Samantha Deshommes
Chief, Regulatory Coordination Division
USCIS Office of Policy and Strategy
Department of Homeland Security
20 Massachusetts Avenue NW
Mailstop #2140
Washington, DC 20529-2140
Submitted via email to dhsdeskofficer@omb.eop.gov

December 18, 2019

Re: Comments on DHS Docket No. USCIS -2019-0010

Dear Ms. Deshommes:

I am writing in opposition to USCIS' proposed rule that would price people out of achieving the American Dream by raising the fees for naturalization and ending a longstanding program that provides equal access to citizenship for those with limited means.

CASA is a 501(c)3 organization whose mission is to create a more just society by building power and improving the quality of life in working class and immigrant communities. We envision a future where we stand in our own power, our families live free from discrimination and fear, and our diverse communities thrive as we work with our partners to achieve full human rights for all. Among the many services CASA provides to community members, we have a comprehensive and successful Citizenship Program that serves over 1,200 LPRs every year in Maryland, Pennsylvania, and Virginia. We offer legal consultation and advise through our in-house immigration attorneys and DOJ/BIA accredited staff, as well as through a network of pro-bono immigration attorneys. We help LPRs to complete their naturalization form, to prepare for the Civic and History check trough well-attended citizenship classes, and to afford the USCIS fee when they cannot pay it. Indeed, through partnerships with a Federal Credit Union and some Counties and municipalities, we offer microloan and scholarship opportunities to naturalization applicants. In the past, CASA hosted USCIS staff at its citizenship workshops in Rockville, MD to test the online applications and is working with USICS to test the proposed new Civic and History test. We partner with USCIS local offices in the three states we serve LPRs. For example, through our request, the USCIS Washington District Office –located in Northern Virginia- recently started giving the appropriate voter registration card to Maryland residents who are sent to that office for their naturalization interview and Oath Ceremony (previously, those new Americans were receiving a Virginia voter registration card.)

Naturalization is important to the vitality of our democracy and our economy. All Americans have a strong interest in encouraging eligible people to choose U.S. citizenship. USCIS' proposed rule goes against the will of the majority of the country as shown in poll after poll conducted over the last decades, as well as send the wrong message to the entire World about the values most Americans hold and live every day of

their lives at work, at their Churches, at their schools, and the libraries and community centers they attend.

This proposed increase in the naturalization application fee would raise it to a staggering $1,170, or a month's worth of gross income for a person making the federal minimum wage. By doing that, USCIS would be creating an unethical and unnecessary economic barrier for many eligible Lawful Permanent Residents to exercise their right to naturalize and so to vote and be voted while running for office among other civic, human, and economic rights.

As it is widely accepted and agreed in capitalist economies, based on the basic supply-and-demand law, when a company or agency increases the price or fee of the provided service, it should expect a reduction in the demanded quantity of that service. As a result of a price increase, and the corresponding expected decrease in transactions, the agency may end up receiving a lower total revenue than that which they received with the original fee structure, confronting a considerable deficit, as all other expenses continue fixed. This situation may be even worse when the new fee structure is used to justify new expenses such as salary raises and supporting a different business unit –in this case, USCIS has failed to present evidence that the quantity/price revenue study based on the elasticity price has been conducted, and what econometric model were used by USCIS staff and hired consultants to run these estimates.

Indeed, USCIS has failed to provide sufficient evidence on the impact to total agency revenue as a result of the expected reduction in the number of naturalization applications received due to the new increased fee. For example, on page 12 of the September 2019 Regulatory Impact Analysis (RIN 1615-AC18 , CIS No 2627-18 , DHS Docket No: USCIS-2019-0010, Table 1, section (n) "Remove reduced fee Naturalization applications…" USCIS has stated that there will be "none" quantitative changes on number of applicants, if the proposed rule is implemented. USCIS has failed to present evidence that this estimate is accurate. This concept is also stated by USCIS on Page 41 of the same report. The first paragraph of that page says "DHS assumes that these forms would no longer be eligible for a fee waiver for most applicants. DHS also assumes that applicants would submit these immigrant benefit requests regardless of eligibility for a fee waiver." This paragraph makes clear that USCIS has made an assumption against the most basic econometric analysis, including in the model the supply-and-demand rule, price elasticity, and other related concepts, paving the way to create a budget disaster for the agency, causing a considerable annual budget deficit as soon as the rule would be implemented. Indeed, on Page of the report USCIS states "…DHS cannot predict at this time how many applicants would not be able to file…" and on Page 49 USCIS states "…USCIS is unable to estimate the price elasticity of each immigration benefit for which fee waiver requests are currently accepted." The most basic professional management practice would require to at least, through a variety of methods, estimate three possible scenarios on this price elasticity, and a definition by the management of the agency of what the most probably scenario is to make appropriate and accurate estimates. As stated by USCIS on the previous report abstracts, USCIS recognized its failure in providing this analysis, that should be the base for an informed and professional price change analysis in any for-profit, nonprofit, or government agency.

Another basic econometric rule is to produce an “incremental analysis”, considering the differences in money flow between the original situation and the proposed changed. USCIS also shows that has proposed this rule without considering this basic required econometric analysis when in Page 47 of the September 2019 Regulatory Impact Analysis (RIN 1615-AC18 , CIS No 2627-18 , DHS Docket No: USCIS-2019-0010, USCIS states “This proposed changes to fee waiver eligibility would also result in some cost savings for the public. Applicants who have requested a fee waiver for forms made ineligible in the proposed rule would no longer incur the opportunity cost of time associated with completing and filing a fee waiver request.” Even though USCIS has not run the required price elasticity analysis, USCIS states in Page 46 that “DHS assumes that all of these applicants would apply for immigration benefit requests by finding funds from which to pay their fees including (but not limited to) paying by credit card, borrowing from relatives or others in their social networks, loans, etc.” Under this assumption, applicants will now incur in new costs such as searching for, applying for, and managing a loan or a credit card to pay the fee. The new costs, that have been ignored by DHS on its analysis, may be even higher than the cost of applying for a fee waiver, so the assumption of public savings based on the fee waiver elimination it is most probably a wrong professional conclusion. When USCIS states that the proposed change will produce savings for the pubic, UCSIS has failed to provide evidence and data on the new costs applicants will confront due to this change, and perform the proper “incremental analysis.” Thus, this DHS assumption is also against the most basic rules of a professional price change analysis. DHS should conduct a throughout price change analysis based on the basic and generally accepted professional principles for this type of analysis.

Another example of confusing data and potential lack of accuracy of the provided September 2019 Regulatory Impact Analysis (RIN 1615-AC18 , CIS No 2627-18 , DHS Docket No: USCIS-2019-0010), can be seen on Page 38 of the report highlighting USCIS estimates of the number of fee waiver applications approved on the basis of household income. Indeed, USCIS seems to forget at the time of making the estimate that a considerable number of fee waiver applications currently submitted under the “Mean-tested benefit” option would have been eligible as well under the “household income” option. In order to produce positive savings and economies for the applicant, and even for USCIS, the applicant decides to apply for the fee under the mean-tested category. Indeed, as the name expresses, when a mean-tested benefit is provided as proof of eligibility, the applicant is showing that the household income test has already been performed by another government agency, and so it is not necessary for USCIS to run the test once again. By proposing the elimination of the mean-tested fee waiver category, DHS fails in taking advantage of other government agencies work, and incurring in additional costs –to test the income again by their own agents.- This practice is against the extendedly accepted idea that different government agencies should exchange information and rely on others practices to have a better Government and produce savings and better services for all Americans.

In addition, USCIS has failed to present evidence on the different processing times and associated costs that each fee waiver category produce –mean-tested, household income, and financial hardship-. As a result, based on the September 2019 Regulatory Impact Analysis (RIN 1615-AC18 , CIS No 2627-18 , DHS Docket No: USCIS-2019-

0010, USCIS has failed to present an accurate estimate of the increase in processing costs USCIS will incur when hundreds of thousands of mean-tested applicants started being submitted under household income basis, if the proposed change is implemented. Thus, by ignoring the previous income testing performed by another government agency, USCIS will have to spend more time on the analysis and adjudication of hundreds of thousands of fee waiver applications. This change on the rule would imply the duplication of a process already perform by another government agency. This is simple bad government management and a poor decision making process. And USCIS has not provided any evidence that has considered these incremental processing times and costs based on shifting fee waiver applications from one category to the other one. Moreover, USCIS states in Page 48 of the mentioned report that "…DHS does not anticipate any additional costs to USCIS operations that would result from the elimination of fee waivers…" By not considering the different processing times and costs of each fee waiver category, DHS fails to provide required evidence to prove that statement.

The proposed rule includes some contradictions and inconsistencies that do not allow the general public and particular stakeholders to understand what the purpose of the rule is, making at minimum confusing the reasoning process USCIS has followed to propose this new rule. Indeed, when explaining on page 25 of the September 2019 Regulatory Impact Analysis (RIN 1615-AC18 , CIS No 2627-18 , DHS Docket No: USCIS-2019-0010, the reason for USCIS to change the "fee waiver" rule, 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, the current proposal, in addition to a reduction on the fee waiver availability, it also includes the almost duplication of the naturalization fee. Thus, in a flagrant contradiction with that paragraph, the proposed rule do both, eliminate fee waiver options AND raise current fees. Thus, by eliminating fee waivers, DHS seems to pursue a different goal than the detailed in the report. It looks like DHS instead of pursuing equity among applicants, looks to considerable reduce the number of naturalization applications LPRS will submit in the coming years.

When presenting the analysis to remove reduced fee for naturalization applications (section n, page 116) on the September 2019 Regulatory Impact Analysis (RIN 1615-AC18 , CIS No 2627-18 , DHS Docket No: USCIS-2019-0010, USCIS makes the same assumptions and diagnosis without presenting data to support its conclusions. For example, in Page 119 the reports says "Applicants who would have received a half price N-400 will find some way to come up with the difference." Thus, the DHS fails to present the required price elasticity analysis, and making a professional or at least a good faith estimate on the number of applications that will no longer be submitted due to the elimination of the reduced fee. Similarly to the proposed elimination of the fee waiver, USCIS has failed to prove that the proposed change will not cause a reduction on the agency revenue due to the reduction on quantity of applications submitted. Thus, DHS has failed to prove that this proposed change will not produce a negative impact on the budget of USCIS, creating a financial deficit, impacting its ability to operate and so, to fulfill its mission.

Another proof that USCIS also falls into the lack of a good econometric analysis at the time of proposing the removal of the reduced fee for naturalization is the lack of consideration of the "incremental analysis". Indeed, USCIS states that the cost for an applicant to produce and file an I-942 form is $9.04. USCIS uses this to estimate the public saving if the form is eliminated. Indeed, an incremental analysis would say that by spending $9.04, an applicant is currently obtaining a $ 320 benefit (half price of naturalization fee, $640) By eliminating the form, USCIS instead of providing a source of saving to that applicant, is creating a huge financial damage (a 50% increase on must-be-paid fee) Once again, the econometric analysis utilized by USCIS failed in contemplating the most basic professional rules, adding actual data to the analysis, and making a comprehensive professional proposal, including different scenarios and probabilities.

USCIS also failed in providing evidence that has contemplated the elasticity price analysis when proposing to raise the naturalization fee to $1,170. Indeed, for an applicant who would have not being eligible to apply for a fee waiver or reduced fee, and would have to pay a current $640+$85 fee, the new fee results in a 61% increase. For those applicants who would have been eligible for a reduced fee, and so had to pay $320+$85, the new fee value in combination with the reduced fee removal would result in a 189% price increase. For those applicants who would no longer be eligible for a fee waiver and had to pay the new $1,170 fee, the increase is the infinity ($1,170 divided $0 equals the infinite number) If USCIS would have asked any economist what to expect about the quantity of demanded service after a price increase of 61%, or 189%, or infinity, all economist would say that most probably there will be a reduction on the quantity, and most of the economist would say that that reduction will be so considerable that may jeopardize the pursued increase on revenue. Thus, the reduction on the quantity of filed N-400 forms due to this price increase may produce a lower total revenue for the agency. USCIS has failed in including this price elasticity analysis in the proposed rule, as well as the opinion of experts in econometrics and economic models to support USCIS assumptions.

On Page 119 of the mentioned 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 since DHS fails in presenting data and evidence that prove that naturalize citizens who can afford the fee through a fee waiver or reduced fee rely on public benefits to afford their living expenses once naturalized. Moreover, as stated by the Supreme Court of the United States, naturalized citizens are not second class citizens. Naturalized citizens enjoy the same rights and responsibilities than Americans by birth. Thus, DHS should not spend public funding in making assumptions or conducting research about what benefits naturalized citizens apply for and enjoy. Thus, DHS should not make decisions based on those assumptions. This thinking process is clearly a waste of public funding and a clear discrimination against LPRs and naturalized citizens. By making these assumptions without supporting data, once again DHS seems to pursue a different goal than the one expressed in the report. Based on this lack of evidence, instead of pursuing the declared goals of efficacy,

rational budget, and equity among applicants, DHS seems to pursue the goal of considerably limiting the number of naturalized citizens in the US.

The mentioned Economic Analysis also fails in presenting data and evidence on what the impact was for a series of measures that were introduced by USCIS in recent years with the goal of saving money. Most of those measures, that were taking without requesting public participation and public opinions, have already been harmful for many LPRs applying to and preparing for the naturalization test. At the time of those changes and now, USCIS has failed to present evidence on the need of those saving measures and how those savings have impacted the agency budget. Among others,

1) USCIS has failed in presenting evidence that it was necessary for the agency to save money by limiting the availability of printed study materials, such as form M-715 “Reading Vocabulary for the reading test”, form M-623 “Civic Education Flash cards”, and form M-638 “Learn about the United States” that used to be given for free to every applicant attending their biometric appointment. USCIS has also failed at the time of presenting the proposed rule to account on the impact those savings had on the agency budget, and in the naturalization interview’s passing rate for LPRs.
2) USCIS has failed in presenting evidence that it was necessary for the agency to save money by no longer providing printed N-400 forms so people with low technology literacy can also obtain the naturalization form at Public Libraries and community organizations to apply. USCIS has also failed at the time of presenting the proposed rule to account on the impact those savings had on the agency budget, as well as in the ability of LPRs to submit their naturalization applications.
3) USCIS has failed in presenting evidence that it was necessary for the agency to save money by centralizing all customer inquiries and complains on a call center, no longer accepting walk-ins on their field offices. Most of the times, when customers ask for answers on their cases, the only response is a general text read allowed by the call center operator stating either that their case is under regular processing time or that they will receive news on a non-specified-later-time. USCIS has also failed at the time of presenting the proposed rule to account on the budget impact that eliminating face-to-face appointments to provide the required information by USCIS customers has had. USCIS has not stated in the analysis how much money has saved based on this new customer service strategy.
4) USCIS has failed in presenting evidence that it was necessary for the agency to save money by introducing electronic filing for many of the benefits by making available the online Forms on the USCIS website. USCIS staff have repeatedly mentioned that over 40% of LPRs applying for citizenship were already using this online tool. This new technology may have resulted into millions of dollars saved by USCIS, as data entry and other functions performed by USCIS staff is no longer required. USCIS has also failed at the time of presenting the proposed rule to account on the impact those savings had on the agency budget, and in the particular estimated cost for processing an N-400 application.

As stated above, USCIS has failed in presenting evidence on why those measures were necessary before implementing them, and now USCIS is failing in providing evidence that those measures produced the expected savings and how those savings impacted USCIS budget. Indeed, USCIS is failing to provide evidence and explain how can be possible that an agency that no longer prints millions of forms, has implemented technology based solutions, online processing, and a mandatory call-center based customer service still need to pursue additional savings –cutting fee waiver opportunities- and raise their fees. Most management professionals would be surprised by this situation and would require an exhaustive cost analysis that includes those savings and other considerations. USCIS should provide this evidence.

Finally, the November 2019 DHS' "Small Entity Analysis for the USCIS Fee Schedule NPRM" fails in including the impact analysis of the proposed change on the hundreds of "small organizations" –that is the name the report provides to nonprofit organizations- that support LPRs to complete and file their naturalization applications and study and prepare for the naturalization interview. Some of those small entities are even recognized by USCIS by awarding them with grants to support applicants on this process. Even though most of the thousands of LPRs who annually file their N-400 form with the support of those small entities do it under the "per se" method, many of them sign as well a G-28 form. By doing so, the correspondent Staff Immigration Attorney or DOJ accredited staff –formerly BIA accredited- of that organization becomes the legal representative in front of USCIS for this case. USCIS receives dozens or hundreds of N-400 forms originated at the same small entity –nonprofit organization-, where that staff attorney works. Even though these small entities do not pay the filing fee themselves, they cover for most of the legal consultation and preparation costs with their own resources. Thus, nonprofit who regularly serve naturalization applicants and have allocated staff and budget to provide this service year-round, should be considered by DHS at the time of preparing a "Small Entity Analysis." DHS has not analyzed and so has failed to include the implications of the new proposed rule on small organizations – nonprofit organizations.-

On the 2012 "The Economic Value of Citizenship for Immigrants in the United States" the Migration Policy Institute found that "The share of *eligible* immigrants who have naturalized …. still lags behind other English-speaking receiving countries such as Australia and Canada, which have made more active attempts to promote naturalization." USCIS has not proven that the proposed change will not reduce the number of naturalization applications submitted by eligible LPRs. Moreover, this change does not include any analysis on how to support the 9,000,000 eligible LPRs who currently live in the US in their naturalization process.

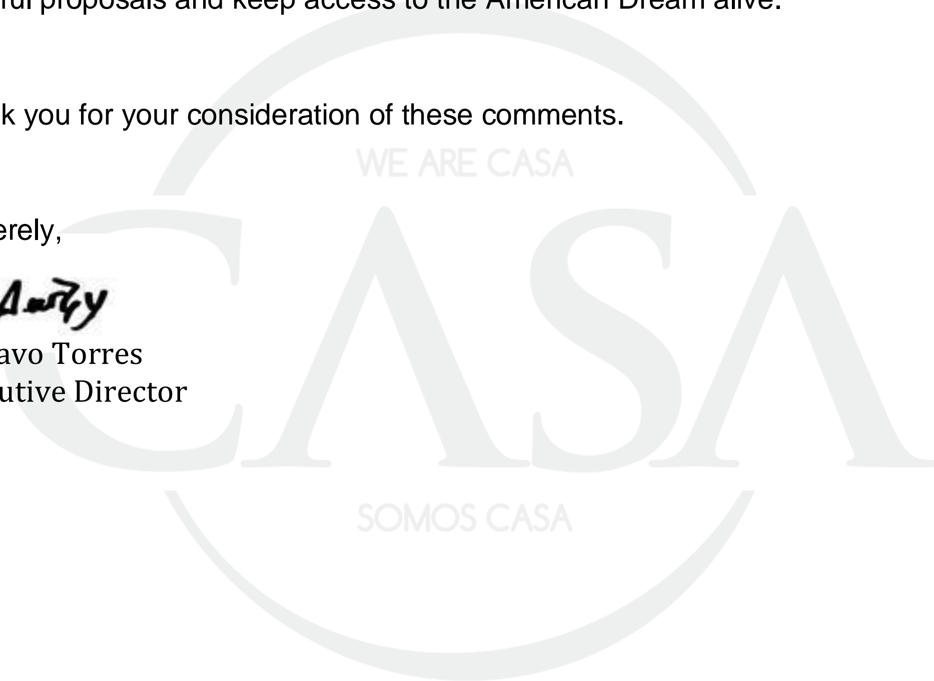
As reported by a 2012 study conducted by the Center for the Study of immigrant Integration at the University of Southern California, "Obtaining citizenship involves jumping a number of hurdles, most of which most Americans think are quite reasonable. For example, to be naturalized, LPRs must demonstrate English language proficiency, knowledge of US history and government, and pass a criminal background check." Then, the authors ask to Americans in general and policy makers in particular "The policy question is when do hurdles become obstacles, particularly given the gains to be had for both immigrants and the nation." Increasing the naturalization fee and eliminating the fee waiver opportunities do create a barrier that goes beyond the

“acceptable hurdles” and will become a considerable obstacle for hundreds of thousands of LPRs pursuing their dream of becoming a US citizen.

When more people naturalize and take advantage of these opportunities, all Americans benefit. For example, a 2015 Urban Institute study of “21 U.S. cities found that if all eligible immigrant residents were to naturalize, their aggregate income would increase by $5.7 billion, yielding an increase in homeownership by over 45,000 people and an increase in tax revenue of $2 billion. Nationally, if half of the eligible immigrant population of the United States naturalized, the increased earning and demand could boost GDP by $37-52 billion per year." Thus, USCIS should elaborate proposals that increase the number of naturalizations, not one that would jeopardize LPRs ability to naturalize.

This proposal will prevent many of eligible LPRs to pursue and achieve the American dream, additionally harming US families and communities. I urge you to rescind these harmful proposals and keep access to the American Dream alive.

Thank you for your consideration of these comments.



Sincerely,

Gustavo Torres
Executive Director