate ESA office. An important goal of this liaison is the free flow of information between the agencies and the effective utilization of such information. The District Director of the appropriate ESA offices shall be responsible for ensuring that information is furnished to INS in a timely manner and that it conforms to the prescribed criteria. INS District Directors and Chief Patrol Agents shall be responsible for ensuring that information received by their subordinate units from ESA is promptly reviewed, classified as to required action, and acted upon appropriately, and that timely feedback on referrals reflecting non-compliance and follow-up results is provided to their ESA counterparts.

When INS receives a request from ESA for a review of INS records or to interview an individual in INS custody, it will make every effort to comply promptly with that request to the extent permitted by law, upon presentation of proper credentials by the ESA investigator.

When ESA receives a request from INS for a review of ESA records, it will make every effort to comply promptly with that request to the extent permitted by law, upon presentation of proper credentials by the INS officer.

INS and ESA field personnel shall cooperate and coordinate in enforcement activities and other areas of mutual concern, including training, and shall conduct joint investigations where appropriate, with each agency pursuing violations within its own jurisdiction. To the extent resources permit, INS and ESA will collaborate in enforcement actions taken against employers violating laws under both of their jurisdictions, such as sweatshop operators.

ESA Inspections

In the course of all on-site visits at employers' facilities and where appropriate in technical assistance activities with employer or employee groups, ESA personnel will advise employers about their responsibilities under IRCA and distribute copies of the Handbook for Employers: Instructions for Completing Form I-9 (Employment Eligibility Verification Form) [INS publication M-274] and informational material on anti-discrimination provisions from the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC). Provision of the Handbook for Employers shall be documented on any ESA-91 referral.

Investigators assigned to ESA's Wage and Hour Division (WHD) and Office of Federal Contract Compliance Programs (OFCCP) shall conduct thorough inspections of Forms I-9 in conjunction with their other labor standards enforcement efforts. At the conclusion of the records inspection and generally before the completion of the investigation, ESA investigators will advise employers of their findings, and complete Form ESA-91.

ESA Warning Notices

ESA shall issue warning notices in the same form and under the same circumstances as INS when deficiencies are detected in an employer's verification process. Exercise of this authority will adhere to established policy, and will be coordinated with INS by telephone or any other mutually agreeable local means, prior to the issuance of a warning notice, in order to ascertain whether a past or current sanctions action exists against the employer. The warning will document the nature and extent of violations disclosed by the ESA inspection of all the employer's I-9 forms.

When issuing a warning notice, ESA shall provide a form to the employer for certifying that corrective action has been taken by the employer within a specified time frame. Upon receipt, ESA will forward the employer certification of compliance, attached to a copy of the predicated warning notice, to the appropriate INS field office.

Should the employer fail to return the certification of compliance form in a timely manner, ESA will, to the extent resources permit, undertake a follow-up contact with the violating employer either by telephone or on-site visit to ascertain the reason the form has not been returned and if violations continue. In a case where non-compliance is detected after issuance of a warning notice, ESA will expeditiously convey a copy of the warning notice, a copy of the investigative report detailing what evidence was used in issuing the warning notice, and original I-9's or photocopies certified by the investigator or the District Director of the appropriate ESA office and other supporting documentation if available, to the local INS District Office for timely consideration of the issuance of a Notice of Intent to Fine. ESA and INS will arrange a method of delivery of this material that will protect the evidentiary chain of custody. The recipient INS office will promptly advise the sending ESA office of the disposition of each such case.

Referrals to INS

ESA-91 forms documenting either apparent compliance or warning notices issued by ESA, or automated listings of these contacts, will be furnished to INS field offices in accordance with procedures developed at the agencies' headquarters. In cases where substantive hiring violations are suspected, ESA will expeditiously communicate that information to INS and provide ESA-91 forms which clearly and specifically identify possible violations, along with any supporting documentation which may be available. Referrals of

other cases will be made in accordance with the criteria jointly established by INS and ESA.

Each INS field office is responsible for adhering to the policies for receiving, reviewing, classifying, filing, utilizing and providing feedback on Forms ESA-91, as agreed between the signatory agencies and prescribed in the INS Immigration Officer's Field Manual for Employer Sanctions.

To the extent resources permit, INS officers will investigate all ESA referrals that conform to the criteria agreed upon by INS and ESA. In cases evidencing substantive hiring violations, as well as in cases where ESA has made a determination of continuing non-compliance with the employment eligibility verification requirements after issuance of a warning notice, the INS field office conducting the follow-up investigation will promptly provide the ESA field office which made the referral with a report of the outcome of the case. ESA and INS will coordinate, as appropriate, to ensure the issuance of legally sufficient Notice of Intent to Fine documents and litigation support. If INS declines to follow-up a case in which ESA has made a determination of non-compliance, INS will notify the appropriate ESA field office of the reason why follow-up action was not completed on the case.

Referrals to ESA

When INS receives information during the course of its enforcement activities which indicates a possible violation of statutes within the jurisdiction of DOL, with particular emphasis on agriculture, child labor, the garment industry and industrial homework violations, the District Director of the appropriate ESA field office covering the area in which the suspected violation occurred shall be notified expeditiously by the INS. Such notification may be in the form of a telephone communication or via copies of INS records prepared in the course of its enforcement operations.

Referrals to OSC

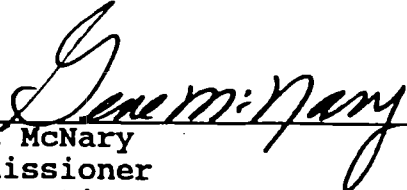
ESA and INS officers shall each be responsible for directly referring indications or allegations of discrimination violations under the Immigration and Nationality Act, Section 274B, to the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC).

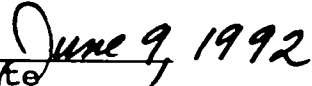
IV. Agreement.

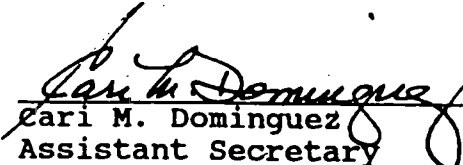
The provisions of this Memorandum of Understanding cancel and supersede the previous MOU and become effective on the date of signature. The provisions may be reviewed and jointly modified as appropriate when it is determined by either agency that such review and modification is in the interest of efficiently enforcing the

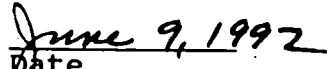
employer sanctions provisions of the Immigration and Nationality Act.

The preceding constitutes the full memorandum of understanding on this subject between the Department of Justice, Immigration and Naturalization Service, and the Department of Labor, Employment Standards Administration.


Gene McNary
Commissioner
Immigration and
Naturalization Service


Date


Carl M. Dominguez
Assistant Secretary
Employment Standards
Administration


Date

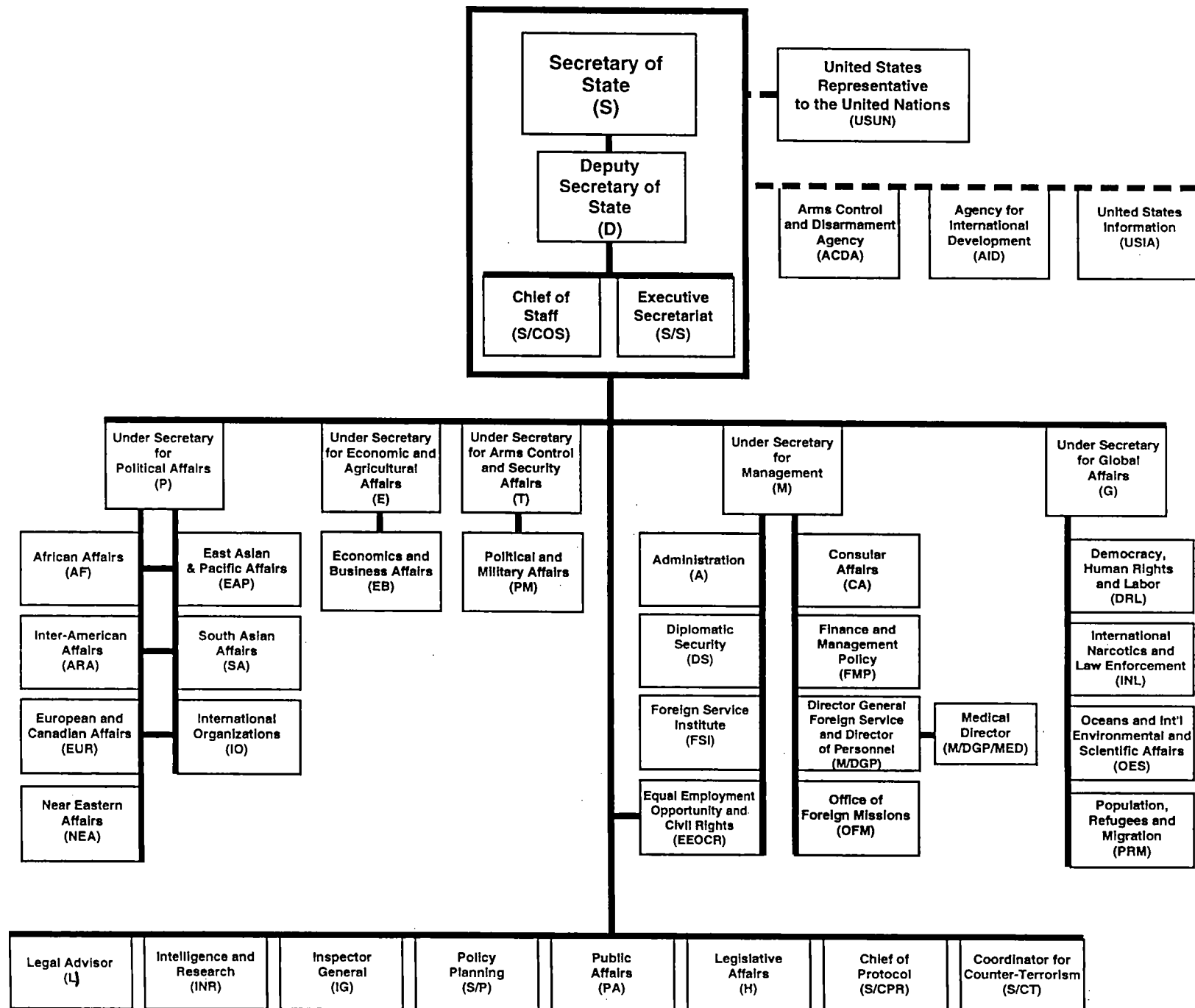
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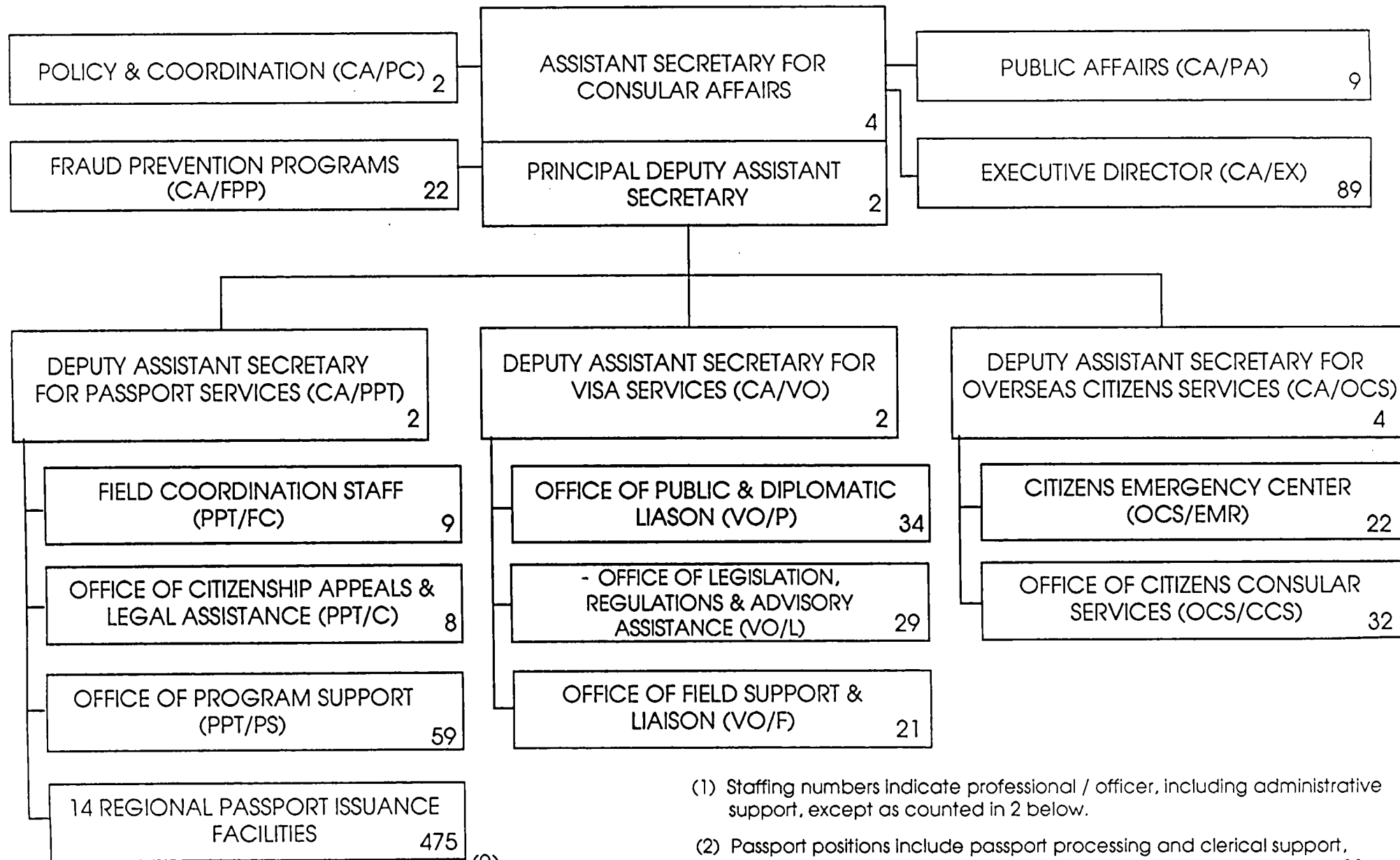
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Divider Title: 3

UNITED STATES DEPARTMENT OF STATE



BUREAU OF CONSULAR AFFAIRS ⁽¹⁾

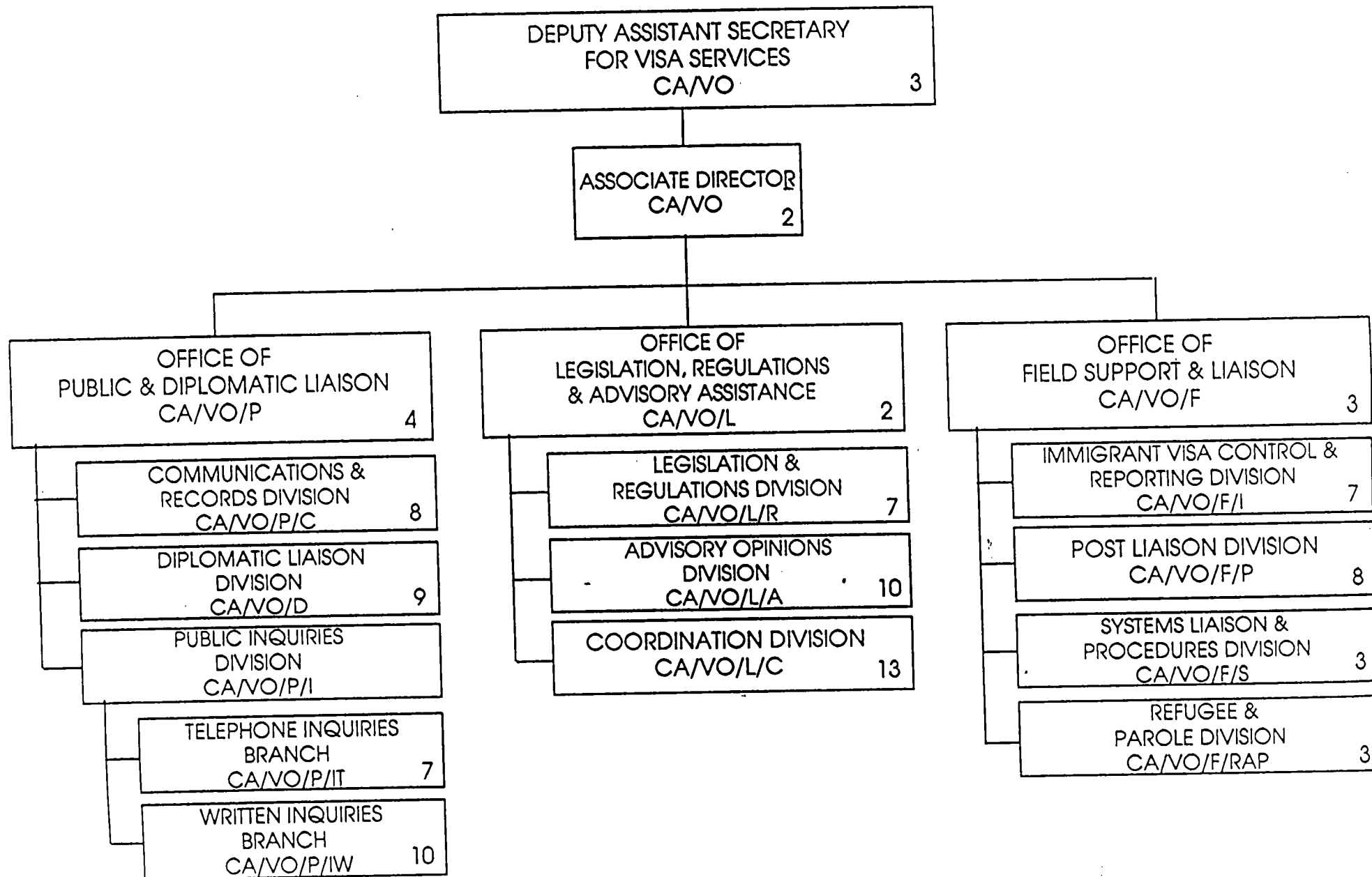


(1) Staffing numbers indicate professional / officer, including administrative support, except as counted in 2 below.

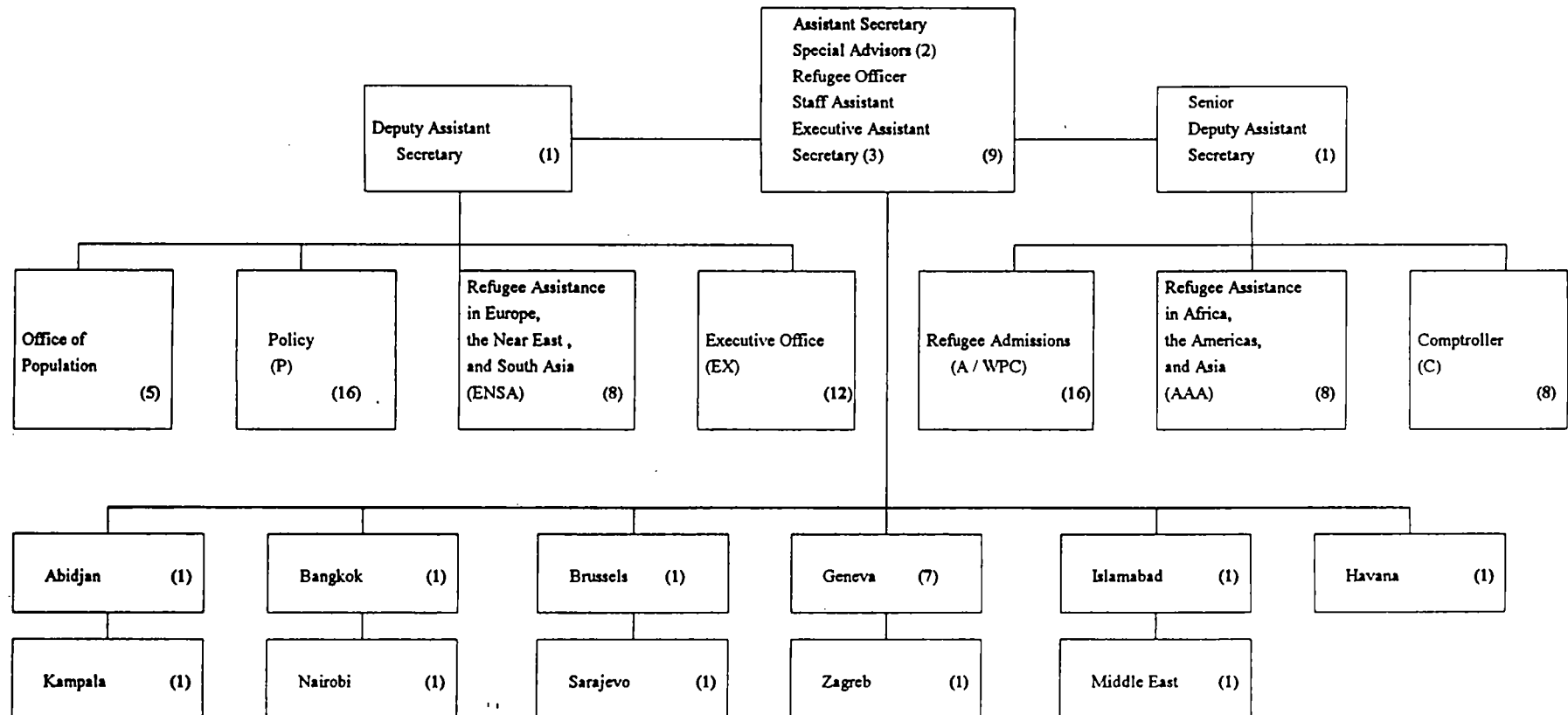
(2) Passport positions include passport processing and clerical support, i.e., all staff counted except secretarial staff. (Note: Reduction of 23 positions dated December 4 not reflected.)

VISA SERVICES

CA/VO

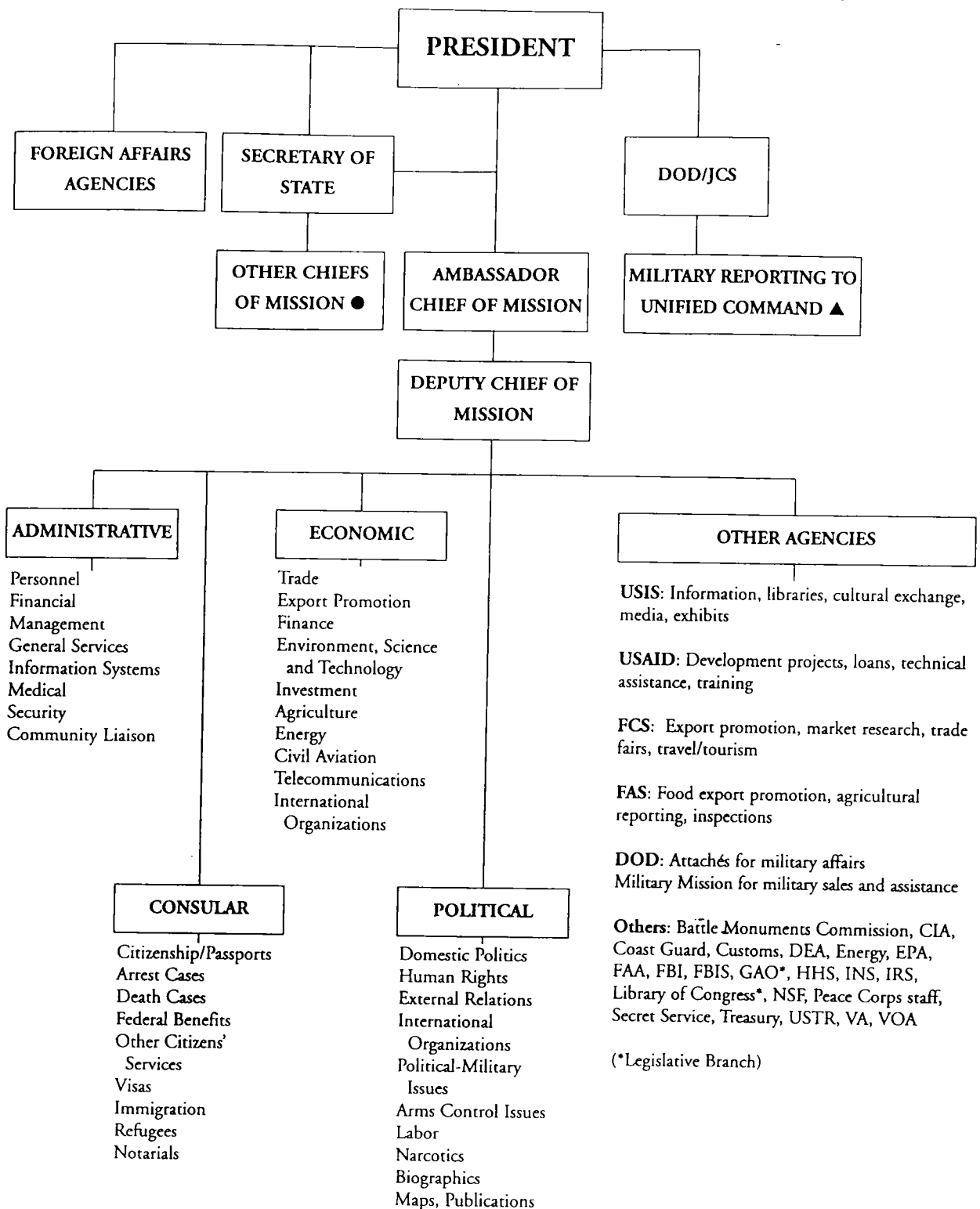


**BUREAU OF POPULATION,
REFUGEES, AND MIGRATION
DEPARTMENT OF STATE**



Domestic	84
Overseas	15
FSN	<u>2</u>
Total	101

EMBASSY FLOW CHART



● Austria (UNVIE); Belgium (USNATO), (USEU); Canada (ICAO); France (UNESCO), (USOECD); Italy (FODAG); Switzerland (UN Geneva) United States (USUN), (USOAS)

▲ CINCCENT: Bahrain, Kuwait, Oman, Saudi Arabia, United Arab Emirates. CINCENR: Belgium, Germany, Greece, Iceland, Italy, Netherlands, Portugal, Spain, Turkey, United Kingdom. CINCPAC: Australia, Cambodia, Japan, Korea, Laos, Marshall Islands, Micronesia, Palau, Philippines, Singapore, Thailand, Vietnam. CINCSOUTH: Honduras, Panama. USACOM: Cuba (Guantanamo).

For a full list of abbreviations and acronyms, see page 96.

Source: U.S. State Department, 1995

U.S. DEPARTMENT OF STATE
Office of the Spokesman

(West Point, New, York)

As Prepared for Delivery

October 25, 1996

ADDRESS BY U.S. SECRETARY OF STATE WARREN CHRISTOPHER

FORCE, DIPLOMACY AND THE RESOURCES WE NEED FOR AMERICAN LEADERSHIP

West Point, New York

Good morning. I am delighted to be here today. For my visit, General Christman and I carefully chose this time of year when the woods are turning red and yellow. And indeed, it was just beautiful as I flew up the Hudson this morning. Although I anticipated the autumn colors, I could hardly expect that Army would be 6 and 0, for the first time in 45 years. Congratulations to the team. Congratulations to their fans.

Today, I want to talk with you about combining diplomacy and force to advance America's interests and ideals. There could be few more appropriate places for such a discussion than West Point, with its tradition of eminent soldier-diplomats. This is a tradition to which your new Superintendent, General Christman, certainly belongs.

In his two years as my military adviser, General Christman's counsel was superb -- especially on the many important trips we took together. As a Vietnam veteran, he contributed greatly to the success of my trip to normalize relations with Hanoi last year. Dan also succeeded in bringing together for the first time high-ranking general officers from Israel and Syria -- even though the two countries remain technically at war.

Dan's assignment to West Point seems an ideal opportunity to return to the scene of his early achievements -- he graduated first in the class of 1965. I understand he has already earned a nickname for himself up here -- "Chief Rabble Rouser." Given how good he was at rousing the troops wherever we went together, I hope that he -- and you -- will give a demonstration right here and now.

West Point is very fortunate to have Dan at this moment in history, when so much has changed from the world we knew during nearly half a century of Cold War. Your instructors never imagined ten years ago that their students would be going on joint patrols with Russian soldiers in Bosnia, or exercising with Baltic troops on the bayous of Louisiana.

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Internet: <http://www.state.gov>

But in the midst of these changes, the fundamentals have stayed the same. American leadership and strength are just as critical to our nation's security and prosperity now as they were 50 years ago.

Consider where we might be today if we had failed to lead over the last four years. Iraqi troops would be back in Kuwait. There would be not just one but four nuclear states on the territory of the former Soviet Union. North Korea would be well on the way to possessing nuclear weapons. War would still rage in Bosnia. Dictators would still rule Haiti. And there would be no framework for peace in the Middle East.

Where America is called upon to lead, often it is you who will be on the front lines. That is why President Clinton, with bipartisan support in Congress, has made sure that the United States has the best-trained, best-equipped and most ready forces in the world. And today, our military might is matched by the strength of our economy and by the powerful attraction of our ideals. Together with our diplomacy, they allow us to exercise our global leadership and to protect our interests.

In today's world, when American interests are more global than ever, our national security requires the wise use of force and diplomacy together. Diplomacy that is not backed by the credible threat or use of force can be hollow -- and ultimately dangerous. But if we do not use diplomacy to promote our vital interests, we will surely find ourselves defending them on the battlefield. Today, in more places and more circumstances than ever before, we must get the balance right. To do the job properly, we must field and fund a world-class military. But we must also field and fund world-class diplomacy.

The Chairman of the Joint Chiefs, General Shalikashvili, understands well that defense and diplomacy must work hand in hand. As he says, "the walls have come down between our two institutions...the days when the military viewed diplomats as the striped pants set...are long gone." He has personally put that insight into action in recent missions like Operation Restore Democracy in Haiti and IFOR in Bosnia.

The lesson of our time is that we must combine force and diplomacy when our important interests are at stake. We are working together across a broad spectrum of circumstances. Let me discuss several of them today: defending against aggression, deterring potential adversaries and securing peace in regions of vital interest.

It is the fundamental responsibility of the President to defend against attacks on our nation, our people, our allies and our vital interests. The military role is critical -- but our diplomacy is also indispensable. There is probably no better example than Desert Storm, when our diplomacy built a coalition to turn back Iraq's invasion of Kuwait. Since then, we have maintained strong partnerships with our friends in the Gulf. And we have kept robust forces available. As a result, we were ready when Saddam Hussein renewed his threats against Kuwait in 1994. Within hours, with the cooperation of our Gulf partners, the President was able to send Army

5

tank units to the border and order an aircraft carrier group to the region, together with over 300 Air Force planes. Our resolve forced Saddam to stop in his tracks and pull back. Today in Iraq, we maintain our strategy of troop deployments, an expanded no-fly zone, and a tough sanctions regime.

There is no doubt that we will use force when we must. But our military can also provide deterrence to make it less likely that our service men and women will be sent into battle.

On the Korean Peninsula, our soldiers and diplomats together practice a textbook example of deterrence. Some 37,000 American troops still stand watch on the last fault line of the Cold War. There they deter an attack from the North. Our strong alliance with Seoul has allowed our two countries to stand shoulder-to-shoulder against aggression.

In recent years, North Korea has raised the stakes with its pursuit of nuclear weapons. We reinforced our troops and pursued tough but painstaking diplomacy to halt and reverse North Korea's nuclear program. Negotiations have brought important progress. But we have left no doubt that we are prepared to respond militarily in defense of our interests in this critical region.

In the Taiwan Strait, the timely combination of our military presence and our diplomacy helped to ensure the stability of the whole region at a moment of great tension last March. We demonstrated our resolve by sending two carrier groups into the waters around Taiwan. Diplomatically, we reiterated our adherence to the three communiqués that have defined our long-standing China policy. And we pressed both sides to reduce tensions and resume their dialogue.

The combination of force and diplomacy is also essential to deal with the complex challenges of securing peace in many regions of vital interest to the United States.

In Bosnia, it took both American diplomatic initiative and intensive NATO airstrikes in the summer of 1995 to end four years of war that threatened the stability of Europe. Without overwhelming air power, we could not have brought the Serbs to the negotiating table. But without a dedicated negotiating team of both diplomats and soldiers, we could not have produced the Dayton Agreement.

We did this through the unprecedented involvement of the military members of our negotiating team, led by General Wes Clark -- who by the way also was first in his class here in 1966. Their pivotal role in Dayton last fall ensured that IFOR's mission would be well-defined and appropriately limited -- and that our soldiers would have the authority, and the rules of engagement, they needed to do their job. And let me also say that our 20,000 IFOR troops, led by another West Pointer, General William Nash, has performed superbly.

Only IFOR could create the secure environment in which a lasting peace can be built. But only civilians can rebuild a civil society in Bosnia. That is why our diplomatic efforts have emphasized elections, multi-ethnic institutions, and economic reconstruction.

Haiti was another example of careful advance cooperation to ensure that the civilian and military parts of the operation would work effectively together. Our troops gave Haitians the security they needed to hold free and fair elections resulting in the first peaceful, democratic transfer of power in Haiti's history. And our diplomats assembled the coalition we needed to convince Haiti's dictators to stand aside -- allowing U.S. troops to come in peace and leave on time. Now we are working with the people of Haiti and the international community to support economic reconstruction and help build a strong future for democracy.

But, of course, we will serve the American people best of all if we can prevent the conflicts and emergencies that call for a military response. As Secretary of State, it is my responsibility to marshal our resources to do just that. Secretary Perry calls our diplomacy our first line of defense. If we hold that line around the world, we are much less likely to have to send you and the troops you will command into harm's way.

Nowhere does the United States have more at stake than in Europe, where five million Americans were sent to fight this century. After World War II, we created NATO -- perhaps the most successful example of military-diplomatic cooperation the world has ever seen. Today, NATO plays a central role in overcoming Europe's historic divisions and laying the foundations for a lasting peace. Now we are adapting and expanding the alliance -- NATO should take in its first post-Cold War new members by 1999. They will be ready, both politically and militarily, "to share the risks and responsibilities of freedom," as President Clinton said on Tuesday. And as we consolidate the political gains of Europe's new democracies, we are making it less likely that we will ever again have to send American troops to fight a war or to keep the peace on the borderlands of central and eastern Europe. And we are working with all the nations of Europe, including Russia, to build an undivided and peaceful continent.

In Asia, President Clinton has renewed our commitment to remain a Pacific power with 100,000 forward-deployed troops. Alongside the deterrence our military presence provides, our diplomacy is building the cooperation that will keep the region stable. We have reinforced our core alliances with Japan, Korea, Australia, Thailand, and the Philippines, and we have promoted a new structure for regional security cooperation as well as dialogues among former adversaries.

In Africa, we are building a broad strategy to prevent the violence that threatens the future of many emerging democracies. Our diplomacy is helping to rebuild civil society in countries like Mozambique and to avert new conflicts. We are also prepared to help Africans respond to African crises. That is why we are working with our partners in Africa and Europe to create an African Crisis Response Force. African nations would provide the troops for such a force. The United States and other nations would make a substantial contribution of equipment, training and logistical support -- to help Africans build peace themselves.

Here at West Point, I doubt that I need to convince you of the need for this kind of diplomacy. You know the world is now more interdependent than ever, that the line between domestic and foreign policy has been erased, and that our security and economic interests are inseparable. The logic of these changes is that America must be more engaged in the world, not less.

Especially because you are future officers, you have a keen interest in a foreign policy that helps us avert costly conflict and crisis. It may sound like a paradox, but the history of this century teaches us that as America's engagement around the world increases, the likelihood we will be drawn into conflict decreases. It is when we seek to escape the world's problems that we pay the greatest price.

Americans understand we need a strong military whose requirements are strongly supported. Because American diplomacy is also vital, I believe the national interest requires that we provide sufficient funding for both. Only by doing so will we be able to maintain and enhance our diplomatic readiness.

Just as military readiness requires maintaining forces and bases around the world, so diplomatic readiness requires keeping embassies open and trained personnel posted around the world.

Diplomatic readiness means maintaining constructive relations with the great powers. For example, we need a strong presence in Russia to manage relations with that country as it goes through a momentous transition. A presence in each of the Newly Independent States of the former Soviet Union is also decisively important.

Diplomatic readiness means reaping benefits for our own security and prosperity by playing a central role in international organizations. Our funding for the International Atomic Energy Agency, for example, supports inspections that help control the nuclear programs of such countries as North Korea and Iraq.

Diplomatic readiness means supporting American business overseas, so we can break down barriers to American exports in countries like Japan and Brazil. Business leaders often tell me how much they appreciate our support -- and how they wish we had the resources to do more.

Diplomatic readiness means having adequate communications facilities. In today's 24-hour, fast-paced world, we cannot make do with information technology that is years out of date.

Diplomatic readiness also means providing targeted aid to struggling democracies -- an investment in their future, and in ours. Earlier this month in the West African country of Mali, I saw firsthand how just a few hundred dollars of materials, and the labor of our Peace Corps volunteers, are helping farmers defend their land against the encroaching Sahara desert and build a better future for their families.

Today, our diplomacy is also essential to confront the new transnational threats to our security, such as international crime,

drug trafficking, terrorism, proliferation and environmental damage. These threats respect no borders. No nation -- and no army -- can defeat them alone. Without diplomatic representation in almost every country of the world, we could not have marshaled global support to renew the nuclear Non-Proliferation Treaty -- or to adopt a Comprehensive Test Ban Treaty. Without law enforcement agents stationed around the world, we could not track down criminals and drug dealers to make sure they stand trial in the United States.

Simply put, we cannot sustain our diplomacy on the cheap -- unless we want to shortchange the American people. But that is just what is happening. Since 1984 our international affairs spending has fallen by 51 percent in real terms. Fifty-one percent. The total amount the United States spends on international affairs now constitutes just 1.2 percent of the federal budget -- a tiny fraction of the amount we must spend when foreign crises erupt into war.

I am constantly impressed by the ingenuity our people around the world show in doing more with less. But there comes a time when less is really just less. As President Clinton said last month, our international affairs budget "is well below what we need to assure that we can achieve our foreign policy objectives." This reflects the fact that the President has consistently sought greater resources than the Congress has provided.

We have long since cut through fat to muscle and bone. Since I became Secretary of State, budgetary pressures have forced us to close 30 embassies and consulates. We cannot advance American interests by lowering the American flag. Our global presence should be expanding, not contracting. We must find a way to continue to provide vital facilities and services to military attaches and personnel from other government agencies. And we must be able to provide essential services to American citizens.

In a world without dangers, these cuts in our diplomacy might be comprehensible. But in the real world, the failure to maintain diplomatic readiness will inevitably shift the burden to America's military. The President has made clear that we will use force when we must. But if we rely on our military strength alone, we will end up using our military all the time. That would impose too high a cost in lives and dollars.

I do not believe we can sustain our global leadership and protect our interests with constantly contracting resources. We must do better. Next January a new Congress will be sworn in. Whatever its composition and whoever is elected President, it will be high time to face up to the implications of the funding cuts of the last few years and the requirements of future budgets. In the context of the need for deficit reduction, I believe that we must renew our support for American diplomacy.

Our diplomacy and our military power must go hand-in-hand if our great nation is to fulfill its potential. It is time for our nation to commit itself to a new bipartisan consensus recognizing that diplomatic readiness remains fundamental to our national security and that we must -- and we will -- fulfill the responsibilities of leadership.

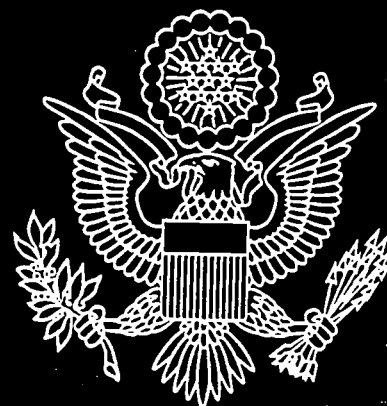
As President Clinton put it on Tuesday, "Wherever I go, whomever I talk with, the message to me is the same: We believe in America. We trust America. We want America to lead. And America must lead." With a new generation of leaders like you, I am confident that, working together, our military forces and our diplomats can meet that challenge of leadership today -- and tomorrow.

Thank you.

United States Department of State

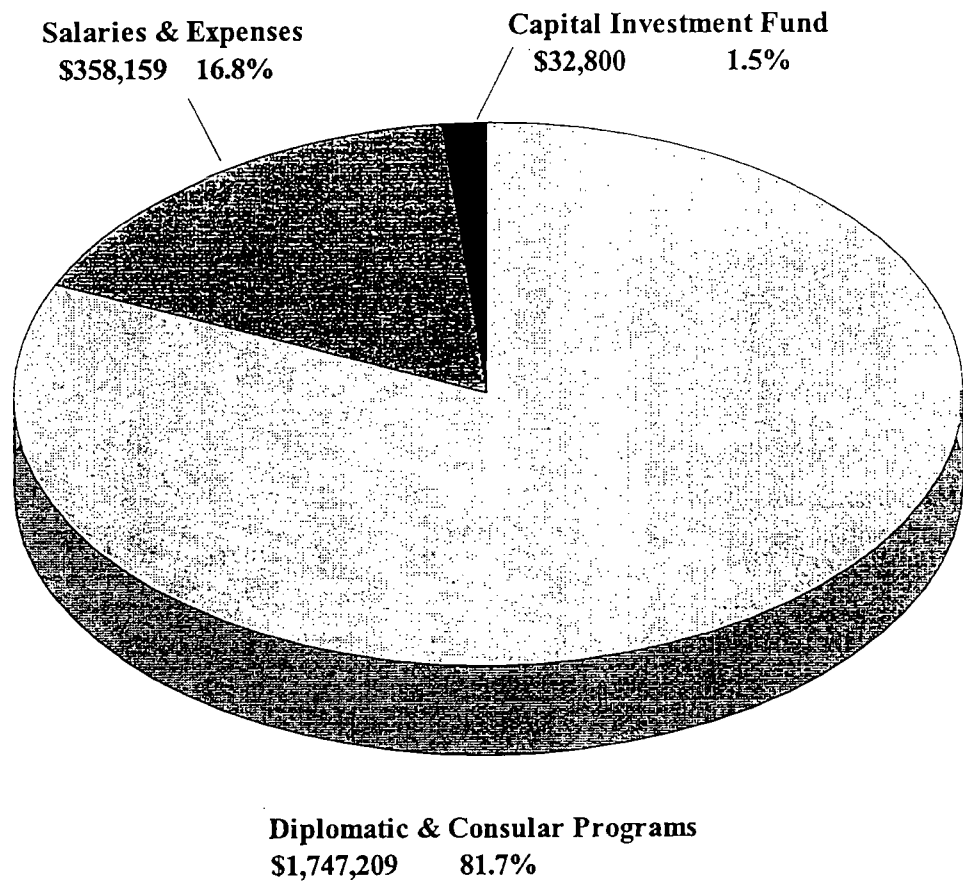
THE BUDGET IN BRIEF

Fiscal Year 1997



FY 1997 State Programs Request Distribution by Appropriation

(dollars in thousands)



Total Request \$2,138,168

STATE PROGRAMS

1997 Overview

Summary Statement (dollars in thousands)

Appropriation	1995 Actual	1996 Estimate	1997 Request	Increase or Decrease (-)
Diplomatic and Consular Programs	\$1,757,727	\$1,719,220/a	\$1,747,209	\$27,989
Salaries and Expenses	367,407	365,146	358,159	-6,987
Capital Investment Fund	478	16,400	32,800	16,400
Total, State Programs	2,125,612	2,100,766	2,138,168	37,402

/a The FY 1996 estimate assumes \$25 million in Border Security costs will be funded by Machine Readable Visa (MRV) fees in place of direct funding by the Diplomatic and Consular Programs appropriation. Application of MRV fees for this purpose will be requested by a separate notification on finalization of FY 1996 appropriations.

State Programs Summary

The ability of the United States to achieve our nation's foreign policy objectives depends ultimately on providing adequate resources to the dedicated men and women who serve the Department of State as well as the other Foreign Affairs agencies. Just as the United States must maintain the best prepared armed forces to meet challenges to our nation's security, we must also maintain the best prepared and most effective diplomatic service to address the threats and opportunities that affect the well-being of each and every American. Both in the U.S. and at the more than 250 diplomatic and consular posts abroad, the Department of State requires highly trained men and women, modern communications technology, and adequate resources to represent our political and economic interests around the world, coordinate diplomatic initiatives, prevent or manage international crises, help American companies open markets and create American jobs, help keep U.S. borders secure, keep drugs off U.S. streets, assist and protect U.S. citizens overseas, and provide the foundation overseas upon which all the other U.S. international programs are built.

Through careful planning and strategic focus, the Department of State will deploy its resources to ensure that the employees of the Department have the skills, training, and equipment to get the job done at the least cost and greatest benefit to the United States and its people. The FY 1997 State Programs budget request (which includes the Diplomatic and Consular Programs, Salaries and Expenses, and Capital Investment Fund appropriations) seeks to improve the diplomatic readiness of our government so that the United States can respond promptly, cost-effectively, and successfully to protect and promote American interests.

After operating with essentially flat funding levels since FY 1993, the Department faces enormous funding challenges. The Department's buying power has been eroded by four years of overseas inflation and exchange rate fluctuations. Our work force has been cut while the Department's workload (particularly passport, visa, and logistics support to remote embassies and for other agencies) has increased. In the context of these resource and workload trends, the

STATE PROGRAMS

Department is engaged in a concerted effort to determine how we can accomplish the highest priorities of U.S. foreign policy with fewer resources. In order to adjust to flat budgets since FY 1993, by the end of FY 1996 the Department will have:

- ☐ Closed 30 posts.
- ☐ Reduced the size of the Department's workforce by more than 1,900 positions.
- ☐ Reduced the size of the Senior Foreign Service by 15%.
- ☐ Cut one in four Deputy Assistant Secretary positions.
- ☐ Eliminated senior bonuses and slashed mid-level awards.
- ☐ Met record increases in passport workload (+40% since 1993) by establishing mega-processing centers within the United States.
- ☐ Slashed operating budgets and cut equipment investments.

The Department is charting a course to operate effectively and efficiently with better training, adequate funding, and modern information systems. As the Department continues to improve work processes and our overseas and domestic organizations, we will continue to implement a management strategy that will:

- ☐ **Improve diplomatic readiness** through improvements to basic policy processes, information technology, logistics support, quality of life, and training so that the Department can respond flexibly, effectively and with leadership to meet emerging foreign policy demands through creativity, results, teamwork, and service.
- ☐ **Improve U.S. Border Security** by continuing to upgrade and maintain consular and Border Security programs required to secure the borders of the United States against travel here by terrorists, international criminals, or persons who stay here in violation of their immigration status, while at the same time facilitating travel to the U.S. by legitimate travelers. Our significant achievements since FY 1994 have been possible by authorities allowing the Department to collect and retain Machine Readable Visa (MRV) fees in order to finance vital Border Security initiatives and enhancements. In FY 1996, subject to Congressional notification, the Department will begin to fund the staff and related operations of the Border Security Program with revenue from MRV fees.
- ☐ **Implement a new overseas administrative support system** that improves the platform for supporting U.S. Government agencies, overseas in accordance with Congressional guidance and under the sponsorship of the President's Management Council. Under this new system called the International Cooperative Administrative Support Services (ICASS)), financial and management responsibility is delegated down to the level where the administrative services are delivered (the individual posts), giving all participants at post a direct sense of ownership, and making it possible for all U.S. Government agencies to calculate how much it really costs to have staff at a given post. The Administration may need to submit subsequent budget adjustments to reflect worldwide implementation of ICASS involving all U.S. Government agencies overseas.

STATE PROGRAMS

The combined FY 1997 request of \$2,138,168,000 for the State Programs accounts — Diplomatic and Consular Programs, Salaries and Expenses, and the Capital Investment Fund — supports the efforts to maintain and improve the Department of State and overseas missions as the platform for advancing U.S. diplomacy.

Diplomatic And Consular Programs

The FY 1997 request of \$1,747,209,000 for Diplomatic and Consular Programs, a net increase of \$27,989,000 from FY 1996, includes funding to host the 1997 Summit of Industrialized Nations, prepare for the International Telecommunications Union Plenipotentiary Conference in 1998, replace obsolete overseas equipment, and meet mandatory worldwide wage/price inflation. This request also reflects personnel and operating expense reductions (roughly 2%) consistent with the plan to streamline and restructure the Department's overseas operations. Four years of flat budgets and the estimated absorption of over \$300 million in costs have weakened the Department's infrastructure, leaving overseas missions with inefficient and inadequate information systems, critical staffing gaps, obsolete equipment, and aging physical plants. The Department's plan to continue to cut personnel and operating expenses is based on a directed management strategy to invest in information management equipment and systems and replace obsolete equipment so that modern technologies can permit the Department to fulfill its mission more efficiently.

Salaries And Expenses

The FY 1997 request for Salaries and Expenses of \$358,159,000, a net decrease of \$6,987,000 from FY 1996, includes reductions in personnel and operating expenses. These reductions are offset by increases to continue consolidating our domestic facilities in the Washington, DC area through the renovation of Columbia Plaza and to meet mandatory wage/price inflation. This request is consistent with the plan to delay and streamline the Department's domestic operations. The reduced Salaries and Expenses request funds ongoing Washington-based operations that support a worldwide organization of more than 24,000 direct-hire employees, more than 250 diplomatic missions, as well as bilateral and multilateral diplomatic and consular relations involving over 170 countries and 50 international organizations. Our FY 1997 request will allow us to maintain the operational support of the diplomatic platform that underpins the achievement of our nation's foreign policy objectives and international priorities.

Capital Investment Fund

The FY 1997 request of \$32,800,000 for the Capital Investment Fund, an increase of \$16,400,000 from FY 1996 and the same level as the FY 1996 request, will support critical investments in information systems essential to effective implementation of the Department's plans for overseas restructuring and domestic layering and streamlining. The Department's information systems are inadequate to meet critical mission requirements. The Department must prevent further deterioration of existing information systems and take advantage of advanced

STATE PROGRAMS

- ☐ **Consular Relations (\$220,943,000)** - People around the world are becoming increasingly mobile. International business, tourism, and permanent resettlement — both foreign and American — occur more than ever before across national boundaries. Legal control of these movements to and from the United States and the security of our nation's borders places a heavy demand on State Department operations.
 - Non-immigrant visa requests for foreign tourists, students, business people, investors, and government officials require substantial effort at missions abroad. In FY 1996, the Department projects total workload of 8.2 million non-immigrant visa applications including issuances and refusals.
 - Immigrant visa demands require ever more effort to ensure enforcement of U.S. immigration laws. In FY 1996, the Department projects total workload as high as 700,000 immigrant visa applications including issuances and refusals.
 - Routine and emergency assistance must be provided to American citizens in distress. In FY 1996, the Department projects that it will respond to 1.5 million citizen services cases worldwide.
 - American travelers and the U.S. travel industry need to be kept aware of dangerous situations abroad through Consular Information Sheets, Travel Warnings and helpful tips to travelers through the Consular Affairs World Wide Web Site available at the Internet Web address: <http://travel.state.gov>.
 - Applications in the millions must be adjudicated, and passports issued or denied for U.S. citizens wanting to travel abroad. In FY 1996, the Department projects issuing a record number of 5.6 million passports domestically, more than a 40 percent increase over FY 1993 levels.
 - The worldwide Border Security Program includes implementation of the Machine Readable Visa (MRV) and Distributed Name Check (DNC) programs at all posts, ensuring a complete automated name check of all non-immigrant visa applicants through the Consular Lookout Support System (CLASS), improving the security of travel documents, and modernizing consular systems which are vital in improving border inspection agency operations. Through the Border Security Program, we are issuing more secure visas. The border security system requires dedicated funding from MRV fees.
- ☐ **Supporting Multilateral Diplomacy (\$25,704,000)** - As a responsible member of the world community, the United States participates in many important international organizations. Several United Nations organizations, inter-American and other regional organizations play roles in world affairs important to the United States. Others, smaller and more narrow in scope, are influential in matters that affect the American economy, environment, health and science. The Department monitors and participates in the organizations through both the headquarters' staff and its missions to the larger organizations. The increasingly multilateral nature of world problems makes U.S. involvement in these organizations important to our future. The Department must also monitor peacekeeping efforts that are increasingly part of the post-Cold War world.

STATE PROGRAMS
(Diplomatic & Consular Programs, Salaries & Expenses, and Capital Investment Fund)

Program Activities Summary

Activities	Funds Summary Statement (dollars in thousands)			
	1995 Actual	1996 Estimate	1997 Request	1996/1997 Increase/ Decrease
Policy Formulation and Executive Direction.....	\$174,005	\$175,125	\$180,535	\$5,410
Diplomatic Relations (e.g., Political and Economic Reporting, Trade Promotion, Global Environmental and Scientific Reporting).....	313,403	315,971	333,074	17,103
Consular Relations (e.g., Passports, Visas, Services to American Citizens Overseas)*.....	239,543	223,187	220,943	(2,244)
Supporting Multilateral Diplomacy.....	24,590	25,078	25,704	626
Diplomatic Security/Law Enforcement Cooperation**.....	265,881	271,020	247,357	(23,663)
Information Resource Management***.....	383,325	380,622	395,399	14,777
Training Services.....	51,648	51,161	52,461	1,300
Medical Services.....	26,856	26,502	27,189	687
Rental Payments to GSA.....	70,897	73,466	76,288	2,822
Overseas Program Support.....	296,266	299,795	311,603	11,808
Domestic Infrastructure and Program Support.....	212,169	194,169	203,200	9,031
Post Assignment Travel.....	67,029	64,670	64,415	(255)
Appropriation Total.....	2,125,612	2,100,766	2,138,168	37,402

* Consular Relations funding levels do not include \$19.5 million in Border Security costs to be funded by MRV fees in FY 1996 and \$28.4 million in Border Security costs to be funded by MRV fees in FY 1997.

** Diplomatic Security funding levels do not include \$1 million in Border Security costs to be funded by MRV fees in FY 1996 and, in FY 1997, reflect \$15 million in Marine Security Guard costs that will be funded DOD funding, \$10.5 million in Border Security costs funded by MRV fees, and removal of \$6.9 million in one-time FY 1996 Security Enhancement costs.

*** Information Management funding levels do not include \$4.5 million in Border Security costs to be funded by MRV fees in FY 1996 and \$11.1 million in Border Security costs to be funded by MRV fees in FY 1997.

STATE PROGRAMS
(Diplomatic & Consular Programs and Salaries & Expenses)

Program Activities Summary

Activities	Positions Summary Statement			1996/1997
	1995 Actual	1996 Estimate	1997 Request	Increase/ Decrease
Policy Formulation and Executive Direction.....	1,650	1,574	1,556	(18)
Diplomatic Relations (e.g., Political and Economic Reporting, Trade Promotion, Global Environmental and Scientific Reporting).....	3,220	3,052	3,021	(31)
Consular Relations (e.g., Passports, Visas, Services to American Citizens Overseas)*.....	3,313	2,817	2,817	--
Supporting Multilateral Diplomacy.....	293	284	280	(4)
Diplomatic Security/Law Enforcement Cooperation**.....	1,613	1,459	1,309	(150)
Information Resource Management***.....	2,518	2,304	2,241	(63)
Training Services.....	473	474	471	(3)
Medical Services.....	220	212	211	(1)
Overseas Program Support.....	4,552	4,147	4,035	(112)
Domestic Infrastructure and Program Support.....	1,677	1,508	1,466	(42)
Appropriation Total.....	19,529	17,831	17,407	(424)

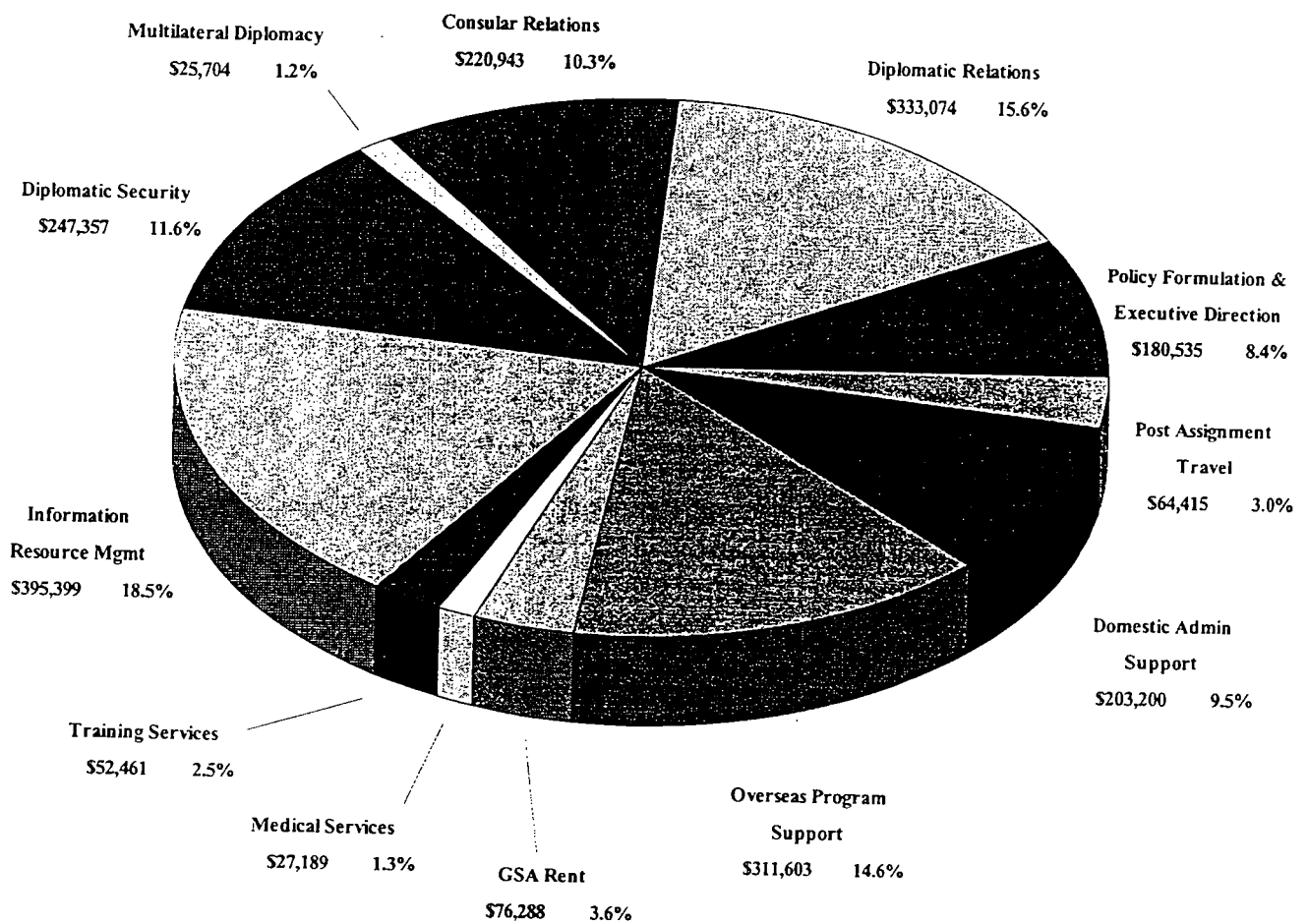
* Consular Relations position levels do not include 257 Border Security positions to be funded by MRV fees in FY 1996 and FY 1997.

** Diplomatic Security position levels do not include 15 Border Security positions to be funded by MRV fees in FY 1996 and 137 Border Security positions to be funded by MRV fees in FY 1997.

*** Information Management position levels do not include 57 Border Security positions to be funded by MRV fees in FY 1996 and 100 Border Security positions to be funded by MRV fees in FY 1997.

FY 1997 State Programs Request Program Activities Distribution

(dollars in thousands)



Total Request \$2,138,168

STATE PROGRAMS

General Services Administration is funding the massive renovation of the existing electrical and mechanical systems as well as alterations that will result in increased space utilization and reduced energy and maintenance costs. The renovation will also correct serious life and fire safety deficiencies and remove asbestos. Department of State funding will provide for systems furniture, public space furniture, computer and security wiring and equipment, and computer and file room construction which GSA does not fund. The Columbia Plaza renovation is an integral part of the Department's plan to renovate Main State allowing the Department to consolidate its annexes and locate virtually all Washington, D.C. area desk employees within easy walking distance to Main State. Additionally, it will ensure a safe and productive working environment, reduce time lost on shuttle busses, avoid duplication of services, and provide support services including the Department's child care center.

- ☐ **Overseas Equipment Replacement: \$8,900,000.** The condition of furniture, furnishings, and equipment and our motor vehicle fleets at our overseas posts has deteriorated due to reduced funding levels and requirements to apply existing resources to address emergent foreign policy needs such as post openings, crises, overseas inflation, and exchange rate fluctuations rather than replacing aging equipment. The Department and our overseas posts have been unable to replace office and residential furniture, furnishings and equipment and motor vehicles within their useful life or as more efficient and cost effective technology becomes available. For example, the motor vehicle replacement program continues to operate at about a nine year worldwide replacement cycle. Aging equipment hinders operational efficiency and quality of life for Department employees and restricts our overseas posts' ability to use infrastructure modernization to streamline. The requested funding will help to address the deterioration of our overseas infrastructure and take advantage of new technology to reduce costs and streamline.

Border Security Program. The Department of State plays a vital role in securing the borders of the United States against travel here by terrorists, international organized crime members, or persons who may wish to remain here in violation of their immigration status. The Department implements a comprehensive and coordinated strategy to improve consular systems and enhance the Department's contribution to the U.S. border security system. Funding for this program currently is generated by a \$20 per person application fee from persons seeking non-immigrant visas at posts issuing Machine Readable Visas (MRVs). The Department has used MRV fee revenue to finance major improvements in U.S. border security including enhancements to the technology backbone. Here are some of the accomplishments of that program:

- ☐ By the end of FY 1995, the Department provided every visa issuing post with an automated namecheck system. Major improvements continue to be made to that system so that it can more effectively screen out terrorists, drug traffickers, or others whose presence here could be a threat to U.S. national interests.
- ☐ Over 210 posts now issue Machine Readable Visas. This compares to only 41 MRV issuing posts when the fee retention legislation was enacted. By the end of FY 1996, every visa issuing post will utilize the more secure MRV process.

STATE PROGRAMS

- ☐ The Department is about to test the production of a new passport which addresses the major remaining vulnerability in the U.S. passport which is "photosubstitution" of the picture of an unauthorized user for that of the real bearer of the passport.
- ☐ Major investments in automated and telecommunications infrastructure have been made in order to establish communications connectivity with posts that is vital to the strengthening of U.S. border security.

In FY 1996 and FY 1997, the Border Security Program will build on these accomplishments while pursuing the following goals to:

- ☐ Provide personnel responsible for issuing nonimmigrant visas with the technology necessary to perform their responsibilities in the most cost effective and secure means possible, including modernizing the Machine Readable Visa adjudication and production system.
- ☐ Invest in new technology to improve the automated namecheck process, and to provide officers responsible for visa adjudication with comprehensive information about persons who may represent a threat to U.S. security, including sharing more data more effectively with other U.S. Government agencies.
- ☐ Enhance the integrity of the U.S. passport by introducing photodigitization and other new technology and operating processes.
- ☐ Ensure that vital staff and support functions for the Border Security Program, in the U.S. and abroad, are maintained so that consular operations abroad can meet peak season demands, thus preventing the creation of border security vulnerabilities; that visa and passports are adjudicated properly and fraud investigations can be carried out as required; and that the technological infrastructure (e.g., telecommunications, data processing) needed to support these programs can be maintained and enhanced to meet increased requirements.

The following chart summarizes the major activities of the Border Security Program. In FY 1996 and FY 1997, these activities will be financed in their entirety by MRV fee revenue.

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Border Security Program Summary

(dollars in thousands)

Item	1994 Actual	1995 Actual	1996 Estimate	1997 Request
Border Security Initiatives				
<u>Consular Affairs Project Initiatives</u>				
Machine Readable Visa and Distributed Namecheck Systems	\$10,471	\$20,799	\$11,850	\$11,850
Overseas Consular Systems Modernization	3,276	6,817	15,919	15,919
Automated Namecheck Systems Enhancements	1,000	3,920	5,275	5,275
MRV Support Costs	516	3,133	11,500	11,500
Embedded Biometric Identification	—	—	500	500
Electronic Visa File Retention and Retrieval	—	—	1,250	1,250
Passport Security Enhancements	—	4,106	10,200	10,200
International Terrorist Namecheck System and Data Exchange	—	565	600	600
<u>Information Management</u>				
Computer Systems Upgrades and Enhancements, Maintenance, and Remote Management	—	8,080	7,980	7,480
<u>Diplomatic Telecommunications Service</u>				
Telecommunications Connectivity and Network Management	—	2,844	9,034	9,034
Subtotal, Project Initiatives	15,263	50,264	74,108	73,608
Border Security Staff and Support Costs				
<u>Border Security Visa & Passport Anti-Fraud Programs</u>				
Consular Affairs	—	—	4,974	13,286
Diplomatic Security	—	—	—	9,491
Overseas Anti-Fraud Coordinators	—	—	15,504	16,126
<u>Border Security Systems Support</u>				
Consular Affairs	—	—	4,522	5,153
Information Management	—	—	—	5,944
Subtotal, Staff and Support Costs	—	—	25,000	50,000
Total, Border Security Program	\$15,263	\$50,264	\$99,108	\$123,608

Note: FY 1994 and FY 1995 totals include \$9,976,000 in appropriated Diplomatic and Consular Program funds for the Bureau of Consular Affairs.

STATE PROGRAMS

During FY 1997, the Department will continue its aggressive efforts to enhance U.S. border security by investing in the following initiatives:

- ☐ **Machine Readable Visas (MRV) and Distributed Name Check (DNC) Installations and Operations.** Even though every post will have an MRV installation by the end of FY 1996, major investments to maintain and modernize this visa production system will continue in FY 1997 and beyond. A major initiative will be to begin widespread installation of a modernized MRV system as part of the Department of State's required migration away from proprietary technology to open systems technology. The modernized MRV system will offer real advantages in terms of ease of use and functionality. In addition, the Department will be faced with the ongoing need to train overseas personnel in the operations and maintenance of the MRV system including periodic update training to acquaint personnel with evolving system functionalities. The Distributed Name Check (DNC) system is a major element of the Department of State's border security program. DNC is used to provide namechecks against a CD-ROM based data base at many smaller posts. DNC is also used as a backup means of providing namechecks at large posts whenever they lose communications connectivity with the Washington-based data bases which support the namecheck process. These funds also will finance the purchase of expendable supplies (Teslin foils and laminates) used in the MRV process and other related expenses.
- ☐ **Overseas Consular Systems Modernization.** Beginning in FY 1996, the Department financed all investments in consular automated systems support from MRV fees. During FY 1997, the Department will continue to invest in a variety of new automated systems intended to facilitate the provision of consular services to Americans traveling abroad and their family members here in the United States. In addition, the Department is committed to re-engineering both the Non-Immigrant and Immigrant Visa systems. This is a complex initiative which offers — over time — the promise of visa issuance systems which are simultaneously more productive and more secure. In addition, the Department will continue to finance the systems-related expenses of operating the MRV system including, for example, the on-going need to offer "help desk" support for the more than 140 hours (out of 168 total hours) each week that posts around-the-world are providing visa services to persons wishing to travel to the United States.
- ☐ **Automated Namecheck Systems Enhancements.** The Consular Lookout and Support System (CLASS) is a key element in preventing visa issuance to persons whose presence in the United States could be contrary to our national interests. CLASS currently contains a data base of more than 4 million records on people who have either been denied a visa or who may be excludable from the United States for other reasons, such as involvement in terrorism or international drug trafficking. Managing such a complex data base, and one that is growing as federal agencies improve their data sharing arrangements, is a complex undertaking. Furthermore, many of the names in the database must be transliterated from other languages and complex algorithms must be applied in order to identify possible matches. During FY 1997, the Department will continue its efforts to improve namechecks against the CLASS database, including the development of new namecheck algorithms and

STATE PROGRAMS

the continued migration of the CLASS database onto a more modern and functional operating environment.

- ☐ **MRV Support.** In choosing to introduce the MRV system, the Department of State decided that the inherent security advantages of the MRV system outweighed the clear increase in workload that resulted from this visa issuance system and the associated requirements for automated namechecks. Additional staff and contract costs resulting from the MRV programs are funded with the proceeds of MRV fee collections.
- ☐ **Biometric Identification/Electronic Visa File Retention.** The Department of State will pursue several other significant border security initiatives in FY 1997 including efforts to digitize the vast domestic and overseas paper file holdings of the Department concerning visa denials. This initiative should offer real benefits to consular personnel worldwide as they adjudicate visa applications. In addition, the Department will continue to examine the potential benefits to U.S. border security from introducing biometrics, or personal identification features, that will help ensure that the user of a travel document issued by the U.S. is, in fact, the authorized bearer.
- ☐ **Passport Security Enhancements.** The Department's major investments in enhancing U.S. border security extend as well to improvements in both the physical design and security of the U.S. passport as well as the development of various automated systems to help ensure the continued integrity and international acceptability of that document. During FY 1997, for example, the Department will complete its migration to producing a photodigitized passport. This will help eliminate a major remaining vulnerability in the U.S. passport by eliminating the ability to substitute photographs.
- ☐ **International Terrorist Namecheck System.** In cooperation with the U.S. intelligence community, the Department of State manages a number of initiatives, including the TIPOFF system, which serve to strengthen U.S. border security against travel here by persons involved in international terrorism. The TIPOFF system serves as an interface between the highly classified holdings of the U.S. intelligence community regarding international terrorists and the operational need to have that information in a form that can be used to adjudicate visa applications.
- ☐ **Technology Backbone.** The Department of State will continue in FY 1997 to finance the technology backbone costs required to support the Border Security Program from revenue generated from MRV fee collections. Among the initiatives which will be pursued are:
 - **Information Management.** The Department acquired in FY 1995 a sophisticated new computer processor to manage the CLASS (automated namecheck system) database. As that database grew in both volume and complexity in FY 1996, the computer was upgraded. In FY 1997, the Department will continue to finance the costs of hardware and software enhancements required to support the Border Security Program.
 - **Telecommunications.** The second critical technology backbone issue regarding border security is communications connectivity between the central CLASS database and all visa-issuing posts. There are real advantages to posts abroad in performing namechecks against the centralized database held in Washington. These namechecks are only made

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possible through adequate communications connectivity. The most important is that this data base is continually updated and, therefore, includes the latest possible information on persons potentially excludable from the United States. The Distributed Name Check (DNC) system, on the other hand, is based on CD-ROM which will be at least several weeks out of date when received by an overseas post. The Border Security Program also has significant long-term implications regarding telecommunications. The *additional* costs of providing telecommunications bandwidth adequate to exchange data files with the Immigration and Naturalization Service in support of the overall effort to strengthen U.S. border security will be financed with MRV fees.

- ☐ **Border Security Staff and Support Costs.** In FY 1996 and continuing in FY 1997, the Department will begin to fund staff and operations that directly support the Border Security Program with the proceeds of MRV fees. This is consistent with the terms of the enacted and pending legislation which allows the Department of State to retain MRV fees and will help ensure these vital functions are maintained. During FY 1997, the Border Security Program will provide for:
 - ***Efforts to prevent passport and visa fraud***, both domestically and overseas. Beginning in FY 1996, the Border Security Program will fund, by applying MRV fees, American salaries and benefits and bureau operating costs required to coordinate visa and passport anti-fraud efforts both domestically and overseas, develop advisory opinions regarding certain visa applications, support the passport file miniaturization process, and provide for photodigitized passport books. This funding will be expanded in FY 1997 to include all passport books as all passport book issuances migrate to photodigitized passports.
 - ***Investigations by Diplomatic Security personnel of possible violations of U.S. law involving passport and visa fraud***. Beginning in FY 1997, American salaries and benefits and operating costs required to support this vital function will be funded as part of the Border Security Program by applying MRV fees.
 - ***Computer systems applications*** for both passport and consular applications. Beginning in FY 1996, American salaries and benefits required to enhance and maintain Border Security applications will be funded by MRV fees. Bureau operating costs for these systems were shifted to MRV fee funding as part of the Department's FY 1996 budget request.
 - ***Managing the CLASS-related aspects of the Department's information management system***. Beginning in FY 1997, American salaries and benefits and bureau operating costs required to manage the CLASS-related aspects of the Department's information management system will be funded by MRV fees.