



January 31, 2007

Fact Sheet

USCIS FEE ADJUSTMENTS

(Methodology)

The current immigration benefit application and petition fees are based on a fiscal year 1998 final rule that has been adjusted for cost of living increases and other factors. U.S. Citizenship and Immigration Services (USCIS) is proposing a fee structure for the fiscal year 2008/2009 biennial period that is based on a new cost model, and proposes both to improve service delivery and enhance the security and integrity of the immigration system. In conducting its fee review, USCIS used an Activity-Based Costing (ABC) methodology that assigns costs to activities and to products and volume (applications/petitions and biometric services for which the agency charges a fee).

The activities identified in the ABC study include:

- *Inform the Public* – receiving and responding to customer inquiries;
- *Capture Biometrics* – electronic capture of fingerprints, photographs; also FBI background checks;
- *Intake* – mailroom operations, data capture and collection, fee receipting, and file room operations;
- *Interagency Border Inspection System (IBIS) Checks* – comparing information on applicants, petitioners, beneficiaries and household members who apply for benefits against various Federal systems (IBIS);
- *Review Records* – searching and requesting files, creating temporary and/or permanent alien files, auditing and updating files, archiving inactive files;
- *Make Determination* – the task of adjudicating applications and petitions; interviewing applicants; consulting with supervisors, legal counsel, and researching applicable laws;
- *Fraud Detection and Prevention* – activities performed by the Fraud Detection and National Security Office in detecting, combating, and deterring immigration benefit fraud; and
- *Issue Document* – producing and distributing secure cards that identify the holder as an alien and identifies his/her status or employment authorization.

The projected cost for the fiscal year 2008/2009 Immigration Examination Fee Account (IEFA) is derived from current expenses, detailed staffing analysis, and projected future costs.

PROJECTED COSTS FOR FY 2008/2009 IMMIGRATION BENEFIT APPLICATIONS AND PETITIONS

• FY 2007 IEFA Budget	=	\$1,760,000,000
• (Less: Non-Recurring Costs)	=	<u>(8,500,000)</u> ¹

¹ Temporary program that will not recur after FY 2007 (temporary expansion of Application Support Centers)

• FY 2007 Adjusted IEFA Budget	=	\$1,751,500,000
• Plus: Inflation	=	53,192,000
• Plus: Additional Resource Requirements	=	<u>524,317,000</u> ²
TOTAL	=	\$2,329,009,000

PROJECTED VOLUME FOR FY 2008/2009 IMMIGRATION EXAMINATION FEE ACCOUNT

Workload volume is based on past workloads (the number of incoming applications and petitions), policy and requirements, and trends. USCIS is projecting a total fee-paying volume of 4,742,367 million applications and petitions for the fiscal year 2008/2009 biennial period.

The overall weighted average for fee costs (when combined with the biometric fee) is obtained by dividing the projected volume of applications (4,742,367 million) by the total projected costs (\$2.329 million). The weighted average is \$491, or 86 percent (\$227 above the current average).

REDUCTION IN WEIGHTED AVERAGE

The increase in actual costs to applicants and petitioners will be only 66 percent, however, because applicants for adjustment of status will no longer be required to pay a fee to apply for interim benefits.

Currently, the I-485 fee is \$325. The I-485 customer will also file an average of two Applications for Employment Authorization (I-765) and nearly half will file at least one Application for Travel Document (I-131), while an additional 20 percent of applicants will file a second. These additional ‘interim benefits’ applications allow applicants to work or travel while their status application is pending. The combined fee that applicants currently pay is approximately \$800. The proposed fee structure will eliminate the need for applicants to have to pay these subsequent fees that result from processing delays. USCIS is proposing a \$905 fee for the I-485 form. When considering the interim benefit fees paid by applicants, the increase for the I-485 is \$105 instead of \$580; therefore, the overall weighted average is reduced to 66 percent because adjustment of status applicants will pay approximately the same fee that is currently assessed when taking into account those associated ‘interim benefits’ that are paid over a multi-year time period.

PROPOSED REDUCTIONS AND EXEMPTIONS

- USCIS will eliminate certain interim benefit fees for applicants who apply for adjustment of status to permanent residence.
- Proposal to exempt applicants for humanitarian reasons from paying a fee from certain initial applications for benefits, including T-Nonimmigrant Status (I-914) – (Victims of Human Trafficking); and applicants seeking immigrant classification under the Violence Against Women Act.

² Enhancements not in the FY 2007 budget, e.g., service, security and integrity, humanitarian programs, and infrastructure