



**RULE TITLE: USCIS Fee Schedule and Changes to Certain Other Immigration Benefit
Request Requirements**

RIN 1615-AC18

E.O. 12866 Meeting

OIRA-OMB

Tuesday, June 16 2:30pm



The reasons we care about this rule

- ✓ CASA is a 501 (3) c nonprofit organization, founded in 1983. We are a membership based organization (over 100,000 all-time members.)
- ✓ CASA operates in Maryland, Pennsylvania, and Virginia. In our sites, we also serve members who live in Washington, DC, Delaware and West Virginia.
- ✓ CASA provides a broad portfolio of direct services and organize the community to fight for immigrant rights, working class rights, and social and racial justice.
- ✓ CASA runs an Immigrant Integration Program (IIP) that provides direct services to Lawful Permanent Residents to help them renew their green card (USCIS form I-90) and to apply for the American citizenship (USCIS form N-400) among other services. We count with an in-house Legal team who provide legal advice to applicants.
- ✓ CASA's IIP peers the citizenship program with a financial education program, to help low income applicants to afford USCIS fees and the full application process.
- ✓ CASA serves every year over 1,200 individuals applying for the American citizenship. Around 40% of the applicants we serve apply for a USCIS fee waiver.
- ✓ CASA's financial aid services include a loan program in partnership with a FCU, a Scholarship program in partnership with local governments, and a series of workshops for applicants and their families to prepare household budgets, open a bank account, improve their credit scores, and obtain a secure credit card among other services.
- ✓ CASA is a member of the New Americans Campaign, the National Partnership for New Americans, and other national and local coalitions that promotes citizenship and adjustment of immigrant status.



The presenter

- ✓ Pablo Blank
 - ✓ Senior Manager, Immigrant Integration Programs.
 - ✓ Joined CASA in September 2013. Overseeing the citizenship and financial education program (During that period, CASA helped over 5,000 LPRs to naturalize.)
 - ✓ Not an attorney. Background on Financial Management, Economics, and Business Administration.
 - ✓ Hold a Master degree on Sustainability and Corporate Social Responsibility.
 - ✓ In a previous job experience, worked for the marketing department of a Coca Cola Bottler (2000-2006), where Pablo run dozens of sensibility price analysis as well as incremental financial analysis to determine the convenience of proposed new products, SKUs, investment projects, etc.



CASA's response to the proposed rule

- ✓ CASA has been actively involved in the analysis and opposition to this rule.
- ✓ CASA submitted two public comments to USCIS:
 - ✓ One during the original 30 days comment period (On December 18, 2019)
 - ✓ A second comment during the second additional fifteen days (On February 8, 2020)
- ✓ The second comment was submitted after we finally got the chance to visit USCIS and learn how they had used their SAP software application to estimate the cost per activity of each benefit (application form.) After that meeting, we only had eight calendar days to submit the second comment.



CASA's comments about the proposed fee rule

1/6

CASA request for the Fee Rule not to be published due to:

1. The financial and economic analysis performed by USCIS is opaque and invalid.
 - a) Defective assumptions (against the rationale shown by USCIS stats and basic economic theory)
 - b) Incomplete economic analysis (Analysis did not include the impact on relevant stakeholders)
 - c) Defective incremental analysis left away relevant additional costs for applicants under the new scenario.

2. The procedure followed by USCIS to propose the fee schedule did not provide key data and full opportunities for all stakeholders to participate.
 - a) Comment period was first 30 days. Then 15 more days. Then, no comments. To finally add another 15 days.
 - b) The public did not have access to crucial information used by USCIS to prepare the new fee schedule
 - c) USCIS has not explained the reason for the cost increases they adopt as the new budget situation.
 - d) Most of the stakeholders located out of the Washington, DC area did not have sufficient time to plan for attending to the meeting with USCIS to evaluate the data on the SAP application.

3. The rule leaves away from the “equal opportunity” and “fairness” principles.
 - a) The proposed fee rule separates immigrants into two different classes, those who can afford or not afford the process, making the process a lot more difficult for low income immigrants.
 - b) The rule does not provide access to USCIS benefits to immigrants experiencing temporary financial hardship.

CASA's comments about the proposed fee rule 2/6

1. The financial and economic analysis performed by USCIS is opaque and invalid.

A. Defective Assumptions

USCIS data shows it is wrong to assume the volume of applications will be the same after a fee increase.

- ✓ In 2007 the N-400 fee was increased from \$320 to \$595. That was a 86% fee increase, similar to the proposed on this rule. Contrary to the assumption USCIS uses on the current proposal, the number of N-400 applications in 2008 decreased 62%

Year	N-400 fee	\$ increase	# N-400	Volume decrease
2006	\$320		730,642	
2007	\$595	86%	1,382,993	89%
2008	\$595	0%	525,786	-62%

After a 86% fee increase, the N-400 volume went down 62%

- ✓ In 1998 the N-400 fee increase was 150%. Then, the number of N-400 applications submitted showed a three-years-in-the-road reduction (34%, 18%, and 40%)

Year	N-400 fee	\$ increase	# N-400	Volume decrease
1997	\$90	0%	1,412,712	11%
1998	\$225	150%	932,957	-34%
1999	\$225	0%	765,346	-18%
2000	\$225	0%	460,916	-40%

After a 150% fee increase, the volume went down for three consecutive years

This defective assumption, made against the more basic economic theory (law of demand: at higher prices, consumers buy less of a service or good) and USCIS historic data, may cause the opposite effect, defunding USCIS instead of increasing USCIS revenue.



CASA's comments about the proposed fee rule 3/6

1. The financial and economic analysis performed by USCIS is opaque and invalid.

B. Incomplete economic analysis:

Hundreds of “small organizations” -501(c)3 non-profits- that support immigrants to obtain immigration benefits (such as naturalization, green card renewals, TPS, DACA, and Asylum) were left out of the November 2019 DHS’ “Small Entity Analysis for the USCIS Fee Schedule NPRM”

Indeed,

- ✓ The mentioned analysis only includes the impact of the new fee schedule on FOR-PROFIT entities.
- ✓ Due to the proposed fee schedule elimination of the fee waiver, nonprofit organizations which help immigrants to adjust their immigration status (naturalization, asylum, U visas, TPS, DACA, etc.) will have to deliver more services and dedicate more service time to each individual. As a result, those nonprofits would have to procure more funding to satisfy the demand of services from the same number of individuals (if the USCIS assumption is correct, that the volume will not go down.)
- ✓ Many of those nonprofit organizations that were not included on the “Small-entity analysis” do not currently provide financial aid services to applicants. As a result of this new rule, they would have to develop the organizational skills, confronting increasing costs such as training, additional staff, and software licenses.

Nonprofit organizations are small entities that will suffer a huge impact from the proposed fee schedule. USCIS has failed to analyze the impact of the rule on those nonprofits.



CASA's comments about the proposed fee rule

4/6

1. The financial and economic analysis performed by USCIS is opaque and invalid.

C. Defective incremental analysis left away relevant additional costs for applicants under the new scenario.

I) DHS says applicants will be able to find other payments forms such as “by credit card, borrowing from relatives or others in their social networks, loans, etc.”

Nevertheless, although recognizing that applicants will have to incur in additional activities, USCIS estimates “the public will save money because they will save the time of completing the Fee Waiver form”

In the incremental analysis, USCIS forgets to consider the cost for the applicant to identify the payment alternatives, as well as the cost of analyzing them, making a decision, implementing the decision, and even managing the alternative way of payment, which may have a long maturity date (some loans have a 12 or 24 months maturity period)

For example, applicants will have to search for loan opportunities, learn about application process, interest rates and underwriting criteria, etc. Then, the applicant will have to go the financial institution office to sign the loan. Not to mention the cost increase due to interest payments. All those costs were not considered on the incremental analysis performed by USCIS.

II) Also, there is a crucial misleading analysis. USCIS states that the cost for an applicant to produce and file an I-942 form is \$9.04. Then, USCIS says that by eliminating the form, applicants will save \$9.04.

Actually, a correct economic and incremental analysis would state that by investing \$9.04, an applicant is currently obtaining a \$ 320 benefit (half price of naturalization fee, \$640) Then, if the fee waiver form is eliminated, instead of obtaining a saving, the applicant is having a huge economic lost.

By eliminating the I-912 form, USCIS is creating a huge financial damage to the applicant (a 50% increase on must-be-paid fee) instead of the stated \$9.04 saving.



CASA's comments about the proposed fee rule 5/6

2. The procedure followed by USCIS to propose the fee schedule did not provide key data and full opportunities for all stakeholders to participate:

- a) Instead of receiving a plain 60-days period to analyze data and produce a complete comment, **USCIS was changing the extension of the comment period (First 30 days. Then 15 more days. Then, no comments. To finally add another 15 days.**
- b) During the February 2020 meeting with USCIS officials to analyze the SAP Business software application, it was clear **that the first input USCIS considered to launch the cost and fee analysis is the estimated volume.** The volume is determined by a "Volume Projection Committee" with inputs from the Office of Performance and Quality. When we asked for the rationale they followed to estimate the volume, they told us that question was out of the scope of the meeting, and so USCIS did not provide the information. **That volume projection affects the estimated cost per activity, which impacts the proposed fee for each benefit. By failing in publishing the rationale for the volume, USCIS failed to provide the public a key data to conduct a full economic and financial analysis.**
- c) The activity "Make determination" (basically the adjudication process) for the N-400 is now projected to cost \$497 per individual case, when two years ago it was projected to cost \$326. That is a 52% increase (from \$326 to \$ 497.) The increase is higher than the inflation rate of the period. Why the activity increased 52%? A similar situation is noted on the cost of the activity "Inform to the public" that has increased from \$102 to \$144 -a 41% increased. **USCIS has never published the reason for those increases and how those costs were estimated. Did USCIS changed the cost calculation process? There are now more activities included in the process?** We cannot know the reason for those increases, because USCIS has not published that information.
- d) Most of the **stakeholders located out of the Washington, DC area did not have sufficient time to plan for attending to the meeting with USCIS** to evaluate the data on the SAP application.

CASA's comments about the proposed fee rule 6/6

3. The rule leaves away from the “equal opportunity” and “fairness” principles.

- a) By eliminating fee waivers and increasing the naturalization fee, low-income immigrants, as well as those experiencing a temporal financial hardship (i.e. due to unemployment, hospitalization and medical issues –COVID and non COVID related-), will not longer be able to apply for the American citizenship. In opposition, wealthy immigrants or those who are not confronting a temporal financial hardship will be able to apply and obtain American citizenship. **The proposed fee rule separates immigrants into two different classes, those who can afford or not afford the process. The rule makes the process a lot more difficult for the non-economically advantaged immigrants.**
- b) When explaining the elimination of fee waivers, USCIS states that **“USIS believes that making these changes to the fee waiver policy would (1) assure that other applicants do not bear an increasing cost because of application being waived...”** **Nevertheless, under the current proposal, although the fee waiver option is eliminated, the fee paid by all LPRs to naturalize would increase over 80%.**
- d) On Page 119 of their Economic Analysis report, DHS says “... DHS is concerned that shifting costs of processing naturalization to other applicants may result in the naturalization of more individuals who will be reliant upon public benefits rather than embodying the principle of self-sufficiency that is central to U.S. immigration laws.” **DHS makes here a discriminatory and biases assumption: Immigrants who use a fee waiver on their immigration adjustment application will later require public assistance to pay for their basic means. USCIS has not presented any evidence of this discriminatory assumption.**
- e) The new fee amounts will **prevent many immigrants from being able to afford and so to apply** for naturalization, and other eligible immigration status adjustments.



In Conclusion

The proposed rule

- ✓ **is not backed by real and accurate assumptions,**
- ✓ **does not follow the basic regular practices of financial and incremental analysis,**
- ✓ **does not conduct a complete economic analysis, leaving out of the analysis nonprofit organizations,**
- ✓ **creates two different groups of immigrants, those who can afford the adjustment process and those who cannot,**
- ✓ **makes very difficult, when not impossible, for low income Lawful Permanent Residents to naturalize. Thus, they cannot enjoy the employment and economic opportunities a naturalized citizen enjoys.**

The process to determine the new fee rule,

- ✓ **did not disclose all relevant information to back up USCIS decisions,**
- ✓ **did not provide a 60-consecutive-days period for stakeholders to analyze the information and present comments.**
- ✓ **did not allow all the public and stakeholders to plan ahead their participation in crucial events where USCIS disclose partial information, such as the meeting for analyzing the SAP Business software application.**

Therefore, CASA respectfully requests to the Office of Management and Budget for this rule not to be published.



Thank you for your time

Pablo Blank
Sr. Manager, Immigrant Integration Programs
CASA

pblank@wearecasa.org

240-491-5705