

THE WHITE HOUSE
OFFICE OF DOMESTIC POLICY

JUL 18 RECD

CAROL H. RASCO
Assistant to the President for Domestic Policy

To: Stew Wannath

Draft response for POTUS
and forward to CHR by: _____

Draft response for CHR by: _____

Please reply directly to the writer
(copy to CHR) by: _____

Please advise by: _____

Let's discuss: _____

For your information: _____

Reply using form code: _____

File: _____

Send copy to (original to CHR): _____

Schedule ? : Accept Pending Regret

Designee to attend: _____

Remarks: You & Lin Liu need
to make a rec to me
on this - this
study was initiated
by Pamela - we prob.

attached
mem



JUL 18 REC'D

TRANSMISSION RECORD

IMMIGRATION AND NATURALIZATION SERVICE

HEADQUARTERS
425 I STREET, N.W.
WASHINGTON, D.C. 20536

TO: <i>Carol Gasco</i>	FROM: <i>Doris Messinger</i>
ORGANIZATION:	ORGANIZATION: <i>INS</i>
TELEPHONE:	TELEPHONE:
FAX TELEPHONE:	DATE: <i>7-18-94</i>

NUMBER OF PAGES (including cover sheet): <i>3</i>

COMMENT/MESSAGE:



Office of the Commissioner

425 Eye Street N.W.
Washington, D.C. 20536

MEMORANDUM FOR CAROL RASCO
ASSISTANT TO THE PRESIDENT FOR
DOMESTIC POLICY

FROM: DORIS MEISSNER
COMMISSIONER

I am away most of the week of July 18, so thought I would pass on in writing my thinking on how we might proceed with the Urban Institute Study of costs of illegal immigration that is now being finalized.

Steve Warnath, Lin Liu of OMB, and Robert Bach of my staff are preparing a draft policy memo that analyzes Urban's work, outlines the policy questions it raises and makes recommendations the administration might adopt. (Robert Bach is new to INS and a distinguished immigration scholar. He and I were colleagues at the Carnegie Endowment, before I joined the administration. He will be directing a newly-established policy arm at INS and is extremely knowledgeable about the federal programs and issues Urban's work addresses. I consider him to be one of the most qualified people in the country to handle this subject matter.)

In my view, their memo would lead to the following:

1. A meeting with the seven participating immigration states for a final discussion of methodology and policy implications. (This meeting, however, might better be part of the "rollout.")
2. A meeting for you, me, and Chris Edley to be briefed and finalize recommendations in preparation for a senior-level meeting among the affected Cabinet agencies.
3. A meeting of Deputies or principals from OMB, Justice, HHS, and Education that you would chair to debate and hopefully adopt the policy recommendations that we advance (These are the departments whose programs are involved.) Sign-off by the President or whatever additional steps are required to formalize policy.
4. "Rollout" of administration policy on the costs of undocumented immigration. The methods and scope are already under discussion. Crucial to rollout are:
 - o Interagency policy discussion and decision-making need to be a parallel but distinct exercise from determining the message and communications strategy.

- o Timing, in light of (a) appropriations and other legislation in the final stages on the Hill that could be adversely affected by the numbers we put out; and (b) Barbara Jordan's testimony on August 3 to give preliminary findings of the Commission's September report. The administration will likely disagree with the Commission's views on the federal role regarding costs of illegal immigration. Whether we go public before or after that testimony is an important question.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

10-Aug-1994 06:17pm

TO: Rosalyn A. Miller
FROM: Stephen C. Warnath
 Domestic Policy Council
SUBJECT: RE: Immigration

Rosalyn --

I dropped off my memo regarding Doris Meissner's recommendations for policy development on issues raised by the Urban Institute study.

The other memo that contains a first-cut proposal for a policy response that Bob Bach, Lin Liu and I have been working on was held up some when the Urban Institute report was sent back to correct errors in some portions of its methodology. We anticipate having something that Carol can look at by mid-week next week.

Thanks. Steve

August 10, 1994

TO: CAROL H. RASCO
FROM: STEPHEN C. WARNATH *scw*
SUBJECT: Meissner Recommendations for Urban Institute Study
Roll-Out

Background

Doris Meissner provided to you the attached memo containing recommendations for the roll-out of the OMB/Justice Department/Urban Institute study. The roll-out schedule for the study keeps slipping. Indeed, it seemed to slip before our eyes at the DPC meeting when Doris said it was expected to come out in late August and Alice Rivlin said it is now scheduled for September.

Doris' Recommendation

The proposed steps in Doris' memo are generally consistent with the roll-out strategy that has been discussed so far. I attended a meeting, for example, where Leon Panetta expressed the absolute need to confer with the seven participating states prior to the study's release. There have been a number of meetings that Doris has attended -- chaired by OMB-- that have included representatives from the most effected agencies to discuss the issues involved in the study's roll-out from their perspectives.

Her suggested approach adds a deliberative step that involves you specifically. She recommends that you lead a discussion with deputies or principals from OMB, Justice, HHS and Education to adopt policy recommendations that have been previously agreed to by you, Doris and Chris Edley.

Discussion

I agree with the underlying premise of Doris' memo that the Administration has to more fully develop the underlying policy for the cost reimbursement issue. We have relied heavily on the conclusory assertion that the burden is a "shared responsibility." This is true, but our position requires more development to be effective and also must be tailored to the unique issues involved with education and health costs.

These issues will be specifically addressed in-depth by the interagency working group, although not before the Urban Institute study is released. The report's release will result in

a call for the Administration to articulate a better developed position on these questions.

It seems to me that the driving force of our position has been primarily budgetary realities. The unstated logic of this is somewhat fuzzy: there is no money available so it follows that the Federal government simply cannot reimburse States and localities. Since the Federal government is not able to provide more money, the funding responsibility cannot be 100% Federal.

While it is beyond dispute that there are severe budgetary constraints, this is not a very satisfactory policy approach to the issue. It actually raises a number of questions: If we had more money, would we recognize an obligation to more fully reimburse States? If it is a shared responsibility, what exactly is the source of the State responsibility to pay for the education and medical care of illegal immigrants? Even if the States concede that there is a shared responsibility, how does one set an equitable share?

Without a more evolved policy argument, we simply cannot effectively counter the enticing logic of the opposing view: The Federal government is responsible for controlling the borders. It has failed in that responsibility and the illegal immigrants that have been allowed into the country are costing the States huge amounts of money that is then unavailable to pay for needed expenses of those who have proper claim to the limited financial resources of the States.

Conclusion and Recommendation

The bottom line of Doris' recommendation is her suggestion to elevate the policy discussion for the roll-out to a higher policy level. That is a worthwhile proposal.

Initially -- when the report was to be released in July -- the concern was whether there was time to add the deliberative steps that she suggests prior to the release date. If the report will not be released until some time in September, then it would be possible to do what she recommends.

I therefore would support the recommendations contained in Doris' memo.

I spoke with Lin Liu about these recommendations and her main concern was time. Otherwise, she agrees that Doris' suggestions are consistent with what we would like to do in preparing for the release of the study and would probably be helpful to get to where we need to be on the policy issues.



Office of the Commissioner

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THE ADMINISTRATION'S IMMIGRATION PROGRAM: AN AGENDA FOR CHANGE

Beginning with the announcement of the President's anti-smuggling initiative last June and broader enforcement proposals unveiled in July, the Administration has developed a comprehensive immigration agenda. Taken together, these initiatives significantly strengthen the nation's ability to manage the immigration system effectively.

The Administration's initiatives include:

Southwest Border Enforcement

- A Multi-Year Plan, Beginning in FY 94, for Preventing Illegal Entry at the Southwest Border and Facilitating Legal Entry that includes adding 1,010 new and experienced Border Patrol agents on the line by the end of 1995 and supporting their efforts with new and enhanced technology and automation.
- Anti-Smuggling Provisions in Proposed Legislation that will significantly increase the government's ability to detect, prosecute and dismantle organized crime operations engaged in smuggling aliens.
- Citizens' Advisory Panel (CAP), being convened by the Commissioner of the Immigration and Naturalization Service (INS) to review civilian complaints against INS employees, to assess systems and procedures for responding to such complaints, and to provide recommendations to the Attorney General on ways to eliminate the causes of legitimate complaints.

Detection and Removal of Criminal Aliens

- The Institutional Hearing Program (IHP), a cooperative state and federal effort, that permits INS to obtain final orders of deportation before convicted criminal aliens complete their prison sentences, thus speeding their removal upon release. IHP programs in California and New York have been models that INS will duplicate elsewhere.
- An Innovative Memorandum of Understanding (MOU) Between Florida and the INS to Expedite the Deportation of up to 500 Criminal Aliens through the governor's authority to commute sentences of non-violent criminals.
- The Mexican Transfer Treaty Program Allowing for the Largest Ever Transfer of Criminal Aliens to Mexico to complete their sentences there.
- The Law Enforcement Support Center Pilot Program, provides a powerful tool for identifying and processing suspected criminal aliens by giving state and local law enforcement agencies a 24-hour contact with INS computerized records.

Asylum Reform

- In March, INS Proposed New Regulations that will Streamline the Asylum System with the goal of granting asylum and work authorization within 60 days to meritorious claimants, and completing adjudication of claims that do not meet asylum requirements within 180 days without granting work authorization. The Number of Asylum Officers Will Be Doubled and One-Third More Immigration Judges Will Be Added.

Employer Sanctions

- Employer Sanctions Enforcement Program will be Strengthened to Include Increased Measures to Combat Fraudulent Document Purveyors, Expanded Telephone Verification Services for Employers, and Additional Personnel for Anti-Discrimination Compliance.

Naturalization

- Funding for Naturalization will permit INS to encourage and promote naturalization through additional INS staff to handle increased applications, public education programs, and cooperative agreements with community-based groups.

Costs of Illegal Immigration

- The Office of Management and Budget is Coordinating an Analysis of the Costs of Immigration to the States. This study involves the seven states most heavily impacted by illegal immigration (California, New York, Florida, Texas, New Jersey, Illinois and Arizona).
- The President Has Submitted a FY 95 Budget Amendment to Congress to Establish a \$350 million State Criminal Alien Assistance Program within the Department of Justice. This program will assist those states with proportionately high numbers of illegal alien prisoners to meet the costs of incarceration.
- INS is Providing Assistance to Federal and State Agencies to Verify Immigrants' Eligibility for Welfare and Other Benefits. INS is working closely with the Federal Emergency Management Administration and California's Department of Motor Vehicles to develop verification procedures to aid those agencies in implementing new legislation requiring applicants for federal disaster relief and California drivers' licenses to show proof of lawful presence in the United States.

Modernizing INS

- The Administration Is Supporting Funding for Broad-Based Infrastructure Improvements. Long-needed investments in automation and new technology support all of the initiatives described above and will greatly increase the Service's productivity and effectiveness. Key components include implementing an INS service-wide information highway that will integrate a variety of enhanced automated data bases, improving electronic linkage of information among INS, Department of State, and Customs to prevent entry of individuals who should not be allowed in the U.S., and enhancing positive identification of persons and prevention of document fraud by incorporating biometric information on INS documents.

Presidential Appointment to the Commission on Immigration Reform

- The President has appointed a distinguished Chair to the Commission on Immigration Reform, Congresswoman Barbara Jordan. This Congressionally mandated body that is examining the impact of current immigration law and policy, will make its first recommendations to Congress in September 1994.

EXECUTIVE OFFICE OF THE PRESIDENT

08-Aug-1994 10:49am

TO: Carol H. Rasco

FROM: Stephen C. Warnath
Domestic Policy Council

SUBJECT: immigration & DPC meeting

Carol --

Prior to the DPC meeting, I wanted to mention the status of two immigration issues that Cabinet Secretaries have taken a particular interest in:

- 1) The Attorney General continues to seek clearance as soon as possible of the expedited exclusion legislation. I have not gotten a response from Alexis on whether she is willing to lift her hold. The A.G. is prepared to call Alexis if necessary to discuss.
- 2) Last week OMB cleared HUD regulations that Secretary Cisneros has been very interested in. These regulations would restrict the eligibility for HUD benefits of households containing illegal immigrants - the "noncitizens rule." These regs will be published soon for comments.

Several of the Secretaries -- Shalala & Riley, in particular -- obviously have an interest in this area. (Barbara Jordan is testifying tomorrow before the Ways & Means Human Resources Subcommittee on the Commission's recommendations regarding benefits for illegal and legal immigrants and the welfare reform proposal.

Let me know if there is anything else that would be helpful before the meeting. Thanks.

Statement

of

Barbara Jordan

Chair

U.S. Commission on Immigration Reform

Before the Subcommittee on

Immigration and Refugee Affairs

Committee on the Judiciary

U.S. Senate

August 3, 1994



Mr. Chairman, members of the subcommittee, thank you for providing this opportunity to report on the work of the U.S. Commission on Immigration Reform.

The Commission was created to assess and make recommendations regarding the implementation and impact of U.S. immigration policy. Mandated in the Immigration Act of 1990 to submit an interim report in 1994 and a final report in 1997, the Commission has undertaken public hearings, fact-finding missions, and expert consultations to identify the major immigration-related issues facing the United States today. I am pleased to share our preliminary findings and recommendations with you today. Our report, which will be submitted on September 30, will provide fuller details on these recommendations and the reasons we are making them.

The process undertaken by the Commission has been a complex one. Distinguishing fact from fiction has been difficult, in some cases, because of what has become a highly emotional debate on immigration. We have heard contradictory testimony, shaky statistics, and a great deal of honest confusion regarding the impacts of immigration. Nevertheless, we have tried throughout to engage in what we believe is a systematic, non-partisan effort to reach conclusions drawn from analysis of the best data available. The recommendations that I present today have been adopted unanimously.

Principles Underlying Work of the Commission

Certain basic principles underly the Commission's work. We decry hostility and discrimination towards immigrants as antithetical to the traditions and interests of the country. At the same time, we disagree with those who would label efforts to control immigration as being inherently anti-immigrant. Rather, it is both a right and a responsibility of a democratic society to manage immigration so that it serves the national interest.

The Commission believes that legal immigration has been and can continue to be a strength of this country. Most legal immigrants are the spouses, children, parents or siblings of a U.S. citizen or long-term permanent resident. A smaller number are sponsored by U.S. businesses that need their skills and talents. While there may be disagreements among us as to the total number of immigrants that the United States can absorb or the categories to whom the U.S. should give priority for admission, the Commission agrees that legal immigration presents many opportunities for this nation.

That is not to say that the Commission is unmindful of the problems that may also emanate from immigration. Too many have abused the very hospitality that we grant so freely. Unlawful immigration is unacceptable. Enforcement measures have not sufficiently stemmed these movements. Failure to develop more effective strategies to curb unlawful immigration has blurred distinctions between legal and illegal immigrants. Many communities legitimately fear that they have lost the ability to integrate the diverse range of individuals and families who enter their communities. The Commission is particularly concerned about the impact of immigration on the most

disadvantaged within our already resident society -- inner city youth, racial and ethnic minorities, and recent immigrants who have not yet adjusted to life in the U.S.

For the Commission, the principal issue at present is how to manage immigration so it continues to be in the national interest. Managing immigration presents a number of challenges:

- How do we ensure that immigration is based on and supports broad U.S. economic, social and humanitarian interests rather than the interests of those who would abuse our immigration laws?
- How do we manage our borders while still encouraging international trade, investment and tourism?
- How do we maintain a civic culture based on shared values while accommodating the diverse population admitted through immigration policy?

It will be impossible to reach answers to these questions unless our policies and their implementation are more credible. As far as immigration policy is concerned, credibility can be measured by a simple yardstick: people who should get in, get in; people who should not enter are kept out; and people who are deportable should be required to leave.

The Commission is convinced that immigration can be managed more effectively and in a manner that is consistent with our traditions, civil rights and civil liberties. As a nation of immigrants committed to the rule of law, this country must set limits on who can enter and back up these limits with effective enforcement of our immigration law.

Recommendations

The problem of unlawful immigration will not be solved by quick fixes. There are no panaceas. Nor will this problem be solved cheaply. If the nation is serious about controlling illegal immigration, it must commit substantially more resources than are currently available to accomplishing the measures required. The U.S. must also more effectively target existing resources on strategies that are most likely to prevent unlawful immigration from occurring. In sum, curbing unlawful immigration requires:

- better border management,
- a more effective method of deterring the employment of unauthorized workers,

- a consistent policy regarding eligibility for public benefits,
- a willingness and ability to remove those who have no right to remain in the country, with particular focus on criminal aliens,
- an enhanced capacity to respond to immigration emergencies,
- an effective strategy to reduce the pressures for migration in sending countries, and
- better data for making and implementing policy.

No one approach will be sufficient to address unlawful migration.

Let me touch on the highlights of this comprehensive strategy that the Commission will be recommending in its September report.

I. Preventing Unlawful Entry and Facilitating Legal Entry Across U.S. Borders

The Commission believes that significant progress has been made during the past year in identifying and remedying some of the weaknesses in U.S. border management. Nevertheless, we believe that far more can and should be done to meet what we consider to be the twin goals of border management: preventing illegal entries while facilitating legal ones.

Land Border

The Commission supports enforcement strategies aimed at prevention of illegal entry at the border rather than apprehension following illegal entry.

The Commission was favorably impressed with the pilot program in El Paso, Operation Hold the Line. Prevention holds many advantages: it is more cost-effective than apprehension and removal, it eliminates the cycle of voluntary return and reentry that has characterized unlawful border crossings, and it reduces potentially violent confrontations between Border Patrol officers and those believed to be seeking illegal entry.

Prevention strategies require a combination of additional personnel, improved technology and communications, data systems that permit quick identification of repeat offenders, additional equipment including vehicles, and a political commitment to this approach. Prevention also requires a capacity to anticipate changes in smuggling patterns. The Commission recommends development of contingency plans to handle smuggling at new locations along the border as well as increased sea smuggling that may arise as land border controls are improved. The Commission also recommends

formation of a mobile, rapid response team that can be deployed when new avenues of illegal entry are identified. The Commission supports use of unscalable physical barriers only as a last resort in border control, if they are needed to reduce violence at the border.

The Commission supports efforts to increase training for Border Patrol officers, improve procedures for adjudicating complaints of Border Patrol abuses, and provide redress or relief to those subjected to improper actions. And, recognizing the fundamental shift in Border Patrol policy that a prevention approach requires, the Commission recommends systematic evaluation of the effectiveness of the new border strategies adopted by INS.

The Commission recommends additional resources for inspections at land border ports of entry in order to facilitate legal entry.

Legal entry should be facilitated in order for the country to benefit from trade and tourism. The Commission also believes that an integral part of controlling illegal entry is facilitating legal entries. When Operation Hold the Line was instituted, it became apparent that a portion of those crossing the river illegally had or were eligible for legitimate Border Crossing Cards (BCC) but found it was slower and more difficult to cross through the port of entry. In particular, high priority should be given to easing traffic through inspections posts and expediting issuance of BCCs. The Commission is giving consideration to a user fee to be imposed on crossers of the U.S. border as a possible way to provide additional funds to facilitate land border management. Consideration is also being given to a fee for issuance of the BCC, now precluded by U.S.-Mexico treaty. Also, further steps need to be taken to better ensure that the BCC is not misused by legal crossers who are engaged in unauthorized employment. The Commission's recommendations regarding employer sanctions should help in this regard.

The Commission supports increased coordination between the governments of the U.S. and Mexico on border issues.

The Commission views favorably the discussions underway between the U.S. and Mexican federal governments and border state and local governments. These discussions provide forums to promote greater cooperation between the two governments in solving problems of mutual concern such as border violence, violations of Mexican exit laws and U.S. entry laws, movements of third country nationals through Mexico to the United States, smuggling of people and goods, and similar issues.

Airports

As with land borders, the Commission supports a combined facilitation and enforcement strategy that would prevent the entry of unauthorized aliens while facilitating legal admissions at U.S. airports.

The Commission supports the use of new technologies to expedite the inspections process and improve law enforcement. We also commend and urge continuance of the government-airline industry discussions and recommendations for preflight inspections and more efficient processing of travelers with Machine Readable Documents. The Commission supports efforts to devise programs that enhance the capacity of airline carriers to identify and refuse travel to aliens seeking to enter the U.S. on fraudulent documents. We encourage the INS and the airlines to continue the Carrier Consultant Program and other coordinated efforts to maintain complete, accurate and reliable Advance Passenger Information System (APIS) data and improved lookout data systems.

The Commission heard testimony from the airline industry on what they consider to be undue fines and penalties imposed for transport of unauthorized aliens. The Commission recommends development of a system for mitigation of penalties or fines for those carriers that cooperate with the INS and show actual reductions in the number of unauthorized aliens they carry. The Commission further believes that carriers should not be responsible for the actual physical custody of inadmissible air passengers.

Coordination of Border Management

The Commission urges careful monitoring of coordination among agencies with responsibility for border management.

In a June 1993 report, GAO outlined efficiency and other management problems with the INS-Customs dual inspection structure on primary inspection at land border stations. Among them: poor coordination, lack of updated cross-designation training, lack of joint performance studies, no coordinated approach for addressing staffing imbalances and traffic backups, a substantial interagency rivalry, and weakened operational accountability due to the dual structure. Even though the report focused on land border ports-of-entry, the same problems occur at air ports-of-entry as well.

More recently, the National Performance Review noted, in reference to previously voiced suggestions, that a reorganization of the agencies at this time was too extreme and the agencies should continue to work in the existing structure, with the assistance of present interagency work groups. In two years, the existing structure is to be re-evaluated. The Commission plans to monitor whether the coordination mechanisms recommended by the NPR help address the recurrent management problems experienced in land and airport immigration inspections and border control.

If they do not make the needed improvements, the Commission will recommend further actions.

Anti-Smuggling Efforts

The Commission believes an effective prevention strategy requires enhanced capacities to combat organized smuggling for commercial gain.

The Clinton Administration introduced legislation in July 1993 that enhances penalties for smuggling or harboring aliens for commercial advantage or financial gain and includes organized smuggling under the provisions of RICO. The legislation also provides expanded authority for seizure and forfeiture of property related to smuggling activities and enhanced authority for wiretaps. The Commission supports the basic approach taken in this legislation, and we recommend, as well, enhancement of intelligence gathering and diplomatic pressures to prevent smuggling rings from operating.

II. Deterring the Employment of Unauthorized Aliens

Employment continues to be the principal magnet attracting illegal aliens to this country. As long as U.S. businesses benefit from the hiring of unauthorized workers, control of unlawful immigration will be impossible. The Commission believes that both employer sanctions and enhanced labor standards enforcement are essential components of a strategy to reduce the job magnet.

Verification of Employment Authorization

At the heart of many of the problems in current application of employer sanctions is the verification process used to determine work authorization. Widespread counterfeiting of documents that can be used for verification of identity and employment authorization has been reported since IRCA's implementation. It is also relatively easy to obtain genuine documents, such as birth certificates or drivers licenses, by fraudulent means. Moreover, confusion about the verification procedures and wariness about the validity of the documents has led to great potential for discrimination against foreign-looking and sounding citizens and legal immigrants.

The Commission recommends development and implementation of a simpler, more fraud-resistant system for verifying authorization to work.

In examining the options for improving verification, the Commission believes that the most promising option for more secure, non-discriminatory verification is a

computerized registry, using data provided by the Social Security Administration and the Immigration and Naturalization Service.

The key to this process is the social security number. All workers must already provide a social security number upon taking employment. The verification process that the Commission is looking at adds a step to this existing requirement: checking that the social security number is valid and has been issued to someone authorized to work in the United States.

This verification system will reduce the time, resources, and paperwork spent by employers in abiding by the requirements of immigration law. It should also reduce any potential for discrimination. Employers would no longer have any reason to ask if a worker is a citizen or an immigrant -- the only relevant question is: what is your social security number?

The Commission further recommends that the President immediately initiate a program to implement this new verification process in the five states with the highest levels of immigration. The President already has the authority to do this in the Immigration and Nationality Act. The initiative should incorporate a number of features.

First, employers will need a way to determine that the individual about to be hired is actually the person with that social security number. We have received conflicting testimony about the best way to check the applicant's identity. We have heard proposals for a more secure social security card, counterfeit-resistant drivers license, and telephone verification system. The pilot program presents an opportunity to determine what is the most cost-effective, fraud-resistant and non-discriminating method.

Second, the pilot and any resulting legislation to establish the system on a permanent basis must provide protection against use of the verification process for purposes other than those specified in law. The Commission shares the civil liberties concerns of many in this country that the process for verifying employment authorization not become the basis for a national identity system. We believe the same system could be used, without damage to civil liberties, for verifying eligibility to receive public benefits. However, no one should be required to carry a card, should one be used, or present it for routine identification purposes. There must also be significant penalties for inappropriate demands for the identification.

Third, the verification system should protect the privacy of the information included in the registry. The Commission is aware of the proliferation of databases, and reported abuses of privacy by both government and private agencies. The verification process should contain explicit provisions for protecting privacy and the computer system should incorporate appropriate safeguards.

A final word on the verification process -- to be effective, the computerized registry will draw on data from the INS and the Social Security Administration. A prime prerequisite of this system is the integrity of those data systems. Both agencies will need to improve their own records, speed up the entry of new data into their own systems and transfer of the necessary information to the jointly maintained registry, and ensure that the information remains accurate and accessible. INS has already requested funding to undertake these improvements in its record-keeping. If Congress is serious about curbing unlawful immigration, it is essential that the funds be provided to carry out this initiative. The Commission is working with SSA and INS to get cost estimates for instituting the proposed registry and will report its findings in September.

Anti-Discrimination Efforts

The Commission believes that adopting a more secure, simpler verification process for determining work authorization -- and, in particular, one where employers will no longer have to make any determination as to immigration status -- is the best defense against discrimination.

The current verification process creates discriminatory behavior among employers even in cases where no discrimination is intended or in which there is an explicit effort to avoid illegal conduct. In particular, employers ask for different or additional documentation from those who appear to be foreign-looking or sounding. The abuse of documentation requirements is harmful in and of itself and also masks more egregious discriminatory actions.

The Commission encourages the Office of Special Counsel for Immigration-Related Unfair Employment Practices to undertake targeted investigations to document discriminatory actions and provide relief for the citizens and legal immigrants who find themselves victims of discrimination based on national origins or citizenship status. We believe there is a public responsibility to provide effective redress for those who experience discrimination resulting from immigration law. During the transition period to a new verification system, in particular, OSC should be proactive in identifying discriminatory practices, finding ways to prevent their occurrences to the extent possible, and seeking penalties against those employers who do discriminate. In addition, the Commission recommends that additional studies be undertaken to determine the effectiveness of the new verification process in reducing discriminatory behavior.

Enforcement of Employer Sanctions and Labor Standards

The Commission believes that reduction in illegal immigration requires vigorous and complementary enforcement of employer sanctions and labor standards.

Neither employer sanctions nor labor standards enforcement has received sufficient priority. Both have suffered loss of resources during the past few years. Even within existing budget, however, a better targeting of resources could improve enforcement.

The Commission recommends that INS target its employer sanctions resources on the investigation and prosecution of likely violators of the provisions against knowing hire of illegal aliens and seek the full use of current penalties against them. When the new verification process takes hold, INS should also eliminate investigation of paperwork violations in order to concentrate more effectively on businesses that knowingly hire unauthorized aliens or fail to verify work authorization.

The Commission supports an increase in labor standards enforcement efforts in industries with large numbers of illegal aliens. Deterring unlawful immigration is a key ingredient in protecting U.S. workers. The presence of large numbers of unauthorized aliens in certain industries renders enforcement of labor standards, such as wage and hour and child labor provisions, all the more difficult because unauthorized workers are afraid to demand better working conditions or report infractions, and businesses can bypass the hiring of workers who would be more cognizant of their rights.

A Memorandum of Understanding was signed last September between the Labor Department and the INS setting out a division of responsibility for investigation of employer sanctions violations. The Commission urges the Attorney General and the Secretary of Labor to review the current division of responsibilities between the Justice and Labor Departments in the enforcement of employer sanctions and labor standards and make needed changes if the new MOU does not provide the coordination needed.

The Commission also supports establishment of national and local taskforces to promote greater coordination in enforcement of labor standards, employer sanctions and anti-discrimination provisions. The Commission further recommends that educational efforts by the Immigration and Naturalization Service, the Office of Special Counsel, and the Department of Labor regarding employer sanctions, anti-discrimination provisions, and labor standards be coordinated and continuing, sending a single message about the rights and responsibilities of workers and employers.

III. Making benefits policy consistent with the objectives of immigration policy

Eligibility for Benefits

Immigrant eligibility for public benefits has become a major focus of debate in the United States. The Commission believes that decisions about eligibility should support the objectives of our immigration policy: to deter unlawful immigration and to support

lawful immigration and eventual citizenship. Using these objectives as a measure of benefit policy, we have come to the following conclusions:

Illegal aliens should not be eligible for any services or assistance except those made available on an emergency basis or for similar compelling reasons.

Benefits policies should send the same message as immigration policies: Aliens should not have entered the U.S. unlawfully and, if they did, should not receive public-funded aid except in very unusual circumstances: where there is emergent need for specific assistance; where there is a public health, safety or welfare interest (such as immunizations, child nutrition programs and school lunch programs); and where their eligibility is constitutionally protected. The verification system recommended by the Commission should be used to determine eligibility for public benefits as well as work authorization.

Legal permanent residents should continue to be eligible for needs-tested assistance programs.

The U.S. admits legal immigrants with the expectation that they will reside permanently in the United States as productive residents. U.S. immigration law bars the entry of those who are likely to be a public charge. It also contains provisions for the deportation of individuals who become public charges within five years unless they require aid for reasons that developed after entry, such as an unexpected illness or injuries sustained due to a serious accident. The Commission believes that these provisions should be made more effective. At the same time, we also recognize that circumstances may arise after entry which create a pressing need for public help. The Commission is not prepared to lift the safety net out from under individuals who, we hope, will or have become integral parts of our civic culture. We recommend against any broad, categorical denial of such protection to legal immigrants on the basis of their alienage.

However, the Commission strongly endorses initiatives to ensure that sponsors are financially responsible for the immigrants they bring to this country. In particular, the Commission believes that the Affidavits of Support signed by sponsors should be legally enforceable.

Mechanisms should be developed that would permit public aid offices to recover support from sponsors who abandon their financial responsibility. Should these initiatives prove successful, deeming provisions may no longer be needed since sponsors will be required to provide actual support or repay the costs of assistance provided to those they sponsor.

The Commission recommends that the eligibility of aliens for public benefits and work authorization be defined in the Immigration and Nationality Act. The Commission

would further require that every alien who is permitted to remain in the country on a temporary or permanent basis through legislation, court order, or administrative order be classified as to his or her eligibility for benefits and authorization to work.

The Commission believes that benefit eligibility determinations are complicated by the myriad statuses now afforded to individuals within this country. While the rights of lawful permanent residents, refugees and asylees have been spelled out in immigration and benefit laws, the Executive Branch, Congress and the courts have created various other statuses that may or may not denote benefit eligibility. The INA should specify categories of aliens by their work and benefit eligibility, such as: those eligible for work and needs-tested benefits; those eligible for work and only those benefits that accrue from employment; and those eligible for neither. Every alien should then be assigned to one of these categories.

Impact Aid

The Commission recommends a short-term authorization of financial aid to offset at least a portion of certain identifiable costs to states and localities resulting from unlawful immigration.

Difficulties in enforcing immigration law have created fiscal impacts that would not have occurred had enforcement strategies been more effective. The ineffective enforcement has been due, in some measure, to a lack of political will on the part of decision-makers, including officials in states now heavily affected by illegal immigration.

The Commission believes that the federal government has a responsibility to help mitigate the fiscal costs of unlawful immigration, particularly through renewed efforts to reduce unlawful immigration. We recommend a short-term authorization of financial aid to states until such time as the enforcement measures take effect, and contingent on the following conditions: better data and methods to measure the net fiscal impact of illegal immigration and reimbursement of only identifiable costs; a mechanism designed to ensure that governments do not expect or become dependent on this interim measure as a continuing source of funding; and a requirement that state and local governments cooperate with Federal authorities to enforce the immigration laws of the United States.

IV. Facilitating identification and deportation of criminal aliens

An effective procedure for prompt and permanent removal of aliens ordered deported is an essential part of a credible deterrence policy. If people unauthorized to enter believe that they can remain indefinitely once having reached the interior of the nation, they may be more likely to come. The Commission is reviewing the full range of issues raised by U.S. exclusion and deportation procedures and plans to issue a

separate report on this subject in FY 1995. For the present, we are limiting our specific recommendations to the removal of criminal aliens who represent the most serious threat to public safety.

The top priority of interior enforcement strategies should be the removal of deportable criminal aliens from the U.S. in such a way that the potential for their return to the U.S. will be minimized.

The Commission supports the Institutional Hearing Process (IHP) as an effective mechanism to ensure that deportable criminal aliens are identified and receive final orders of deportation while still serving their sentences. The IHP is cost-effective in that criminal aliens can be deported directly from state and federal prisons, alleviating INS' need to detain them until deportation proceedings take place. The Commission commends the negotiations taking place between federal immigration authorities and state correctional departments to enhance the efficiency of the IHP. Resources should be increased for investigations to identify criminal aliens and for the hearing process itself.

The Commission is concerned, however, about the ease with which deported criminal aliens can effect a reentry into the United States, particularly those who are returned to the Mexican border communities. In the case of Mexico, deported criminal aliens who have served their sentences should be repatriated to the interior of the country, rather than simply to the border, to lessen the likelihood of their return. The Commission also supports the use of bilateral treaties encouraging the transfer of criminal aliens to serve sentences in their own countries; the State Department should monitor cases to be certain that sentences are served.

The Commission recommends that the federal government assume responsibility of the costs of incarcerating illegal aliens through reimbursement, by transferring the illegal aliens to federal facilities, and/or by negotiating with foreign governments to accept and incarcerate their nationals who are criminal illegal aliens.

Enhanced federal responsibility in this area will serve two purposes: to help mitigate the costs incurred by states and localities resulting from unlawful immigration; and to help facilitate the prompt deportation of illegal aliens who have committed criminal acts in the United States.

V. Increasing capacity to respond more effectively to emergency movements of people

The Commission believes that effective immigration policy requires the capacity to respond effectively and humanely to immigration emergencies, a capacity not now in place.

Since 1980, the United States has received hundreds of thousands of people who left their own countries or entered this country under emergency circumstances. The exodus of Haitians is only the most recent example. Emergencies can overwhelm resources and create massive problems that remain long after the emergency is over. The Commission held an expert consultation in Miami in which we heard many concerns about U.S. policy. Since then, a number of new policy directives have been issued. New asylum regulations, the establishment of safe havens in the region, new regulations for the Immigration Emergency Fund are three important developments in this area. The Commission plans to assess these efforts as well as other policies required to enhance U.S. capabilities in responding to immigration emergencies. We will issue a separate report during FY 1995 which will include discussion of contingency planning, refugee processing, asylum procedures, temporary protected status, aid to communities experiencing emergency arrivals of aliens, and other related issues.

VI. Addressing Unauthorized Migration at the Source

The Commission firmly believes that greater attention must be paid to the causes of migration in countries of origin as part of a strategy to deter unauthorized migration to the U.S.

Much as we support an enhanced enforcement effort by the United States, the Commission believes that unauthorized immigration will not be curbed by unilateral U.S. action alone. Effective deterrence of unlawful immigration must get to the root causes of these movements. Getting to these causes will require cooperation with other countries. While the U.S. clearly retains the sovereign right to protect our borders, migration is by definition an international phenomenon and international actions are needed to address it.

The Commission recommends that the United States give priority in its foreign policy and international economic policy towards long-term reduction in the causes of unauthorized migration to the U.S. The Commission also recommends adoption of near-term strategies targeted at reducing migration pressures in selected communities with high emigration rates.

In addition to these efforts, the Commission supports an enhancement of intelligence gathering capacities to improve early warning of unauthorized migration. While the root causes of migration are readily discernible, it is harder to predict what specific factors will precipitate actual movements into the United States. Particularly with regard to immigration emergencies, intelligence is needed as well to assess the

potential size and duration of the emergency, the mode of entry, the location to which migrants will come, and other characteristics of the emergency.

VII. Improving Data

Improved policy development and implementation require better data. Throughout the Commission's own inquiry, we have found it difficult to assess the effects of immigration policy and immigration itself because of inadequacies in the data. The Commission is working with the InterAgency Working Group on Immigration Statistics to develop specific recommendations to improve data collection. These recommendations will be detailed in our September report.

Looking Beyond 1994

As the members of the Committee know, the Commission is at a mid-point in its work. Our longer-term agenda is to assess and make recommendations about the implementation and impact of the Immigration Act of 1990. The Commission has already begun a systematic fact-finding process to measure the economic, social, demographic, and foreign policy effects of immigration. We considered whether to make recommendations in our September 1994 report about the legal immigration system, including the numbers and criteria for admission. We have decided not to do so at this time. The data needed to assess the full ramifications of current legal immigration policy are not available. The Immigration Act of 1990 was not implemented until 1992, meaning that we have only two years worth of data and little experience with its impact to use in determining its effects. An important new aspect of the law -- the Diversity Program -- has not even at this time been implemented.

The Commission will issue a progress report on legal immigration as part of its September report to Congress. We will continue to examine its effects during 1995. Should the Commission determine that any changes in legal immigration policy are in order, we will report our recommendations expeditiously.

I would be pleased to answer any questions you may have.



STATEMENT OF

ALICE M. RIVLIN

DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

BEFORE THE

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON IMMIGRATION AND REFUGEE AFFAIRS

UNITED STATES SENATE

CONCERNING

FISCAL IMPACT OF ILLEGAL IMMIGRATION

PRESENTED ON

AUGUST 3, 1994

216 HART SENATE OFFICE BUILDING

Mr. Chairman and Members of the Committee, thank you for the opportunity to appear before you today to discuss the fiscal impact of illegal immigration on States. This is an important national issue and one which the Clinton Administration is the first to be focusing significant attention.

As you know, this Administration inherited a difficult and persistent immigration problem. We have taken aggressive steps to control illegal immigration problems while maintaining the United States' rare tradition as a nation of immigrants. I am very pleased to be joined today by Doris Meissner, the Commissioner of the Immigration and Naturalization Service (INS), who has provided tremendous leadership for the Administration in this area.

Mr. Chairman, I will state our conclusion first. The Federal Government's primary responsibilities in this area are to ensure that unauthorized aliens are kept out of the United States, legal immigrants are welcomed, and refugees are protected from harm. However, the legacy of inadequate past enforcement has created a problem for a number of States that face costs associated with providing health care and education to undocumented immigrants, as well as incarceration costs for those who commit crimes in this country.

We believe that all levels of government have a shared responsibility in responding to these problems. And the Administration is committed to working with the States on this issue.

There are no easy solutions to these complicated immigration and Federal/State relationship problems. The Administration has been working hard on these tough questions, and I am here today to share with you the progress we have made. In particular, I want to address two key questions that get to the heart of the Federal role:

- 1) What are we doing to secure and manage the borders and prevent illegal immigration? and
- 2) What are we doing to help those States most affected by the flow of illegal immigration?

Federal Responsibility for Enforcement

The Federal Government's primary responsibility in the area of illegal immigration is to control and manage the nation's borders. We must address this responsibility seriously as a matter of national sovereignty and in order to maintain fiscal and economic security. Unfortunately, this Administration inherited a serious problem. After years of inadequate protection, the public, with some justification, had lost confidence in the Federal Government's ability to handle the problem.

A new approach was needed, and in response, the Administration developed and is refining a comprehensive plan to secure and manage the borders and to reform the immigration system. We want to make the INS an effective agency by investing significant resources in its people, infrastructure, and technical capabilities.

As you know, the \$45 million that the President requested and the Congress provided in FY 1994 for enhanced border controls has produced significant results at our Southwest border. For example, "Operation Hold-the-Line" involves a new strategy of controlling the border by saturating a 20-mile stretch of the U.S./Mexico border between El Paso and Juarez with Border Patrol agents. Previously, INS had concentrated on intercepting illegal border crossers after they had entered El Paso. The Commission on Immigration Reform's recently released report evaluating this El Paso operation concluded that illegal crossings into El Paso have been substantially deterred. The study also shows that the operation appears to have reduced petty crime and increased the seizure of illegal drugs. The deterrent effect of "Operation Hold-the-Line" appears to have diminished somewhat the longer the operation lasted and it has less of a deterrence effect on long distance labor migrants than on other kinds of crossers. Taken together, however, "Operation Hold-the-Line" has been a successful experience for the INS and has shown that a strong enforcement strategy is an effective way to solve some of our immigration problems.

In FY 1995, the Administration will continue to make investments to improve our immigration programs. The President's FY 1995 budget proposes \$2.6 billion within the Department of Justice for immigration, of which \$2.1 billion is for the INS (a 22% increase over INS' FY 1994 enacted budget). Our budget request contains a significant investment of \$368 million to fund five major immigration initiatives. These initiatives will give INS the ability to improve enforcement at the land border, at airports, and in the interior. INS will help beef up border operations in San Diego and other affected areas, increase employer sanctions enforcement coverage, deport criminal aliens expeditiously, adjudicate asylum cases on a timely basis, and increase naturalization opportunities for legal immigrants.

Increased enforcement of our immigration laws should be the first priority with respect to immigration. The Administration is convinced that the only effective way to reduce permanently the burdens faced by States due to illegal immigration is a comprehensive effort by the Federal Government. In the short run, we need to stem the flow of illegal immigration through both border and interior enforcement. Ultimately, however, in addition to enforcement, the improved availability of job opportunities in Mexico is essential to reducing the incentive to cross. In this regard, we expect that one of the longer term benefits of NAFTA will be reduced pressures on the borders.

Federal/State Partnership

While the Administration is attempting to curb further illegal immigration, we are nevertheless burdened with the consequences of past policy choices. We now have over 3.8 million unauthorized immigrants living in our country. It is estimated that over 85% of them are concentrated in seven States (California, Texas, Florida, New York, Illinois, Arizona and New Jersey). And these States are concerned about costs associated with those immigrants.

We believe that there ought to be a strong partnership between the Federal and State Governments on this important issue that is based on the notion of shared responsibility. This notion draws on the unique strengths of our system of representative government and our national heritage. There is a need for Federal leadership but only a true partnership of Federal and State governments together with local communities can implement solutions to major national problems. We are willing to face the hard issues and work to find meaningful solutions that is based on the notion of shared responsibility. We want to work with the States, Congress and other interested groups to find common ground. As you know, some States have taken this issue to the courts. But we have urged the Governors and State Legislatures instead to work with us and the Congress to find solutions.

On January 31st, then OMB Director Leon Panetta and other Cabinet officers met with the Governors or their representatives of the seven States most affected by illegal immigration. The Administration heard what the Governors had to say and we committed the Executive branch to become actively involved in solving this problem. Congress must also be an active participant.

We have made progress since that initial meeting. The first order of business was to understand the magnitude of the illegal immigration problem and its impact on the States. In reviewing the States' requests for reimbursements, we were concerned about the varying methods that the States employed to estimate their costs. The accuracy of cost estimates needed to be reviewed thoroughly and uniformly before sound policy and budget choices can be made.

Urban Institute Study

To determine more definitively the impact of immigration on the States, we asked the Urban Institute to provide technical assistance to the Federal Government. This is the first time that the Federal Government has attempted to undertake an analysis of Medicaid, education, and corrections costs imposed

on States by illegal immigration. Senior policy officials from the White House, the Office of Management and Budget, and the Departments of Justice, Education, and Health and Human Services (HHS) are supporting this effort. We asked the Urban Institute to help the Administration develop a set of uniform standards to evaluate both the costs imposed by unauthorized immigrants and the revenues paid to the States by the same population in the form of sales, property and income taxes.

The Urban Institute study, now in the final stages of its methodology review and cost/revenue analysis, should be viewed as a good first step in an effort to understand illegal immigration's effect on States. Illegal immigration is by its very nature an elusive subject that does not lend itself to simple analysis. We strongly agree with the Commission on Immigration Reform's recommendation that before the Administration and Congress make decisions about reimbursements to the States, we need to be more informed about the impact of illegal immigration on States. We expect to share the findings of the Urban Institute study with Congress, the States, and the public in about a month.

Partnerships with States on Criminal Alien Issues

The Administration is already taking important steps to help affected States. For example, we are directly addressing their concerns about the cost of incarcerating criminal aliens. As you know, Congress authorized payments to States to help with these costs as part of the Immigration Reform and Control Act of 1986. The President's FY 1995 budget proposes for the first time a \$350 million State Criminal Alien Assistance Program (SCAAP) to provide fiscal relief to States affected by large populations of criminal illegal aliens in State correctional facilities. This is the first Administration, in the eight years since the State Criminal Alien Assistance Program's authorization, to seek appropriations for the program. I believe that this commitment to take action is a clear example of the Administration's desire to share the responsibility for solving this difficult problem.

The Senate recently passed the Hutchison-Dole amendment to provide the \$350 million for this program. Unfortunately, the Administration had to oppose this particular amendment because it pays for the program by reducing funds for United Nations Peacekeeping. The Administration remains committed to funding the incarceration program and is working with the Congress to identify other offsets for funding.

The INS is also improving its criminal alien program as a way to further help States with managing criminal alien problems. The Institutional Hearing Program, which expedites deportation of criminal aliens, is currently operating

in the seven most heavily affected States. For example, in New York alone, the INS has already issued 180 removals through April 1994, compared with 373 all of last year. The INS has also signed a Memorandum of Understanding with Florida to deport 500 non-violent criminal aliens. This will free prison space for incarceration of violent criminals.

Partnerships with States on Education and Health Care Issues

The Administration is also helping States as much as possible through established programs, which have broader program goals, but nevertheless assist those States heavily burdened with the costs of illegal immigration. For example, the budget proposes a total of \$7 billion, a 10% increase, in funding for Title I of the Elementary and Secondary Education Act, the largest Federal elementary and secondary education aid program. The President's legislative proposal would increase funds to the poorest schools and districts. This money would flow to school districts with large numbers of immigrants with special educational needs. The combination of program changes and proposed funding increases will, therefore, serve important education program goals while also providing substantial help to school districts with large immigrant populations. Unfortunately, the House has passed a Title I bill which includes a very different formula from that proposed by the Administration. However, we will continue to work with Congress for better distribution of these funds.

The Federal Government also provides assistance to States to provide emergency health services to undocumented aliens. As a condition of participation in the Medicaid program, States reimburse hospitals for emergency care and deliveries provided for undocumented aliens who would, but for their immigration status, otherwise be eligible for Medicaid. The Federal Government reimburses States for these expenses at rates ranging from 50% to 79%. The Administration has estimated that the Federal portion of Medicaid spending on emergency services for undocumented aliens will total between \$400 and \$500 million in FY 1994. Medicaid's data reflecting the costs of treating undocumented aliens in emergency rooms is incomplete.

In addition, States may also choose to provide supplemental, or "disproportionate share," payments to hospitals for uncompensated care, including the care of undocumented aliens. States are relatively free to devise payment methodologies for disproportionate share hospital payments within the broad constraint of an overall cap on Federal matching payments. We don't know what proportion of disproportionate share payments States target to hospitals serving large numbers of undocumented aliens. Disproportionate share hospital payments totalled nearly \$17 billion in FY 1993.

Federal Expenditures on Immigration and other Programs Benefitting Immigrants

In order to determine more fully the efforts of the Federal Government to meet immigration challenges, OMB initiated an analysis of Federal expenditures related to immigration and immigrants. Our preliminary estimate is that the President's FY 1995 budget includes approximately \$25 billion for immigration enforcement programs and other programs which serve immigrants, both legal and illegal. These programs include Department of Education spending for Title I, bilingual and immigrant education, HHS spending on refugees, Aid to Families with Dependent Children, Supplemental Security Income, Medicaid, Justice spending for INS and the State Criminal Alien Assistance Program, and other Federal programs in Departments of the Treasury, Labor, and Housing and Urban Development. The FY 1995 Clinton Administration budget contains about 32% more than the FY 1993 Bush Administration budget request for the same programs. The summary data are appended to this statement. I should caution that, for some programs, we have only initial estimates. We are working to improve the estimates.

In these tight budgetary times, the Administration is working to address the problems of illegal immigration and to help States as much as possible. However, when it comes to reimbursements, we should not be under any illusions. We continue to face a hard freeze on discretionary spending. In this "zero sum" budget game, every dollar spent for immigration programs must be taken from somewhere else. This Administration believes that immigration is a high priority and we are seeking increased spending to meet the need for better border and interior enforcement and for increased assistance to States. But only improved enforcement can curtail the fiscal burdens on the States in the future. Hence, enforcement is where the Administration has placed its highest priority in spending for immigration programs.

Conclusion

Debate about this country's policy and budgetary goals with regard to the States' reimbursement claims for incarceration, Medicaid, and education costs must be supported by better information about the magnitude of the problem. The Urban Institute study will help shed light on these matters. I look forward to having the opportunity to address Congress again on this issue when that analysis is available.

In the meantime, the Administration will continue to focus on strengthening border enforcement and on working with the Congress to fund the programs we are supporting to assist the States with their costs.

Thank you Mr. Chairman.

Federal Spending on Immigration and Other Programs Affecting Immigrants
BEST ESTIMATES¹
(In millions of dollars)

	FY 1993 Bush Request Budget Authority	FY 1993 Enacted Budget Authority	FY 1994 Enacted Budget Authority	FY 1995 Clinton Request Budget Authority	Change: FY 1993 Bush Request to FY 1995 Clinton Request Budget Authority
Summary by State					
Total Immigration- and Immigrant-related Spending.....	18,808	19,289	22,077	24,788	5,979
California.....	6,305	6,409	7,573	8,397	2,092
Texas.....	1,392	1,403	1,647	1,850	458
New York.....	1,943	2,005	2,250	2,483	540
Florida.....	1,303	1,439	1,599	1,783	480
All Other.....	7,865	8,033	9,007	10,274	2,409

Summary by Agency

Total Immigration- and Immigrant-related Spending.....	18,808	19,289	22,077	24,788	5,979
Agriculture.....	25	25	25	25	---
Education.....	580	643	655	719	139
Health and Human Services (HHS).....	13,947	14,071	16,744	18,457	4,510
Housing and Urban Development (HUD).....	2,035	2,214	2,154	2,308	273
Justice.....	1,656	1,621	1,769	2,553	897
Labor.....	130	147	147	142	12
State.....	76	75	78	74	-2
Transportation.....	161	292	296	305	144
Treasury.....	198	201	209	204	6

¹ Note: Where "hard" data were unavailable on Federal spending on immigration and other programs affecting immigrants, estimates were extrapolated using Census, INS, and other data.

HIGHLIGHTS OF FEDERAL SPENDING RELATING TO IMMIGRANTS AND IMMIGRATION CONTAINED IN ADMINISTRATION'S FISCAL YEAR 1995 BUDGET REQUEST

ENFORCEMENT

- Immigration and Naturalization Service. The President's 1995 budget requests \$2.1 billion to fund the primary immigration law enforcement agency of the Federal government. The budget includes \$368 million of new funds for an enforcement initiative to reduce the flow of illegal immigration. The total for INS represents an increase of more than one-third from the Bush FY 1993 proposal.
- Border Patrol. \$181 million to increase the number of Border Patrol agents on the Southwest border, provide new vehicles, improve communications and border surveillance equipment, and provide fencing and improved training.
- Deporting Criminal Aliens. \$55 million to expand the Justice Department's program to investigate incarcerated criminal aliens so that they can be deported expeditiously upon completion of their sentences.
- Reforming Asylum Procedures. \$64 million to double numbers of Immigration Judges, Asylum Officers, and Justice Department litigators to adjudicate and review asylum cases.
- Employer Sanctions Enforcement. \$38 million to step up INS enforcement of existing employer sanctions against hiring undocumented workers.
- Naturalization. \$30 million to streamline and expedite the naturalization process.

INCARCERATION

- State Criminal Alien Assistance Program. \$350 million to help States pay for the cost of incarcerating illegal aliens convicted of a felony. The program was authorized by Congress in 1986, but this is the first Administration to propose funding it.

EDUCATION

- Title I: Education for Disadvantaged Children. The budget proposes \$7 billion in funding for Title I, the largest Federal elementary and secondary education aid program. The President's legislative proposal would increase targeting of these funds to the highest poverty schools and districts. The combination of improved targeting

and the proposed funding increase from 1994 to 1995 would increase Title I for most districts heavily affected by immigration. An estimated \$350 million of the Title I program enhances the education of disadvantaged immigrant students, a 12-percent increase from the Bush 1993 budget.

- Bilingual Education. The 1995 budget proposes an increase of \$27 million to \$215 million, a 12-percent increase from 1994, and a 72-percent increase from the Bush 1993 request. These funds support school districts' services to limited-English proficient students, including large numbers of immigrant children and youth.
- Adult Education grants. The 1995 budget contains a 5-percent increase of \$11 million to \$267 million. This is the primary Federal program supporting English-as-a-second-language and basic education for adults and out-of-school youth. Of the \$267 million requested, about \$85 million will be spent on immigrants receiving education services.

HEALTH AND HUMAN SERVICES

- Aid to Families with Dependent Children. An estimated \$530 million of the AFDC's 1995 budget will be spent on immigrants who meet family situation and income qualifications for this program.
- Supplemental Security Income. An estimated \$3.2 billion of the SSI's 1995 budget will be spent on immigrants who meet income, age or disability criteria for this program.
- Medicaid. An estimated \$8.4 billion in Federal funds will be spent in 1995 through Medicaid for immigrants who receive Medicaid benefits by qualifying for AFDC or SSI programs, or by qualifying as needy by meeting certain situation and income tests.
- Medicare, Supplementary Medical Insurance (Part B). An estimated \$530 million of the Health Care Financing Administration's 1995 budget for Medicare will be spent on immigrants who meet residency and premium payment requirements.
- Social Security, Old Age, Survivors, and Disability Insurance (OASDI). An estimated \$4.9 billion of the Social Security Administration's budget in 1995 for OASDI will provide benefits to immigrants who qualify as retired, survivor or disability beneficiaries.
- Refugee Resettlement. The program provides cash, medical assistance and social services to eligible, newly arrived refugees. The 1995 budget proposes \$414 million for the program. This represents a 82-percent increase from the Bush 1993 budget.

THE WHITE HOUSE
WASHINGTON



Carol -

Communications decided that it will only include 4 or so Q+As on immigration for the President. At this moment (Tues 8pm) Barry Toiv is finalizing.

Jake Stewart, who has been Communications immigration point-of-contact assures me that he will make sure that Dee Dee + Mark have everything that they need of this material.

I am also attaching background Q+As + material that are being provided to Alice Rivlin. There was a session to prepare her for her testimony on Monday afternoon. Obviously, she is more likely to field questions about the Urban Institute study and reimbursement issues.

I am planning on going over to see how the testimony goes in the morning.

Steve

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

02-Aug-1994 05:51pm

TO: Stephen C. Warnath
FROM: Richard L. Siewert
 Office of Communications

SUBJECT: IMMIGRATION Q & A -- FYI

Steve

I am waiting on Tom Epstein for some answers on political issues surrounding the California initiatives. Let me know if you have any questions.

Jake

**POSSIBLE QUESTIONS AND ANSWERS ON IMMIGRATION ISSUES
OMB**

Q: The President's Commission on Immigration Reform, headed by Barbara Jordan, is apparently considering the idea of a national identification card to provide a fair way for employers to verify the citizenship status of potential employees. What is your position on the establishment of such a card?

A: It is already unlawful for employers to employ illegal immigrants. I share the Commission's concerns about the need to ensure that this law is enforceable. In fact, I have directed the Immigration and Naturalization Service to redouble its efforts to ensure that employer sanctions laws are aggressively enforced and that employers are provided the necessary tools to maintain compliance. I included additional funds in my 1995 budget to do that as part of a \$368 million investment in improved overall immigration enforcement.

Also, the INS is working to develop new technology for INS documents that will make them more standardized, verifiable, and difficult to counterfeit.

Any recommendation to establish a single fraud-proof employment eligibility document deserves careful consideration. Some concerns have been raised about this idea, particularly with regard to privacy issues. But I look forward to studying the Commission's analysis of this issue, and in the meantime, I intend for this Administration to do whatever we can to enforce the current laws.

Q: What is your position on reimbursements to States of their costs associated with illegal immigration?

A: We recognize that some States are disproportionately affected by illegal immigration and have special burdens as a result. Unfortunately, this Administration inherited a legacy of weak enforcement at the border which permitted millions of undocumented immigrants to enter the country. Our first priority is to strengthen enforcement at the border, and the INS, at my direction, has been making a very aggressive effort to do that -- with some success, I might add. **Indeed, the crime bill conference report provides significant funds, which we requested, for improved border enforcement.**

As for the costs imposed on the States, we have emphasized that the Federal government is willing to establish a strong partnership with the States to resolve these problems. Some have suggested that this problem simply be dropped at the Federal government's doorstep. We believe there is a shared responsibility in this area. We have an obligation to help; at the same time, the Federal government cannot afford simply to provide a blank check.

One very important step that we have taken is to propose, for the first time, that

Congress fund a program to assist states with the cost of putting in prison illegal immigrants who commit felonies in this country. This program has been authorized in the law since 1986, but no previous Administration has proposed to make it real by putting resources into it. We are doing that.

In addition, we want to work with the States to determine what their true costs are, particularly in areas like health and education. Frankly, there are wide variations in how the States add up those costs. But the bottom line is that we want to cooperate and that we want to work with the Congress to address this problem.

Again, though, the first priority for the Federal government must be enforcement at the border. Better enforcement itself will reduce State costs.

Q: What is your position on the availability of Federal benefits for aliens?

Q: What is your position on the California "SOS" immigration initiative on the ballot this November?

ANSWERS TO THESE LAST TWO COMING ON TUESDAY.

Qs & As
Hearing before Immigration Subcommittee
August 3, 1994

Q: Why is the OMB Acting Director appearing today before the Senate on immigration matters? Isn't this is a very unusual appearance?

A: Yes, it is. I am here today because the Administration is clearly committed to working closely with Congress and the States on these difficult fiscal problems due to illegal immigration. As OMB's Acting Director, I am in the position to answer some of these questions of fiscal impact and budget constraints. As you know, my predecessor Leon Panetta took a leadership role in working with the States on this issue and I am committed to continuing that leadership. Furthermore, OMB has been working closely with the Departments of Justice, HHS, and Education on the Urban Institute report which is an attempt to understand the magnitude of this problem for the States using uniform methodology. As you probably also know, Leon Panetta has been named as a defendant in virtually all of the lawsuits filed by the States seeking reimbursements for the cost of illegal immigration.

[Note to the Director : This will definitely be Senator Kennedy's first question. It is intended to satisfy the curiosity of those in the press as to why OMB is so involved with this issue.]

Q: Does the Administration support the immigration provisions in the Crime bill?

A: The Administration is supportive of the provisions in the crime bill which will enable INS and the Department of Justice to invigorate its efforts to control and manage the borders, deport criminal aliens, and reform the asylum system. We are supportive of provisions which provide the greater discretion possible to allow the Administration to allocate those resources to the programs and areas which need the greatest enhancements.

As you know, The President's FY 1995 budget contains \$2.4 billion in funding for the Crime Reduction Trust Fund, of which \$300 million is proposed for immigration initiatives. Specifically, these initiatives for funding from the Crime Fund are:

- o \$181 million to increase border controls by hiring more Border Patrol agents and by significantly improving the technology they need to carry out effectively their responsibilities;
- o \$55 million to deport criminal aliens expeditiously;
- o \$64 million for reform of the asylum system to protect legitimate refugees and to deport those who abuse the system;

We also support the \$1.8 billion in authorization provided for funding incarceration of undocumented criminal aliens.

We appreciate the support so far for most of these programs by both the Senate and the House. We hope that the Conferees to the Commerce, State, Justice, and Judiciary Appropriations will continue support the President's programs as submitted in our FY 1995 Budget request.

Q: When will the Urban Institute Report be available?

A: The UI report is expected to be available around Labor Day. It is undergoing technical review by outside reviewers as well as agency review. It has been delayed in part because of some problems with data collection. We will make the report available to Congress immediately upon release.

Q: Could you please tell us some of the report's findings about the States' costs due to illegal immigration?

A: The report is still not final at this time, so I do not have specific information to offer the committee. However, I will emphasize that the study is not limited to estimates of three costs. It also provides estimates of three sources of revenue. We asked the UI researchers to review the costs imposed by undocumented aliens in the areas of: 1) Medicaid, 2) incarceration, and 3) education. We also asked that they review the revenues generated by undocumented aliens from: 1) State sales, 2) income and 3) property taxes. It is important to remember that unauthorized aliens

As a preview to the report, I would say that this issue of calculating costs and benefits to the States is complicated. It is made even more difficult by the lack of good data in this area. By nature, illegal immigration is hard to capture in statistical terms. This population is for the most part trying to evade public officials and we have to find proxies to measure their impact. I believe the Urban Institute report will provide a uniform methodology to analyze the various states' costs. While it will provide the best data yet in some areas, there will be many elements that require more work. For example, the States' administrative data on Medicaid usage for unauthorized immigrants is incomplete, the alien data bases at INS for identifying illegal aliens are not updated in some cases, and better proxies for school attendance by undocumented students are needed.

Q: Could you please give us a sense of what the Administration's position is on the issue of providing Federal reimbursements to States?

A: The Administration recognizes that some States are disproportionately affected by illegal immigration and have special burdens as a result. We have always emphasized that the Federal government is willing to establish a strong partnership with the States to resolve these problems. There is a shared responsibility. The need for Federal leadership which also relies on the will of States to help solve national problems is consistent with our system of government. In the immigration area, States benefit from the Federal law enforcement but must also share in the responsibility of helping

to reduce the incentives for illegal immigration. States therefore cannot leave 100% of their problem at our doorstep and expect a blank check to cover their budget gaps. My testimony seeks to emphasize that the Federal government is already doing much to help States through better distribution of resources to affected States, through the State Criminal Alien Assistance Program, and through other administrative efforts, such as improved Institutional Hearing Program.

It is important to stress that the Federal government's primary responsibility is in the enforcement of our immigration laws. We have already taken aggressive measures in this regard. We think that the long term solution to the States' fiscal problems is contingent upon our ability to establish controls of illegal immigration.

The Administration is aware that the Commission on Immigration Reform's preliminary recommendations call for some reimbursements to the States. However, it has also set up some conditions for this reimbursement. The first condition is a better accounting of the costs to the States. The Administration is in full agreement with the Commission on that front. We believe that we need to continue working with the Commission and Congress to understand better the magnitude of this problem.

Q: (Senator Feinstein) Does the Administration support my proposed amendment to the Elementary and Secondary Education Act which provides reimbursements to the States for its education costs relating to undocumented students?

A: The Administration has not yet taken a position on this amendment as proposed. However, we are interested in working with the Senator on this issue. As you know, problem education costs and the calculation of these costs is one of the issues that the Urban Institute study will shed some light on. ??

[Note to the Director: We will not taken a position on the Feinstein amendment even though there's some Administration consensus that we would oppose this type of amendments generally. It asks for 95% reimbursements. It may create an incentive for schools to identify and count undocumented students. It also creates a separate program which seeks to provide funding based on immigration status rather than program goals.]

Q: What's the status of the States' lawsuits?

A: The Justice Department can better answer this legal question, but I am informed that the State lawsuits are unlikely to be successful.

[Note to the Director: California has filed two suits: incarceration and education costs, and Florida, New Jersey and Arizona has filed one suit each. Texas is intending to also file suit in the near future. Justice Department has already filed motions to dismiss several of these suits.]

As Leon Panetta has said on several occasions before, we urge the States to work with us. Rather than expending their valuable resources in the courts, we should all be engaged in a productive policy/budget discussion about the relative merits of these States' claims with Congress.

As I said in my testimony, the Administration recognizes these States special burdens and we are already doing more than previous administrations to help solve their problems.

Q: I know that the Commission has just presented its preliminary recommendations, but does the Administration have some initial reactions to these recommendations?

A: We are in general agreement with the goals and principals articulated by the Commission today. We also agree specifically with the Commission that the number one priority for Congress and the Administration is in creating a strong immigration enforcement system against unauthorized aliens. We have to do so not just at our land border but at the airport and sea ports as well. The Commission's recommendations are generally supportive of the Administration's comprehensive plan that Doris Meissner and the Attorney General have articulated.

Of course, we will need to await the Commission's report, due on September 30, before commenting further.

[Note to the Director: ke to Congress in its

September t report. However, these recommendations will be made public on August 3rd when Barbara Jordan testifies before the Senate Judiciary Subcommittee on Immigration.

This is a summary of CIR recommendations:

- o Basic principals:*
 - 1. national interest to manage immigration*
 - 2. legal immigration continues to be a strength of this country*
 - 3. illegal immigration is unacceptable*
- o Immediate agenda is to effectively prevent and deter unlawful immigration*
- o Long term goal is to anticipate challenges of the next century*
- o Policy needs articulation of goals and objectives; realistic and achievable strategy to meet goals; internal logic and consistency; and effective implementation and enforcement of policies to meet goals.*

- o *Must develop a comprehensive approach :*
 1. *border management*
 2. *better worksite enforcement*
 3. *coherent benefits policy*
 4. *quick and effective response to emergencies*
 5. *effective apprehension and removal procedures*
 6. *identify categories of illegal aliens to be given priority attention*
 7. *Federal government should take major fiscal responsibility for addressing adverse impact – support a package of impact aid to assist States and localities*
 8. *attack root causes of illegal immigration – require international cooperation*

Border Management

- o *support INS strategy being tested in El Paso*
- o *support technology, infrastructure, rapid response teams to new smuggling sites, barriers, investigations of civil rights violations, and evaluations.*
- o *support binational discussions with Mexico*
- o *need to improve operations at land ports, relations between INS and Customs*
- o *Support concept of land border user fee to facilitate land border management*
- o *support new technology to expedite airport inspections and cooperative efforts with airlines*
- o *support enhanced penalties for smuggling*

Worksite Enforcement

- o *develop simpler, more fraud-resistant system to verify work authorization – a counterfeit resistant employment authorization card based on SSN*
- o *require SSA and INS to develop registry, better cross checks, with privacy protection, penalties for civil liberties violations, etc.*
- o *Need greater coordination between INS and DOL to implement employer sanctions – recommend designation of a single agency*
- o *new coordination mechanisms to promote federal/state cooperation in sanctions enforcement*

Benefits Eligibility and Fiscal Impact

- o *need clear and consistent policy on immigrant eligibility for public benefits – illegal should not be eligible for any services except on emergency basis – Federal policies should enable states to limit benefits on the same basis*
- o *verification for benefits is an essential part of this credible enforcement policy*
- o *safety net should be available to legal immigrants but sponsors should retain responsibility and this system should be legally enforceable*
- o *illegal immigration poses fiscal burdens on States and the Federal government should assume responsibility for certain of these burdens.*

- o Aid should be provided contingent upon better measurement of impact. Impact aid should be provided on interim basis while we regain control of our borders. States should be required to cooperate with Federal government. Impact aid be aimed specifically at criminal justice, education, and medical costs.*
- o Recommends augmenting federal reimbursements to Medicaid (now at 50-79%)*
- o This is temporary impact aid and States should not become dependent on it.*

Removals of Criminal Aliens

- o Support IHP as an effective mechanism for ensure deportation of criminal aliens*
- o Interior deportation is preferred. Need coordination with Mexican government.*
- o Support use of bilateral treaties*
- o INS Investigations need resources to identify criminal aliens*

Curtail Illegal Immigration at Source

- o Recommend strengthening multilateral capacities to address pressures for illegal immigration.]*

[Note to the Director : the Administration is also preparing a President's Report on Immigration. This is due to Congress on September 30, 1994. It is a requirement of the Immigration Act of 1990.]

Q: Specifically, what is the Administration's position on the Commission's recommendation to improve the nation's employment verification system?

A: The Administration shares the Commission's concerns that easily produced fraudulent documents undermine the effectiveness of employer sanctions and that the verification system must be strengthened.

Any recommendations to establish a single fraud-proof employment eligibility document deserves careful consideration. The President has asked the AG and the Secretary of HHS to assess the advantages and disadvantages of utilizing such a document, the cost of developing and issuing it, and the means of ensuring civil rights and privacy.

[Note to the Director : The issue is very sensitive for Hispanic groups and the civil rights community in general. A story about the National ID card leaked to the Press a few weeks ago and the Commission has since then attempted to clarify the proposal. While the recommendations we have heard is for the establishment of a national registry and a standard fraud-resistant card, the Commission will mostly retract somewhat and recommend instead some pilot projects in the heavily affected States to test several options for implementation.]

In the interim, the President has directed INS to redouble its efforts to ensure that employer sanctions laws are aggressively enforced and that employers are provided the necessary tools to maintain compliance. The Justice Department has proposed legislation to reduce the number of documents that can be accepted as proof of employment eligibility. INS is also developing new technology for INS documents that will make them more standardized, verifiable, and difficult to counterfeit.

Q: What's the Administration's position on the availability of Federal benefits for aliens?

A: In most cases, illegal aliens are not eligible for Federal benefits, except in emergency situations. However, given the complexities of the immigration laws and the multiple categories of aliens, Federal benefits regulations have in the years past developed broader categories of eligibility for certain groups of aliens in limbo immigration statuses. This so call PRUCOL issue has been a complicating factor in our discussions about eligibility. However, the Administration is proposing to make uniform the availability of SSI, AFDC, Medicaid, and Food Stamp to aliens in the context of health care and welfare reform.

The Administration supports the availability of benefits to eligible legal immigrants. In the President's Welfare Reform proposal, we have proposed

DRAFT

INITIAL PROPOSED APPROACH TO PUBLIC RESPONSE

At its most basic level, our response strategy should take the following direction:

1. Agreement with the principles and goals articulated by the Commission.

2. Highlight the Commission's recommendations that support Administration initiatives and accomplishments.

3. Include a statement of our commitment to continuing to give these ideas careful study and that we look forward to reviewing the Commission's underlying analysis when its report is published in September. We also look forward to working with Congress, States and localities and others to continue to build on our work towards a comprehensive approach to dealing with illegal immigration.

4. Respond as necessary to several of the recommendations that may require a more specific response. The most likely issues are:

a. The verification issue -- we agree with the need to make changes to the present approach and strengthen employee verification and reduce fraud. However, any recommendation that requires a national registry or national card must be given the closest possible scrutiny to satisfy concerns about costs to taxpayers, implementation complexities, privacy and civil liberty concerns, etc.

b. The border crossing fee -- an idea that will be given serious consideration and a thorough review

c. State cost reimbursement, we will want to articulate our position that these costs are a shared responsibility with the States and we probably should refer to the nearly-finished Urban Institute study and the need to review its final findings.

July 15, 1994

Talking Points in Immigration Issues
National Governors' Association Meeting

- o My Administration inherited a difficult and persistent immigration problem. It has spawned a rising tide of negative sentiment against illegal immigrants and calls for stricter and more effective border enforcement.
- o In order to maintain fiscal and economic security and turn the rising tide of negative sentiment against all immigrants, the Federal government must take aggressive measures to secure the border and curb illegal immigration. From its inception my Administration has placed a high priority on immigration issues and has worked hard to develop and refine a comprehensive plan to reform the immigration system.
- o Last July, I announced a \$172 million plan to control the border, prevent alien smuggling and improve the immigration system's ability to curb asylum abuses. This program is being implemented now. For example:
 - The Immigration and Naturalization Service (INS) will have hired 350 new Border Patrol agents by the end of September and will have redeployed another 270 agents currently assigned to clerical tasks to work at the border.
 - The Department of Justice (DOJ) has proposed comprehensive asylum reforms to eliminate the immigration "magnet effect" of easy work authorizations and to provide prompt and fair adjudication for applicants.
- o I continued this effort with a \$368 million request for immigration-investment in the 1995 budget. Three hundred million dollars of the total is proposed for funding from the a new "Violent Crime Reduction Trust Fund" in the pending Crime bill. The largest single element of this plan is \$181 million to hire more Border Patrol agents and to significantly improve the technology they need to meet their responsibilities. Also the plan would provide \$55 million to deport criminal aliens expeditiously and \$64 million to reform the asylum system to protect legitimate refugees and to deport those who abuse our humanitarian system of asylum.
- o As you know, the Congress is now moving forward with the various appropriations bills. The prospects of success for this element of our immigration plan is good. Both the House and the Senate have adopted almost all of these proposals, which will ensure that our comprehensive immigration strategy will have a chance to succeed.
- o For some States, the cost of illegal immigration have reached critical levels. Florida, California and Arizona have filed lawsuits arguing for Federal reimbursement for the cost of providing services to illegal immigrants. The Justice Department is moving to dismiss these suits.

- o We have, however, attempted to be responsive to States' concerns about the fiscal impact of illegal immigration. In January, Leon Panetta, along with Attorney General Reno and Secretary Shalala, met with the Governors of the seven most heavily affected States (Arizona, California, Florida, Illinois, New Jersey, New York, and Texas). He pledged that the Federal government would work closely with the States to review their concerns and to identify potential solutions. In March the Justice Department engaged the Urban Institute to evaluate the costs to States for incarceration, Medicaid, and education areas, using uniform standards. The States have been cooperative, and this report is now in the final stages, and will be released this summer.
- o The findings from this analysis will be critical to the continuing discussions on the issue of fiscal relief. I would emphasize that while we are sympathetic to the States' concerns, it is critical to ensure that States not use this issue to create a divisive environment. Ultimately, the answer lies in a strong partnership between Federal and State governments to meet this shared responsibility.
- o The Federal government has already attempted to help States as much as possible in these tight budgetary times with a variety of investments. My administration proposed \$25 billion in the 1995 budget to meet immigration and immigrant needs. This is a 32 percent increase above the last budget request of the previous administration (1993).
- o In the area of criminal aliens, my Administration has moved aggressively to work with States to address their concerns. In April, we sent to Congress a \$350 million 1995 budget amendment to help States pay for the costs of incarcerating illegal aliens.
- o We are working with Congress to fund this program but, to date, the Congress has not funded it. We badly need state support in convincing Congress that this is a worthy expenditure.
- o In short, my Administration is taking the illegal immigration issue very seriously. I want you to know that I will work closely with you to get the resources to the borders to stop illegal immigration, provide asylum to those in need, naturalize those who want to join our citizenry, and deport criminal aliens promptly.

THE ADMINISTRATION'S IMMIGRATION PROGRAM: AN AGENDA FOR CHANGE

Beginning with the announcement of the President's anti-smuggling initiative last June and broader enforcement proposals unveiled in July, the Administration has developed a comprehensive immigration agenda. Taken together, these initiatives significantly strengthen the nation's ability to manage the immigration system effectively.

The Administration's initiatives include:

Southwest Border Enforcement

- A Multi-Year Plan, Beginning in FY 94, for Preventing Illegal Entry at the Southwest Border and Facilitating Legal Entry that includes adding 1,010 new and experienced Border Patrol agents on the line by the end of 1995 and supporting their efforts with new and enhanced technology and automation.
- Anti-Smuggling Provisions in Proposed Legislation that will significantly increase the government's ability to detect, prosecute and dismantle organized crime operations engaged in smuggling aliens.
- Citizens' Advisory Panel (CAP), being convened by the Commissioner of the Immigration and Naturalization Service (INS) to review civilian complaints against INS employees, to assess systems and procedures for responding to such complaints, and to provide recommendations to the Attorney General on ways to eliminate the causes of legitimate complaints.

Detection and Removal of Criminal Aliens

- The Institutional Hearing Program (IHP), a cooperative state and federal effort, that permits INS to obtain final orders of deportation before convicted criminal aliens complete their prison sentences, thus speeding their removal upon release. IHP programs in California and New York have been models that INS will duplicate elsewhere.
- An Innovative Memorandum of Understanding (MOU) Between Florida and the INS to Expedite the Deportation of up to 500 Criminal Aliens through the governor's authority to commute sentences of non-violent criminals.
- The Mexican Transfer Treaty Program Allowing for the Largest Ever Transfer of Criminal Aliens to Mexico to complete their sentences there.
- The Law Enforcement Support Center Pilot Program, provides a powerful tool for identifying and processing suspected criminal aliens by giving state and local law enforcement agencies a 24-hour contact with INS computerized records.

Asylum Reform

- In March, INS Proposed New Regulations that will Streamline the Asylum System with the goal of granting asylum and work authorization within 60 days to meritorious claimants, and completing adjudication of claims that do not meet asylum requirements within 180 days without granting work authorization. The Number of Asylum Officers Will Be Doubled and One-Third More Immigration Judges Will Be Added.

Employer Sanctions

- Employer Sanctions Enforcement Program will be Strengthened to Include Increased Measures to Combat Fraudulent Document Purveyors, Expanded Telephone Verification Services for Employers, and Additional Personnel for Anti-Discrimination Compliance.

Naturalization

- Funding for Naturalization will permit INS to encourage and promote naturalization through additional INS staff to handle increased applications, public education programs, and cooperative agreements with community-based groups.

Costs of Illegal Immigration

- The Office of Management and Budget is Coordinating an Analysis of the Costs of Immigration to the States. This study involves the seven states most heavily impacted by illegal immigration (California, New York, Florida, Texas, New Jersey, Illinois and Arizona).
- The President Has Submitted a FY 95 Budget Amendment to Congress to Establish a \$350 million State Criminal Alien Assistance Program within the Department of Justice. This program will assist those states with proportionately high numbers of illegal alien prisoners to meet the costs of incarceration.
- INS is Providing Assistance to Federal and State Agencies to Verify Immigrants' Eligibility for Welfare and Other Benefits. INS is working closely with the Federal Emergency Management Administration and California's Department of Motor Vehicles to develop verification procedures to aid those agencies in implementing new legislation requiring applicants for federal disaster relief and California drivers' licenses to show proof of lawful presence in the United States.

Modernizing INS

- The Administration Is Supporting Funding for Broad-Based Infrastructure Improvements. Long-needed investments in automation and new technology support all of the initiatives described above and will greatly increase the Service's productivity and effectiveness. Key components include implementing an INS service-wide information highway that will integrate a variety of enhanced automated data bases, improving electronic linkage of information among INS, Department of State, and Customs to prevent entry of individuals who should not be allowed in the U.S., and enhancing positive identification of persons and prevention of document fraud by incorporating biometric information on INS documents.

Presidential Appointment to the Commission on Immigration Reform

- The President has appointed a distinguished Chair to the Commission on Immigration Reform, Congresswoman Barbara Jordan. This Congressionally mandated body that is examining the impact of current immigration law and policy, will make its first recommendations to Congress in September 1994.

(A) One member who shall serve as Chairman, to be appointed by the President.

(B) Two members to be appointed by the Speaker of the House of Representatives who shall select such members from a list of nominees provided by the Chairman of the Committee on the Judiciary of the House of Representatives.

(C) Two members to be appointed by the Minority Leader of the House of Representatives who shall select such members from a list of nominees provided by the ranking minority member of the Subcommittee on Immigration, Refugees, and International Law of the Committee on the Judiciary of the House of Representatives.

(D) Two members to be appointed by the Majority Leader of the Senate who shall select such members from a list of nominees provided by the Chairman of the Subcommittee on Immigration and Refugee Affairs of the Committee on the Judiciary of the Senate.

(E) Two members to be appointed by the Minority Leader of the Senate who shall select such members from a list of nominees provided by the ranking minority member of the Subcommittee on Immigration and Refugee Affairs of the Committee on the Judiciary of the Senate.

(2) Initial appointments to the Commission shall be made during the 45-day period beginning on October 1, 1991. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(3) Members shall be appointed to serve for the life of the Commission, except that the term of the member described in paragraph (1)(A) shall expire at noon on January 20, 1993, and the President shall appoint an individual to serve for the remaining life of the Commission.

(b) FUNCTIONS OF COMMISSION.—The Commission shall—

(1) review and evaluate the impact of this Act and the amendments made by this Act, in accordance with subsection (c); and

(2) transmit to the Congress—

(A) not later than September 30, 1994, a first report describing the progress made in carrying out paragraph (1), and

(B) not later than September 30, 1997, a final report setting forth the Commission's findings and recommendations, including such recommendations for additional changes that should be made with respect to legal immigration into the United States as the Commission deems appropriate.

(c) CONSIDERATIONS.—

(1) PARTICULAR CONSIDERATIONS.—In particular, the Commission shall consider the following:

(A) The requirements of citizens of the United States and of aliens lawfully admitted for permanent residence to be joined in the United States by immediate family members and the impact which the establishment of a national level of immigration has upon the availability and priority of family preference visas.

(B) The impact of immigration and the implementation of the employment-based and diversity programs on labor needs, employment, and other economic and domestic conditions in the United States.

(C) The social, demographic, and natural resources impact of immigration.

(D) The impact of immigration on the foreign policy and national security interests of the United States.

(E) The impact of per country immigration levels on family-sponsored immigration.

(F) The impact of the numerical limitation on the adjustment of status of aliens granted asylum.

(G) The impact of the numerical limitations on the admission of nonimmigrants under section 214(g) of the Immigration and Nationality Act.

(2) DIVERSITY PROGRAM.—The Commission shall analyze the information maintained under section 203(c)(3) of the Immigration and Nationality Act and shall report to Congress in its report under subsection (b)(2) on—

(A) the characteristics of individuals admitted under section 203(c) of the Immigration and Nationality Act, and

(B) how such characteristics compare to the characteristics of family-sponsored immigrants and employment-based immigrants.

The Commission shall include in the report an assessment of the effect of the requirement of paragraph (2) of section 203(c) of the Immigration and Nationality Act on the diversity, educational, and skill level of aliens admitted.

(d) COMPENSATION OF MEMBERS.—(1) Each member of the Commission who is not an officer or employee of the Federal Government is entitled to receive, subject to such amounts as are provided in advance in appropriations Acts, pay at the daily equivalent of the minimum annual rate of basic pay in effect for grade GS-18 of the General Schedule. Each member of the Commission who is such an officer or employee shall serve without additional pay.

(2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence.

(e) MEETINGS, STAFF, AND AUTHORITY OF COMMISSION.—The provisions of subsections (e) through (g) of section 304 of the Immigration Reform and Control Act of 1986 shall apply to the Commission in the same manner as they apply to the Commission established under such section, except that paragraph (2) of subsection (e) thereof shall not apply.

(f) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this section.

(2) Notwithstanding any other provision of this section, the authority to make payments, or to enter into contracts, under this section shall be effective only to such extent, or in such amounts, as are provided in advance in appropriations Acts.

(g) TERMINATION DATE.—The Commission shall terminate on the date on which a final report is required to be transmitted under subsection (b)(2)(B), except that the Commission may continue to function until January 1, 1998, for the purpose of concluding its activities, including providing testimony to standing committees of Congress concerning its final report under this section and disseminating that report.

(h) CONGRESSIONAL RESPONSE.—(1) No later than 90 days after the date of receipt of each report transmitted under subsection (b)(2), the Committees on the Judiciary of the House of Representatives and of the Senate shall initiate hearings to consider the findings and recommendations of the report.

(2) No later than 180 days after the date of receipt of such a report, each such Committee shall report to its respective House its oversight findings and any legislation it deems appropriate.

(i) PRESIDENTIAL REPORT.—The President shall conduct a review and evaluation and provide for the transmittal of reports to the Congress in the same manner as the Commission is required to conduct a review and evaluation and to transmit reports under subsection (b).

SEC. 142. STATISTICAL INFORMATION SYSTEM.

[Omitted; added subsections (c) and (d) to section 103.]

Subtitle D—Miscellaneous

SEC. 151. REVISION OF SPECIAL IMMIGRANT PROVISIONS RELATING TO RELIGIOUS WORKERS (C SPECIAL IMMIGRANTS).

(a) IN GENERAL.—[Omitted; revised subparagraph (C) of section 101(a)(27) in its entirety.]

(b) REFERENCE TO NEW NONIMMIGRANT CLASSIFICATION.—For establishment of nonimmigrant classification for religious workers, see section 209.

SEC. 152. SPECIAL IMMIGRANT STATUS FOR CERTAIN ALIENS EMPLOYED AT THE UNITED STATES MISSION IN HONG KONG (D SPECIAL IMMIGRANTS).

(a) IN GENERAL.—Subject to subsection (c), an alien described in subsection (b) shall be treated as a special immigrant described in section 101(a)(27)(D) of the Immigration and Nationality Act.

(b) ALIENS COVERED.—An alien is described in this subsection if—

(1) the alien is—

(A) an employee at the United States consulate in Hong Kong under the authority of the Chief of Mission (including employment pursuant to section 5913 of title 5, United States Code) and has performed faithful service as such an employee for a total of three years or more, or

(B) a member of the immediate family (as defined in 6 Foreign Affairs Manual 117k as of the date of the enactment of this Act) of an employee

⁸ Subsection (i) was added by § 302(c)(1)(D) of the Miscellaneous and Technical Immigration and Naturalization Amendments of 1991 (P.L. 102-232, Dec. 12, 1991, 105 Stat. 1744).

IMMIGRATION ISSUES

Near Term (Now to October)

- o Commission on Immigration Reform recommendations - Administration responses - preliminary recommendations will be presented by Barbara Jordan on August 3rd before Senate Judiciary
- o Alice Rivlin testimony on August 3rd before Senate Judiciary
- o President's immigration report to Congress due on September 30th
- o Fiscal impact of illegal immigration study - rollout message and longer term policy and budget implications - Week of August 8th
- o Feinstein amendment to Education reauthorization bill to reimburse for costs of educating undocumented students - now!
- o CJS Appropriations and the State Criminal Alien Assistance Program - Conference next week
- o Immigration amendments to any relevant appropriations or authorization bills - Republican Immigration Task Force strategy - HHS, HUD, AG, SBA, etc. - on-going
- o HUD regulation to restrict assistance to non-citizens - Mid-August
- o Final asylum reform regulation - September
- o Save Our State Initiative in California

Longer term

- o Welfare reform and health care reform - generally, benefits eligibility issues
- o Border control and illegal immigration control - need to show progress
- o Workplace enforcement - jobs the biggest magnet for illegal immigration
- o Developing reliable and effective work and benefit eligibility verification systems
- o Criminal alien strategy - Institutional Hearing Program
- o Border crossing fee - Administration position
- o International migration and refugee policy

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National Governors' Associating Meeting**

- o **My Administration inherited a difficult and persistent immigration problem. It has spawned a rising tide of negative sentiment against illegal immigrants and calls for stricter and more effective border enforcement.**
- o **In order to maintain fiscal and economic security and turn the rising tide of negative sentiment against all immigrants, the Federal government must take aggressive measures to secure the border and curb illegal immigration. From its inception my Administration has placed a high priority on immigration issues and has worked hard to develop and refine a comprehensive plan to reform the immigration system.**
- o **Last July, I announced a \$172 million plan to control the border, prevent alien smuggling and improve the immigration system's ability to curb asylum abuses. This program is being implemented now. For example:**
 - **The Immigration and Naturalization Service (INS) will have hired 350 new Border Patrol agents by the end of September and will have redeployed another 270 agents currently assigned to clerical tasks to work at the border.**
 - **The Department of Justice (DOJ) has proposed comprehensive asylum reforms to eliminate the immigration "magnet effect" of easy work authorizations and to provide prompt and fair adjudication for applicants.**
- o **I continued this effort with a \$368 million request for immigration-investment in the 1995 budget. Three hundred million dollars of the total is proposed for funding from the a new "Violent Crime Reduction Trust Fund" in the pending Crime bill. The largest single element of this plan is \$181 million to hire more Border Patrol agents and to significantly improve the technology they need to meet their responsibilities. Also the plan would provide \$55 million to deport criminal aliens expeditiously and \$64 million to reform the asylum system to protect legitimate refugees and to deport those who abuse our humanitarian system of asylum.**
- o **As you know, the Congress is now moving forward with the various appropriations bills. The prospects of success for this element of our immigration plan is good. Both the House and the Senate have adopted almost all of these proposals, which will ensure that our comprehensive immigration strategy will have a chance to succeed.**
- o **For some States, the cost of illegal immigration have reached critical levels. Florida, California and Arizona have filed lawsuits arguing for Federal reimbursement for the cost of providing services to illegal immigrants. The Justice Department is moving to dismiss these suits.**

- o We have, however, attempted to be responsive to States' concerns about the fiscal impact of illegal immigration. In January, Leon Panetta, along with Attorney General Reno and Secretary Shalala, met with the Governors of the seven most heavily affected States (Arizona, California, Florida, Illinois, New Jersey, New York, and Texas). He pledged that the Federal government would work closely with the States to review their concerns and to identify potential solutions. In March the Justice Department engaged the Urban Institute to evaluate the costs to States for incarceration, Medicaid, and education areas, using uniform standards. The States have been cooperative, and this report is now in the final stages, and will be released this summer.
- o The findings from this analysis will be critical to the continuing discussions on the issue of fiscal relief. I would emphasize that while we are sympathetic to the States' concerns, it is critical to ensure that States not use this issue to create a divisive environment. Ultimately, the answer lies in a strong partnership between Federal and State governments to meet this shared responsibility.
- o The Federal government has already attempted to help States as much as possible in these tight budgetary times with a variety of investments. My administration proposed \$25 billion in the 1995 budget to meet immigration and immigrant needs. This is a 32 percent increase above the last budget request of the previous administration (1993).
- o In the area of criminal aliens, my Administration has moved aggressively to work with States to address their concerns. In April, we sent to Congress a \$350 million 1995 budget amendment to help States pay for the costs of incarcerating illegal aliens.
- o We are working with Congress to fund this program but, to date, the Congress has not funded it. We badly need state support in convincing Congress that this is a worthy expenditure.
- o In short, my Administration is taking the illegal immigration issue very seriously. I want you to know that I will work closely with you to get the resources to the borders to stop illegal immigration, provide asylum to those in need, naturalize those who want to join our citizenry, and deport criminal aliens promptly.

JUL 27 REC'D

July 26, 1994

TO: CAROL H. RASCO
FROM: Stephen C. Warnath *scw*
Subject: Recommendations of the Commission on Immigration Reform

I. INTRODUCTION

This memo outlines the major recommendations of the Commission on Immigration Reform. As you know, these recommendations will be made public for the first time when Barbara Jordan testifies on August 3rd.

The Commission is still working on its recommendations. Those identified in this memo are based upon material provided and briefings by Commission staff and will be subject to some modification when the Commission meets prior to the testimony. The Commission has indicated repeatedly that it does not want its report to become just a "book on the shelf." Thus, it has requested that we identify any particularly egregious recommendation that would stand no chance of receiving serious consideration in the ensuing policy debate. We have been told that such a recommendation may be revisited by the Commission, and if determined appropriate, possibly modified.

The main purpose of this memo is to assist the determination of whether it makes sense to give the Commission such feedback. To anticipate my conclusions, I find that we should seek to have the Commission's staff clarify several recommendations for the purposes of the testimony and to acknowledge explicitly the possibility of alternative approaches. But we should not attempt to change the Commission's preliminary recommendations.

Recommendations that are likely to receive the most attention and public debate are highlighted in bold.

II. SUMMARY OF COMMISSION RECOMMENDATIONS

The Commission finds that there are certain underlying principles to the development of immigration policy. These principles include:

- It is in the national interest to manage immigration
- Legal immigration is a strength of this country
- Illegal immigration is unacceptable

A significant portion of the findings and recommendations will support present Administration immigration efforts. Nevertheless, the Commission concludes that the United States does not have a credible comprehensive approach to fighting illegal immigration.

A. WORKSITE ENFORCEMENT

- The Commission concludes that there is a need to reduce the lure to many illegal immigrants of employment in the United States by developing and implementing a simpler, more fraud-resistant system for verifying authorization for work. In examining the options for improving verification, the Commission determined that the most secure, non-discriminatory form of verification is a computerized registry which would be accessed by a counterfeit-resistant employment authorization card based on social security numbers. The process would be phased-in and would apply to citizens and aliens alike. This, of course, is the Commission's recommendation that garnered all of the heated publicity about a National I.D., although the Commission denies that it should be viewed as such.

The Commission's staff is continuing to consider other alternatives. They are deliberating now on whether to recommend that the President establish pilot programs (pursuant to existing law) in the five States where this is the greatest problem. The Federal and State governments would discuss and negotiate how the system would work in each State. One State might do a verification system linked to the motor vehicle system, while another used a form of telephone verification. There are obvious advantages to utilizing a limited number of States as laboratories for developing a better approach to fraud-resistant verification that might not implicate privacy and individual liberties concerns to the same extent as the proposed national registry and employment authorization card.

The staff's continued attention to this proposal has been prompted by the reaction to concerns about a "National I.D." By decentralizing the verification effort, the Commission's staff hopes to avoid the "big brother" label (although it may just shift it from the Federal government to State governments). The staff points out that if the decentralized approach works in these five

States then it may not be necessary to expand to the rest of the country.

The staff is interested in any thoughts we might have on this idea instead of the national registry approach.

The Commission further recommends:

- Improving coordination between INS and the Labor Department. Also, more vigorous enforcement of employer sanctions and labor sanctions is needed.
- Apply federal sanctions to the federal government as employer.
- New coordination of mechanisms to promote Federal and State cooperation in the enforcement of employer sanctions and labor sanctions.

B. BORDER MANAGEMENT

1. Land Borders

The Commission supports the INS strategy, being tested in El Paso, of emphasizing prevention of illegal entry at the border, rather than apprehension following illegal entry. It supports increased staff, technology and infrastructure to permit effective deterrence. It recommends:

- Improved coordination between U.S. and Mexican governments.
- Improving operations for legal entry.
- Utilizing a border crossing or "land user" fee to facilitate border management activities. The details, such as the amount, remain to be determined.

2. Air Borders

The Commission basically supports present strategies at U.S. airports to prevent illegal immigration.

3. Management

The Commission supports the National Performance Review recommendation that improved coordination between INS and Customs is needed.

C. BENEFITS ELIGIBILITY

- Illegal aliens should not be eligible for any services or assistance except those made available on an emergency basis or for similar compelling reasons to protect the health and safety of the general public or conform to Constitutional requirements. The Commission recommends that verification for benefit eligibility use the same approach as for worksite verification.

- Legal immigrants should be eligible for needs-based benefits.

- There should be consistency in treatment of immigration legal statuses by defining categories eligible by statute.

- Efforts should be made to enforce and enhance the public charge provisions of existing immigration law.

- Illegal immigrants in "mixed households" (with both legal and illegals) would permit only legal to be eligible.

D. STATE AND LOCAL IMPACT -- COST REIMBURSEMENT

- Credible immigration policies require the federal government to take major fiscal responsibility for addressing the impact of illegal immigration in certain areas: i.e. impact aid for incarceration, education and medical costs.

As an interim step the Commission recommends impact aid to assist states and localities contingent upon State and local assistance in enforcement of U.S. immigration law, procedures for better measuring the costs incurred by states and localities, and mechanisms to ensure that states do not become dependent on these sources of funds.

E. REMOVAL AND DETENTION OF CRIMINAL ALIENS

- The Commission generally calls for more resources to be deployed and supports INS' present efforts. It supports IHP now being utilized for ensuring deportation of criminal

aliens.

- It recommends interior deportation, requiring increased coordination with Mexico.
- The Commission will issue a separate report on exclusion and deportation issues in FY 1995.

F. IMMIGRATION EMERGENCY

- The Commission finds that the U.S. lacks an effective plan and capacity to respond to an immigration emergency. (This seems like an odd assessment since there is a new proposed emergency plan and it seems unlikely that the Commission has reviewed it. Indeed, I understand that there are tabletop exercises planned for the near future to assist in determining its effectiveness.)
- The Commission will issue a separate report on this in FY 1995.

G. CURTAILING UNLAWFUL IMMIGRATION AT THE SOURCE

The Commission recommends:

- Giving priority to foreign policy and international economic policies, and coordinated efforts to work toward reduction of the causes of illegal immigration to the U.S.
- Strengthening intelligence-gathering ability.

III. RECOMMENDED RESPONSE TO COMMISSION STAFF

The foregoing shows clearly that there are Commission recommendations that may depart from specific approaches that this Administration will take or which are particularly likely to attract Congressional/public/media attention.

The fact that the Commission and the Administration may not come out in the same place on all recommendations does not lead me to conclude that we should attempt to get the Commission to drastically modify their conclusions at this point.

Instead we should:

1) Generally, express concern that the Commission may leave the impression that there are no viable alternatives to implementing its recommendations to achieve the objectives of controlling illegal immigration. For example, an effective and comprehensive immigration policy may or may not include a border crossing fee. The possibility of reasonable alternatives should be acknowledged by the Commission.

2) Ask that the Commission engage in something of a fiscal reality check by prioritizing recommendations that require funding. At present, the recommendations requiring Federal budget outlays are simply stated as though it is possible to do everything.

3) Clarify whether the Commission is unaware of the Administration's substantial work on emergency planning.

4) Request that the Commission express clearly in its testimony the reservations it has articulated in briefings about enhanced federal reimbursement for State costs. The Commission, for example, makes the recommendation contingent upon acquiring better data which presupposes that the better data will support increased federal reimbursement. Also, we should request that the Commission clarify that it is not calling for full cost reimbursement.

Doris Meisner is planning to speak with Susan Martin, the Executive Director of Commission, prior to the date of Barbara Jordan's testimony. In addition, Ms. Martin is tentatively scheduled to discuss the recommendations with the agency Chiefs of Staff on Friday. I also will be speaking with her and several departments -- including HHS, Education and Justice -- are providing comments.

IV. INITIAL PROPOSED APPROACH TO PUBLIC RESPONSE

At its most basic level, our response strategy should take the following direction:

1. Agreement with the principles and goals articulated by the Commission.

2. Highlight the Commission's recommendations that support Administration initiatives and accomplishments.

3. Include a statement of our commitment to continuing to give these ideas careful study and that we look forward to reviewing the Commission's underlying analysis when its report is published in September. We also look forward to working with Congress, States

and localities and others to continue to build on our work towards a comprehensive approach to dealing with illegal immigration.

4. Respond as necessary to several of the recommendations that may require a more specific response. For example:

a. Regarding the verification issue, we agree with the need to make changes to the present approach and strengthen employee verification and reduce fraud. However, any recommendation that requires a national registry or national card must be given the closest possible scrutiny to satisfy concerns about costs to taxpayers, implementation complexities, privacy and civil liberty concerns, etc.

b. The border crossing fee is part of the Feinstein bill and is being reviewed carefully by INS and others. (I understand that Secretary Bentsen, among others in the Administration, objects to instituting a fee.)

c. Regarding cost reimbursement, we will want to articulate our position that these costs are a shared responsibility with the States and we probably should refer to the nearly-finished Urban Institute study and the need to review its final findings.

These are my initial thoughts. I have worked closely with Bob Bach and Lin Lui on these issues and ideas. We are continuing to focus a lot of attention on this and will forward additional thoughts to you. We also are preparing a memo that should be ready for you by Monday that will be able to be used to begin the discussion regarding overarching principles for addressing immigration issues generally (the vision thing).

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THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR LEON PANETTA

FROM: Carol H. Rasco *CHR*

SUBJ: Immigration policy development

DATE: July 19, 1994

Action Center - see Times a week

MANDATED REPORT DUE IN SEPTEMBER

The most pressing issue facing us in the sense of timeliness is the President's report due September 30, 1994. He is required by statute to submit a report to Congress on that date, a date that parallels the one required for the report of the bipartisan U. S. Commission on Immigration Reform which Barbara Jordan chairs for us. *Sen Judiciary & Immig. & Ref. Affairs (Kennedy)*

Both of these reports are PROGRESS reports only; final reports are due in 1997.

My staff member Steve Warnath has been meeting with Bob Bach (the new policy person at INS brought on board only last week, is from the Carnegie Foundation) and Lin Lui of OMB. The three of them plan to proceed as follows:

Steve set with press folks - press release next wk

Initial drafting of the progress report will rely primarily on INS staff with other agency involvement as needed. Supervising this effort at INS will be Bob Bach who will be meeting almost daily with Lin and Steve.

The proposed timing is to draft the report by September 9th permitting three weeks to obtain clearance.

The report will focus six to seven of the following areas determined by Bob, Steve, and Lin in recent meetings: Border control/smuggling; internal enforcement actions; costs of illegal immigration; advances in development of INS immigration demographic information; immigration and the labor market/employer sanctions; asylum reform; illegal immigration and housing policy; mass migratoin emergency planning; reinventing INS; and/or criminal aliens. All of these areas can be highlighted with Administration progress.

Conf. call w/ Jordan! Martin

The balance of the report will focus on the process to be used in continuing the progress toward a final report. This will include the reinvigorated and reorganized interagency working group, including a number of subgroups chaired by and comprised of members from relevant agencies.

Finish w/ portion for clearance

INTERAGENCY WORKING GROUP

As stated in a previous memo to you, this group was started in the spring after long delays. Then action ceased due to staffing shortages in INS and personal leave due to illness by the INS Commissioner. With Bob Bach coming on board at INS as referenced above we are back on track. Before calling the group together, Bob, Lin and Steve will be meeting individually over the coming weeks (during the time they are also working on the report) with each agency's working group member to discuss their thoughts about agency-specific and cross-agency immigration issues important to their agencies. These discussions will help to outline the agenda for the full group. It is expected as shown on the timeline attached the full group will meet by September 15. Please note this is preceded by one or two Chiefs of Staff briefings as requested by them as well as a full DPC briefing in August.

One final note regarding the timeline: Barbara Jordan testifies before the Senate Committee on August 3 regarding the Commission's interim report. The Commission is working with our administration team on the content of their interim report in order to have no surprises. I am requesting of scheduling and feel strongly that President Clinton should see Barbara Jordan that day for a brief visit.

Please let me know if you wish to discuss this further.

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July 18, 1994

TO: CAROL H. RASCO
FROM: Stephen C. Warnath *scw*
Subject: The Interagency Working Group on Immigration

This memorandum sets out a proposal to reinvigorate the interagency working group on immigration. As described below, there is reason to believe that this group still can be a valuable, indeed integral, mechanism in the Administration's development of a comprehensive immigration policy.

BACKGROUND

The Council held its first and only meeting in March 1994.

The purpose of the group was two-fold: to discuss and prepare the Administration's response to the Presidential report on immigration due at the end of September; and to provide a forum to discuss and coordinate emerging and significant immigration policy issues to further the Administration's effort to build a comprehensive immigration policy.

While it is too late for this group to have meaningful input into the September report, the need continues for substantial work on the underlying issues. Indeed, the breadth of issues that must be addressed, the majority of which must be addressed sooner rather than later, is formidable.

Nevertheless there are reasons for optimism. Perhaps most importantly, INS hired Robert Bach, an immigration expert from the Carnegie Institute, to serve as Doris Meisner's policy advisor with primary responsibility for the activities of the working group. The DPC's strong collaborative working relationship with Bob and OMB's immigration specialist, Lin Lui, will significantly enhance our ability to build a viable working group.

MEETINGS WITH INDIVIDUAL AGENCIES

As an initial step, we will invite agency immigration representatives to meet with Bob Bach, Lin Lui and me to discuss their thoughts about agency-specific and cross-agency immigration issues that are most important to their agency. We will use this process to identify issues that should be added to the agenda for interagency consultations in the forum provided by the working group. In addition, we think that agencies will be more invested in contributing to the success of the group as a result of

providing an initial opportunity to brainstorm with us about issues of special importance to them.

These meetings will begin immediately.

NEW AGENCY REPRESENTATIVES

One weakness with the initial manifestation of the working group was that not every representative was the most appropriate person in each respective agency to deal with immigration issues.

We need to correct this. However, our efforts will lose some credibility if we ask agencies for a completely new slate of representatives only months after the initial meeting of the group.

We are in a better position now than we were before to help identify the best people in each agency to work on this effort. A better approach, then, will be to invite those people to attend our small-group meetings on behalf of the agency and then to be designated either as the agency representative or as co-representative with the earlier designee, if there is an agency desiring to retain its earlier choice.

MEETINGS OF THE COUNCIL AS A WHOLE

These individualized agency meetings will lead to a meeting of the entire working group. Among its activities, the group will:

- 1) Contribute significantly to the preparation of the President's comprehensive immigration policy;
- 2) Assist in the preparation of the President's final immigration report due September 1997;
- 3) Address cross-agency issues that can be best addressed through a formalized interagency dialogue;
- 4) Facilitate the communication and decisionmaking process for appropriate agency-specific issues that require White House and/or DOJ/INS attention;
- 5) Facilitate pre-clearance process consultation for immigration initiatives. We will strongly encourage early interagency comment and coordination for proposals that will need to go through the OMB clearance process. Ideally, it should be rare for immigration-related initiatives, on public housing regulations concerning undocumented aliens for example, to be seen for the first time during the formal (and usually short) OMB clearance process;

[This will be one of the most challenging things that we do since agencies may be reluctant to allow early involvement by others. In an effort to get off to a good start and build some momentum, I asked INS to let us begin with one of their proposed regulations. Bob Bach was enthusiastic and has taken this back to discuss with Doris.]

6) Facilitate early identification of immigration implications contained in development of the President's other major policy initiatives. The crime bill, health care reform and welfare reform contain significant issues for immigrants, which were properly aired a different stages of policy development;

7) Identify resources that we can tap in the agencies to advance development of immigration policy. This includes locating working groups and individuals within agencies who are working on issues that could support analysis of immigration issues; and

8) Analyze fully the Commission's immigration recommendations.

Obviously, the group's work product will be advisory and will not replace the institutional roles or circumvent the decision-making protocols of the Domestic Policy Council, Department of Justice and INS, or the Office of Management and Budget.

The working group should meet as a whole by September 15, 1994. We could do it before that, but frankly, we should use this time for development of the President's Immigration progress report. We are already behind in its preparation. And, as shown in the timeline below, there will be interagency immigration briefings to the Chiefs of Staffs and the Domestic Policy Council in July and August and we will be meeting with the agency representatives during this period. To that extent, there will be significant interagency activities occurring during this time.

SUBCOMMITTEES

Subcommittees will be organized along two tracks. First, a number of subcommittees will be formed to focus on those issues that are needed to address the issues and recommendations to complete the President's report in 1997. These groups could closely parallel the groups formed by the bipartisan Commission on Immigration Reform.

Second, we will form subgroups to address specific immigration issues that are connected to our own policy development objectives. An example of this might be an expanded

cross-agency analysis of exactly how the Administration's welfare reform proposal effects specific immigration categories.

MATERIAL

We will develop written material -- such as a mission statement and project deadlines -- to focus the work of the group.

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THE WHITE HOUSE
WASHINGTON

Carol,

Let me know if
you approve of going
forward with this proposed
approach.

Thanks,

Stew

July 14, 1994

TO: CAROL H. RASCO
FROM: Stephen C. Warnath *scw*
Subject: President's Report on Immigration

The President is required by statute to submit a report to Congress on September 30, 1994 that parallels the report required of the bipartisan U.S. Commission on Immigration Reform. A copy of the statutory language describing the report is attached.

Congress requires only a **progress report** on this date, not a final report. The final report is due in 1997. Therefore, I recommend the following approach (after discussions with Bob Bach of INS and Lin Lui of OMB and with their agreement): The report should: 1) identify and describe the Administration's progress in addressing a limited number of immigration topics; and 2) describe the process by which we intend to address the remaining issues for the final report.

We propose to address specifically the Administration's progress in at least six - seven of the following areas:

- 1) Border control/smuggling -- The Administration has deployed additional resources and new approaches to strengthen border enforcement and anti-smuggling efforts.
- 2) Internal enforcement actions
- 3) Costs of illegal immigration -- the Urban Institute Study, commissioned by Justice and supervised by OMB, is an ambitious Administration effort to obtain more reliable illegal immigrant cost and revenue figures.
- 4) Advances in development of INS immigration demographic information -- For example, through its demographic work, the INS has demonstrated that a large portion of the illegal immigrant population is the result of visa overstays, not just illegal border crossings. Again, the collection and analysis of data upon which the immigration debate will proceed is being improved.
- 5) Immigration and the labor market/ employer sanctions -- Work is underway on this issue, principally by Labor and INS -- we are checking to see how this work may be adapted to the purposes of the President's report. Preliminary inquiries at Labor indicate that it probably would support including its work product as part of the report.

6) Asylum reform -- Asylum reform efforts have been proceeding. The comment period on reform regulations expired on May 31, 1994.

7) Illegal immigration and housing policy -- Secretary Cisneros and HUD have been addressing certain issues pertaining to housing policy and illegal immigration -- that work has produced proposed regulations. The specifics contained in the regs may be controversial. However, for the purposes of the report, we should consider describing in general terms HUD's progress to address these issues for the first time. This could be done without precommitting to final approval of the proposed regs. If on closer review these regs turn out to be too hot politically, then we won't include HUD's efforts in the report.

8) Mass migration emergency planning

9) Reinventing INS -- INS is in the midst of significant reorganization to improve immigration processes and services, and utilization of resources and technology. We also can refer to the NPR recommendation for reinventing the relationship between INS and Customs which is being implemented, in part, by a functioning working group that includes representatives from these agencies.

10) Criminal Aliens -- Including the Institutional Hearing Process which helps identify criminal aliens and secure orders of deportation for criminal aliens while they are serving their sentences. This has the added advantage of being an example of a successful intergovernmental effort.

11) I have requested a list of DOJ/INS working groups addressing any immigration issues and we will see if we can incorporate any of that work into the report.

The balance of the report would consist of a general description of how we will proceed in continuing the progress toward a final report, including agency activities, cross-agency work, working groups etc. that are making progress on reviewing/addressing issues identified by the statute. That process would include the reinvigorated and reorganized interagency working group, including a number of subgroups chaired by and comprised of members from relevant agencies, to address specific issues.

This proposed approach -- i.e. addressing a more limited range of issues -- is consistent with our understanding of the likely content of the Commission's progress report. I understand that Barbara Jordan was told by Senator Simpson that there was no expectation that the Commission would address anything more than illegal immigration issues in the progress report.

It appears that its report will address approximately six issue areas falling within the jurisdictions of the Commission's six workgroups. The workgroups are:

1) Worksite enforcement -- This workgroup is developing options to address a range of issues concerning worksite enforcement. Three subgroups have already begun deliberations on the following topics: 1) verification of work authorization; 2) strategies to address national origins and citizenship discrimination; and 3) priorities, resources and coordination of employer sanctions, labor standards and other enforcement efforts in the underground economy.

2) Border issues -- This workgroup is focusing on issues related to border enforcement and border relations. The issues include: border enforcement strategies; efforts to improve inspections; the impact of immigration on border communities as distinct from interior locations; and strategies to avert illegal movements from and through Mexico.

3) Immigration Emergencies -- This workgroup is developing options to address issues stemming from unplanned, large-scale migration into the United States, including: prevention and amelioration strategies; contingency planning and emergency response -- temporary protected status, asylum, etc.; return of those granted temporary protection during an immigration emergency; and the impact of immigration emergencies on communities that have experience them.

4) Legal Immigrant and Nonimmigrant Admissions -- This workgroup is assessing the implementation and impact to date of the policy changes made in the Immigration Act of 1990. The workgroup will monitor provisions regarding permanent residents and nonimmigrant.

5) Immigration Status and Program Eligibility -- This workgroup is reviewing information and developing policy options regarding the relationship between immigration status and eligibility for Federal assistance programs. The workgroup will also address issues of costs of assistance provided to aliens who participate in programs supported in part by State and local governments.

6) Detention and Removal of Deportable Aliens -- This workgroup is considering options to improve the federal capacity to remove deportable aliens. Among the issues examined by this workgroup are: detention of excludable and deportable aliens; conditions and terms of release from detention; rules and procedures for determining excludability and deportability; special issues related

to criminal aliens; and return of those provided temporary protection when conditions permit.

In addition to being consistent with the Commission's approach, this strategy will present an opportunity to benefit from the Commission's review and analysis in its progress report as we work on the issues and begin preparation of the President's final report. It should also help to protect the Administration from getting into a premature conflict with the Commission over any of its recommendations.

Finally, as a practical matter it would be quite difficult, if not impossible, to get our arms around the full range of possible immigration topics in the short timeframe and produce a credible report. There is probably more risk to the President by submitting a rushed, ill-considered report that tries to do too much and which will only dilute the strength of reporting meaningful achievement that has been made in some areas. This interim reporting requirement does not reveal a Congressional intent to require the President to have solved all immigration issues by September 1994.

II. METHOD FOR COMPLETING THE REPORT

Initial drafting of the progress report will rely primarily on INS staff with other agency involvement as needed. Supervising this effort day-to-day at INS will be Bob Bach. Bob, Lin Lui and I will be in regular, continuing -- probably daily -- communications to oversee progress on the report. Obviously, this will be a priority for me until the completion of the report.

After September we will use the interagency working group, including the formation of a number of subgroups in a manner similar to the approach taken by the Commission -- to address appropriate immigration issues more comprehensively for preparation of the final report. A forthcoming memo will detail this proposal for you.

III. PROPOSED TIMELINE

The report is due September 30, 1994. The proposed timing is to draft the report by September 9th thereby permitting three weeks to obtain clearance prior to the report's submission. Because the report will be drafted to describe ongoing Administration activities and with an eye to avoiding clearance controversies, we think that clearance within this timeframe should be achievable.

- (A) One member who shall serve as Chairman, to be appointed by the President.
- (B) Two members to be appointed by the Speaker of the House of Representatives who shall select such members from a list of nominees provided by the Chairman of the Committee on the Judiciary of the House of Representatives.
- (C) Two members to be appointed by the Minority Leader of the House of Representatives who shall select such members from a list of nominees provided by the ranking minority member of the Subcommittee on Immigration, Refugees, and International Law of the Committee on the Judiciary of the House of Representatives.
- (D) Two members to be appointed by the Majority Leader of the Senate who shall select such members from a list of nominees provided by the Chairman of the Subcommittee on Immigration and Refugee Affairs of the Committee on the Judiciary of the Senate.
- (E) Two members to be appointed by the Minority Leader of the Senate who shall select such members from a list of nominees provided by the ranking minority member of the Subcommittee on Immigration and Refugee Affairs of the Committee on the Judiciary of the Senate.
- (2) Initial appointments to the Commission shall be made during the 45-day period beginning on October 1, 1991. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.
- (3) Members shall be appointed to serve for the life of the Commission, except that the term of the member described in paragraph (1)(A) shall expire at noon on January 20, 1993, and the President shall appoint an individual to serve for the remaining life of the Commission.
- (b) **FUNCTIONS OF COMMISSION.**—The Commission shall—
- (1) review and evaluate the impact of this Act and the amendments made by this Act, in accordance with subsection (c); and
 - (2) transmit to the Congress—
 - (A) ~~not later than September 30, 1994, a first report describing the progress made in carrying out paragraph (1), and~~
 - (B) not later than September 30, 1997, a final report setting forth the Commission's findings and recommendations, including such recommendations for additional changes that should be made with respect to legal immigration into the United States as the Commission deems appropriate.
- (c) **CONSIDERATIONS.**—
- (1) **PARTICULAR CONSIDERATIONS.**—In particular, the Commission shall consider the following:
- (A) The requirements of citizens of the United States and of aliens lawfully admitted for permanent residence to be joined in the United States by immediate family members and the impact which the establishment of a national level of immigration has upon the availability and priority of family preference visas.
 - (B) The impact of immigration and the implementation of the employment-based and diversity programs on labor needs, employment, and other economic and domestic conditions in the United States.
 - (C) The social, demographic, and natural resources impact of immigration.
 - (D) The impact of immigration on the foreign policy and national security interests of the United States.
 - (E) The impact of per country immigration levels on family-sponsored immigration.
 - (F) The impact of the numerical limitation on the adjustment of status of aliens granted asylum.
 - (G) The impact of the numerical limitations on the admission of nonimmigrants under section 214(g) of the Immigration and Nationality Act.
- (2) **DIVERSITY PROGRAM.**—The Commission shall analyze the information maintained under section 203(c)(3) of the Immigration and Nationality Act and shall report to Congress in its report under subsection (b)(2) on—
- (A) the characteristics of individuals admitted under section 203(c) of the Immigration and Nationality Act, and
 - (B) how such characteristics compare to the characteristics of family-sponsored immigrants and employment-based immigrants.
- The Commission shall include in the report an assessment of the effect of the requirement of paragraph (2) of section 203(c) of the Immigration and Nationality Act on the diversity, educational, and skill level of aliens admitted.

- (d) **COMPENSATION OF MEMBERS.**—(1) Each member of the Commission who is not an officer or employee of the Federal Government is entitled to receive, subject to such amounts as are provided in advance in appropriations Acts, pay at the daily equivalent of the minimum annual rate of basic pay in effect for grade GS-18 of the General Schedule. Each member of the Commission who is such an officer or employee shall serve without additional pay.
- (2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence.
- (e) **MEETINGS, STAFF, AND AUTHORITY OF COMMISSION.**—The provisions of subsections (e) through (g) of section 304 of the Immigration Reform and Control Act of 1986 shall apply to the Commission in the same manner as they apply to the Commission established under such section, except that paragraph (2) of subsection (e) thereof shall not apply.
- (f) **AUTHORIZATION OF APPROPRIATIONS.**—(1) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this section.
- (2) Notwithstanding any other provision of this section, the authority to make payments, or to enter into contracts, under this section shall be effective only to such extent, or in such amounts, as are provided in advance in appropriations Acts.
- (g) **TERMINATION DATE.**—The Commission shall terminate on the date on which a final report is required to be transmitted under subsection (b)(2)(B), except that the Commission may continue to function until January 1, 1998, for the purpose of concluding its activities, including providing testimony to standing committees of Congress concerning its final report under this section and disseminating that report.
- (h) **CONGRESSIONAL RESPONSE.**—(1) No later than 90 days after the date of receipt of each report transmitted under subsection (b)(2), the Committees on the Judiciary of the House of Representatives and of the Senate shall initiate hearings to consider the findings and recommendations of the report.
- (2) No later than 180 days after the date of receipt of such a report, each such Committee shall report to its respective House its oversight findings and any legislation it deems appropriate.
- (i) **PRESIDENTIAL REPORT.**—The President shall conduct a review and evaluation and provide for the transmittal of reports to the Congress in the same manner as the Commission is required to conduct a review and evaluation and to transmit reports under subsection (b).
- SEC. 142. STATISTICAL INFORMATION SYSTEM.
- [Omitted; added subsections (c) and (d) to section 103.]
- ## Subtitle D—Miscellaneous
- SEC. 151. REVISION OF SPECIAL IMMIGRANT PROVISIONS RELATING TO RELIGIOUS WORKERS (C SPECIAL IMMIGRANTS).
- (a) **IN GENERAL.**—[Omitted; revised subparagraph (C) of section 101(a)(27) in its entirety.]
- (b) **REFERENCE TO NEW NONIMMIGRANT CLASSIFICATION.**—For establishment of nonimmigrant classification for religious workers, see section 209.
- SEC. 152. SPECIAL IMMIGRANT STATUS FOR CERTAIN ALIENS EMPLOYED AT THE UNITED STATES MISSION IN HONG KONG (D SPECIAL IMMIGRANTS).
- (a) **IN GENERAL.**—Subject to subsection (c), an alien described in subsection (b) shall be treated as a special immigrant described in section 101(a)(27)(D) of the Immigration and Nationality Act.
- (b) **ALIENS COVERED.**—An alien is described in this subsection if—
- (1) the alien is—
 - (A) an employee at the United States consulate in Hong Kong under the authority of the Chief of Mission (including employment pursuant to section 5913 of title 5, United States Code) and has performed faithful service as such an employee for a total of three years or more, or
 - (B) a member of the immediate family (as defined in 6 Foreign Affairs Manual 117k as of the date of the enactment of this Act) of an employee

* Subsection (i) was added by § 302(c)(1)(D) of the Miscellaneous and Technical Immigration and Naturalization Amendments of 1991 (P.L. 102-232, Dec. 12, 1991, 105 Stat. 1744).

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO LEON PANETTA

FROM: Carol H. Rasco *CHR*

SUBJ: Immigration policy

DATE: July 8, 1994

LEP
CAROL
TALK TO ME
LEON

Please do not be put off by the stack of paper attached. I asked Steve Warnath who has taken over immigration policy work from Donsia Strong to put together quickly the attached two page memo outlining the work going on at this time. He was on his way to a meeting already prearranged with Doris Meissner and Bob Bach, her new policy staff person referenced in the memo.

The additional paper outlines the formation of the interagency group, the memos to Donsia and Doris from me and back, the agenda for the one meeting held. As also noted in his memo, due to lack of staff, immigration crisis and personal health leave, Doris has been unable to schedule further meetings and preferred to wait until she could be present to co-chair them with Donsia.

I briefly mentioned to you the other day my own frustrations with the NSC when we were first asked many, many months ago to put together an interagency group. Under Jamie Gorelick's leadership at Justice and the permission Mack eventually gave to me to move ahead without NSC leadership on the interagency group, we have in place the communication and policy development mechanisms to proceed in an orderly and timely way. Further, as I mentioned to you this week, Steve is to have for me upon my return next Thursday a specific timeline for the development of the President's report mandated by law for early Fall.

We believe the next step prior to convening the interagency group again is the meeting of the Chiefs of Staff, and Steve is today including that topic in his visit with Doris and Bob Bach.

When I present to you the timeline for the report next week, I will also be able to tell you when the meeting with the Chiefs of Staff is scheduled. We tentatively plan to schedule the full DPC (Principals) briefing/discussion for August 12 as the agenda for the next meeting on July 25 is already devoted to issues around The American with Disabilities Act. We certainly will have had the Chiefs of Staff briefing by August 12 and hopefully, the next meeting of the interagency group.

Do not hesitate to contact me while I am gone or to contact Steve Warnath directly for further clarification or to give us guidance.

Thank you.

July 8, 1994

TO: CAROL H. RASCO
FROM: Stephen C. Warnath
Subject: Immigration

A number of mechanisms to facilitate interagency cooperation and organization of the immigration efforts of this Administration now are showing promise of becoming increasingly effective. These include:

Justice Action Center -- Recently formed, this group is primarily a communications mechanism to coordinate Justice/INS communications (especially quick response) and Department decision-making on immigration issues. Jamie Gorelick sent the word out at Justice that this is a priority and the Department has responded. The group is chaired by Seth Waxman and Phyllis Covan of the Deputy Attorney General's and Associate Attorney General's Offices. I am attending these meetings, held twice a week, to provide White House guidance/input/leadership/coordination/support. I have asked Lin Lui, OMB's expert on immigration, and Marvin Krislov of White House Counsel's Office to commit to attending these meetings regularly. (If anyone else at the White House -- particularly from Communications or Leg. Affairs -- has daily responsibility for immigration issues, they should be encouraged to attend as well.) I think that our involvement has led to improved communications and working relationships on a day-to-day operational level between Justice/INS and the White House on immigration issues and this relationship will continue to improve the Administration's response on these matters.

Interagency Immigration Task Force -- As the attached material describes, an interagency task force was formed earlier this year to address 1) the President's report to Congress that is due in September; and 2) cross-agency immigration issues. This group, co-chaired by the Commissioner of the INS and the DPC met once in March. However, the group unfortunately has not convened since that first meeting, largely due to the Commissioner's time conflicts in addressing other immigration responsibilities and some personal leave time. We are now trying to catch up. To ensure that this group becomes an effective mechanism to achieve these objectives, the Commissioner has hired a new assistant, Bob Bach, a respected immigration specialist from the Carnegie Institute, who will have specific responsibility for this group. He started work on Monday and I am meeting with him today to discuss exactly what we need to do to get this group functioning. This will receive the attention it needs to get it done.

Briefing For Agency Chiefs of Staff -- Christine Varney has alerted us to the need to ensure that agency Chiefs of Staff get information about immigration activities. This has become a

problem and she has indicated that a briefing for chiefs of staff would be helpful. This is a good idea and I will be speaking with Doris Meisner and Bob Bach about setting up such a briefing and discussion session before the end of July. We could do this on some regular basis, if Christine and the participants find this helpful.


DPC Briefing -- I also want to recommend that a similar briefing and discussion by Doris Meisner and perhaps Susan Forbes Martin, the Executive Director of the Commission on Immigration Reform, be placed on the agenda of a future DPC meeting so that the Council members are brought up to date on the status of immigration issues. I think that this could produce a fruitful discussion on cross-agency and agency-specific concerns.

Urban Institute/OMB Study -- There is a group, led by OMB and in which we participate, that is meeting to work on the issues involved in the roll-out of the immigration cost study by the Urban Institute and OMB this month.

The President's Report -- A note about the President's report to Congress on immigration that is due in September: It is to be a progress report that covers topics specified in the statute that correspond to the subjects that the Commission is required to study. The final report is due in 1997. The statute does not specify in any detail the form that the progress report is to take. We are studying our options now.

THE WHITE HOUSE
WASHINGTON

TO: Doris Meissner
Donsia Strong

FROM: Carol H. Rasco 

SUBJ: Immigration Working Group

DATE: February 9, 1994

I am delighted the two of you will co-chair the Immigration Working Group of the Domestic Policy Council. I hope the two of you will have an opportunity to visit very soon to finalize the initial plans for the group.

I would like by Wednesday, February 16 to send the letter to the Departments/Agencies invited to participate in the working group. I ask that you agree upon a draft and a list and forward that to me by the close of business Tuesday, February 15. The draft letter should outline the overall purpose of the working group, request the names of designees to work on the working group and announce a first meeting date.

Prior to the first meeting I would like to have a briefing memo from the two of you jointly outlining the major tasks you feel are to be undertaken and the process you plan to use in carrying out the work of the group. I would hope we can work out a very well coordinated effort on the Commission report and the concurrent report required by the President.

Thank you. I look forward to working with you on this task.

cc: Webb Hubbell

THE WHITE HOUSE

WASHINGTON

February 24, 1994

MEMORANDUM FOR DISTRIBUTION

FROM: Carol H. Rasco^{WHR} Assistant to the President for
Domestic Policy

SUBJECT: Inter-agency Working Group on Immigration

We are in the process of forming an inter-agency working group to coordinate immigration policy issues within the Administration. This group will be co-chaired by Doris Meissner, Commissioner of the Immigration and Naturalization Service, and Donsia Strong of the Domestic Policy Council.

The Immigration and Naturalization Act of 1990 (IMMACT) requires the President to submit a report on the impact of increased levels of immigration mandated by IMMACT. Among the areas the report must consider are the impact of immigration on social service programs and local areas with high concentrations of immigrants, eligibility of noncitizens for Federal benefits, the impact of immigration on domestic labor needs, foreign policy and national security, and natural resources. Other areas of initial interest include issuance of secure identification for purpose of proving identity and eligibility to work in the U.S. and Federal fiscal responsibility for immigrants not lawfully in the U.S.

In addition to serving as an interagency mechanism by which immigration policy issues are addressed regularly, the working group will prepare the report to be delivered September 30, 1994. The report will be issued in conjunction with the first report of the Commission on Immigration Reform which Congress established in IMMACT to review and evaluate the impact of immigration.

Please designate an assistant secretary level or other senior agency representative with policy and program knowledge to represent your agency on the inter-agency working group. Only one person from each agency designated on the attached list may serve on the overall inter-agency working group. There will be opportunity for additional agency representation in the near future as subgroups are formed and begin discussion of specific issues. Please submit your representatives name by Tuesday, March 1 to Cookie Walden by fax [(202)456-7028].

-3-

*L. of 7 invitees
Others also came
or were designated
by principals to come.*

The Honorable Jesse Brown
Secretary
Department of Veterans Affairs

The Honorable Carol Browner
Administrator
Environmental Protection Agency

The Honorable Mickey Kantor
Ambassador
United States Trade Representative

The Honorable Madeleine Albright
Ambassador
United Nations

The Honorable Laura Tyson
Chair
Council of Economic Advisors

The Honorable Mack McLarty
White House Chief of Staff

The Honorable Leon Panetta
Director
Office of Management and Budget

The Honorable Tony Lake
Assistant to the President for National and Security Affairs

The Honorable Robert Rubin
Assistant to the President for National Economic Council

The Honorable John Gibbons
Assistant to the President for Science and Technology Policy

Neal Lane
Director
National Science Foundation

James Lee Witt
Director
Federal Emergency Management Agency

Tony Gallegos
Chairman
Equal Employment Opportunity Commission

DISTRIBUTION:

The Honorable Warren Christopher
Secretary
Department of State

The Honorable Lloyd Bentsen
Secretary
Department of Treasury

The Honorable William Perry
Secretary
Department of Defense

The Honorable Janet Reno
Attorney General
Department of Justice

The Honorable Bruce Babbitt
Secretary
Department of Interior

The Honorable Mike Espy
Secretary
Department of Agriculture

The Honorable Ron Brown
Secretary
Department of Commerce

The Honorable Robert Reich
Secretary
Department of Labor

The Honorable Donna Shalala
Secretary
Department of Health & Human Services

The Honorable Henry Cisneros
Secretary
Department of Housing and Urban Development

The Honorable Federico Pena
Secretary
Department of Transportation

The Honorable Hazel O'Leary
Secretary
Department of Energy

The Honorable Richard Riley
Secretary
Department of Education

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HQ CAP

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02/25/84 11:09 202 456 7028

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Mary Berry Francis
Chairperson
Commission on Civil Rights

THE WHITE HOUSE

WASHINGTON

March 18, 1994

MEMORANDUM FOR DISTRIBUTION

FROM: DONSLA STRONG, DPC

SUBJECT: First Meeting of the Inter-Agency Working Group on
Immigration, March 22, 1994, Room 211, Old
Executive Office Building

The first meeting of the Inter-Agency Working Group on Immigration is scheduled for Tuesday, March 22, 1994, Room 472, OEOB, at 3:00 p.m. We will convene for a policy-level discussion of outstanding issues.

Please provide your name and DOB for clearance purposes NLT than the COB Monday, March 21, at (202)456-6585).

**ATTENDEES FOR THE
INTER-AGENCY WORKING GROUP**

March 22, 1994

3:00 - 4:00 p.m.

Representative

Department of State	Mary A. Ryan Bureau of Consular Affairs	647-7948
Department of Treasury	Mr. Ray Squitier Economic Policy	622-2340
Department of Defense	Patricia L. Irvin DASD Humanitarian and Refugee Affairs	703/693-9845
Department of Justice	Phyllis Coven	
Department of Interior	Leslie M. Turner	208-4822
Department of Agriculture	Mary Frances Berry	720-3131
Department of Commerce	James V. Hackney Counselor to Secretary	377-1816
Department of Labor	Kitty Higgins Chief of Staff	523-8274
Department of Health and Human Services	Dennis Hayashi Office of Civil Rights	619-0900
Department of Housing and Urban Development	Nelson Diaz General Counsel	708-2244
Department of Transportation	Ms. Katherine Archuleta Deputy Chief of Staff	366-8800
Department of Energy	Ann Lavin	586-6210

Department of Education	Eugene Garcia	203-5463
Department of Veterans Affairs	Edward Chow for Harold Gracey, COS	273-5045
United Nations	David J. Scheffer Senior Adviser and Counsel	736-7578
National Science Foundation	Dr. Cora Marrett Assistant Director, Social, Behavioral & Economic Sciences	703/306-1700
Federal Emergency Management Agency	William C. Tidball COS	
Equal Opportunity Employment Association	Douglas A. Gallegos Director EEO Commission	663-4001
Environmental Protection Agency	Jan A. Polling	280-5078
U.S. Commission on Civil Rights	Stuart J. Ishimaru Staff Director (Acting)	376-7672
The Honorable Tony Lake Assistant to the President for National Security Affairs	Eric Schwartz	395-3637
The Honorable Mack McLarty Chief of Staff White House	Ron VonLipsey	456-6797
White House General Counsel	Joel Kline	
Council of Economic Advisers	Joseph E. Stiglitz/ William T. Dickens	456-5566 622-2340
Office of Management and Budget	Christopher F. Edley	

National Economic Council/Treasury	Ray Squitier Peter Yu	622-2340
Office of National Drug Control Policy	Edward Jurity for Dr. Brown	
The Honorable John Gibbons Assistant to the President for Science and Technology	Kathie Weteki	456-6127
Commission on Civil Rights	Mary Frances Berry Chairperson	
AIDS Office	Nancy Hazelton	690-5471

MEMORANDUM

TO: Carol H. Rasco

FROM: Doris M. Meissner
and Donsia Strong

DATE: March 21, 1994

RE: First Meeting of the Inter-Agency
Working Group on Immigration

The purpose of the Domestic Policy Council Inter-Agency Working Group, is twofold. Initially, on a short-term basis, the group will discuss and prepare the Administration's response to the Presidential report on the impact of immigration on the United States, which is due to Congress by the end of September. On an ongoing basis, the group will provide a forum to discuss and coordinate emerging and significant immigration policy issues to further the Administration's effort to build a comprehensive immigration policy.

The initial meeting of the Working Group should begin with a discussion of the purpose of the group, as stated above, and an explanation of why this particular group of participants was invited. To help define Departmental responsibilities and participation in the future, each agency should be tasked with identifying, before the next meeting, which of their subcomponent bureaus have direct immigration-related responsibilities and/or programs that are indirectly related to or impacted by immigration, and defining briefly what those responsibilities or relationships are.

Since the first goal of the group is to discuss preparation of the President's interim report on the impact of immigration, we need to discuss the requirements for that report. Susan Martin, Executive Director of the Commission on Immigration Reform, should brief the group on the Commission's plans for its report which parallels the Administration's report. Her briefing should lead into a discussion of what the Administration needs to do in its report and how each of the agencies present can contribute to the final product.

The likely first set of issues to be addressed by the working group relate to the costs and benefits of legal and illegal immigration, and are tied closely to the joint reporting

requirement. Several initiatives are already underway in this area. The Commission on Immigration Reform is studying the cost and benefits of immigration and has held a roundtable discussion on immigrant utilization of Federal benefit programs on March 14. A briefing by Susan Martin on what the Commission is doing in this area and what information it needs from the agencies present would be helpful. Second, Chris Edley at OMB is coordinating an effort with several Departments and heavily impacted states to determine the fiscal impact of immigration. He should also give a report on this effort.

The group also needs to discuss which other immigration-related topics it should address over the near term. Possibilities include, in addition to the cost and impacts of immigration, (a) Administration response to hostile congressional amendments, such as the recent earthquake and elementary schools immigration riders; (b) emerging demands from states for federal responsibility in areas such as drivers' licenses, hospital use, incarceration, etc; and (c) further disincentives to illegal immigration, perhaps focusing initially on the issuance of secure documentation for proving identity and eligibility to work in the United States, as well as for other purposes such as health care.

A discussion of existing inter-agency groups with immigration-related mandates would be useful to ensure that the work of the Inter-Agency Working Group builds on, rather than duplicates, these efforts. Several inter-agency groups already exist to oversee or discuss specific immigration-related issues. For instance, the Interagency Border Inspection System (IBIS) addresses border security, facilitation, and systems and data sharing through the participation of INS, Customs, the State Department, and another two dozen agencies. Immigration emergency planning and immigration research and statistical needs are other issues which are being successfully handled through existing inter-agency mechanisms.

Finally, we need to consider how we want to structure this potentially far-reaching inter-agency mechanism. Different agency groupings are needed to address the various inter-agency immigration policy issues. Most cabinet departments and many independent agencies will be involved on at least one issue. Ideally, smaller working groups will be formed to address specific issues and report back to the larger group. Establishment of a Steering Committee, perhaps consisting of the Domestic Policy Council and the Departments of Justice (INS), State, Health and Human Services, and Labor, would be desirable to direct, coordinate, and oversee the work of specific inter-agency subgroups assigned to pursue specific issues.

INTER-AGENCY WORKING GROUP ON IMMIGRATION

AGENDA

Tuesday, March 22, 1994

- I. Opening and introductions - Doris Meissner
Donsia Strong

- II. Commission on Immigration Reform
 - Mandate and administration role
 - Briefing on Commission work -
Susan Forbes Martin, Exec. Director

- III. Complementary interagency efforts
 - Border security group, statistical group, others
 - Illegal immigration cost assessment with seven
states - Christopher Edley

- IV. Discussion of how to organize ourselves, issues of concern

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR SYLVIA PANETTA

FROM: Carol H. Rasco *CHR*

SUBJ: Immigration meeting requested by Leon Panetta

DATE: July 24, 1994

On the attached memo which I have further discussed briefly with Leon, he has asked that I set up a time with him to bring in the working group members (representatives from my DPC staff, OMB, INS) to brief him more in-depth on the work to date and the timeline outlined at the conclusion of the memo.

He had originally asked that we meet in the coming week. Knowing the schedule to be as it is the first three days and because I leave at noon on Thursday for Arkansas to fulfill a couple of obligations for the President, I am wondering if we perhaps should wait until next week.

My schedule for this week shows me clear from 4:30 to 5:30 p.m. on Wednesday and Thursday morning until about noon when I must leave for the airport. I will be back in the office on Monday morning, August 1.

Please contact Pat Romani in my office (456-2216) who will work on scheduling this meeting and will contact the other persons I have listed.

I have attached the original memo which Leon might wish to have as a briefing for the meeting.

Thank you.

cc: Pat Romani

This takes precedence over the Ben Ami / Herr meeting which you have Email on ~~if~~ Leon wants to meet this week instead of next.

See Email to Steve Wornath; re: immigration


THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR LEON PANETTA

FROM: Carol H. Rasco *CHR*
SUBJ: Immigration policy development
DATE: July 19, 1994

JUL 21 REC'D

*WHO'S IN
THE WORKING
GROUP?
MEETING
CALL NEXT WEEK
WESTK
Drew*



MANDATED REPORT DUE IN SEPTEMBER

The most pressing issue facing us in the sense of timeliness is the President's report due September 30, 1994. He is required by statute to submit a report to Congress on that date, a date that parallels the one required for the report of the bipartisan U. S. Commission on Immigration Reform which Barbara Jordan chairs for us.

Both of these reports are PROGRESS reports only; final reports are due in 1997.

My staff member Steve Warnath has been meeting with Bob Bach (the new policy person at INS brought on board only last week, is from the Carnegie Foundation) and Lin Lui of OMB. The three of them plan to proceed as follows:

Initial drafting of the progress report will rely primarily on INS staff with other agency involvement as needed. Supervising this effort at INS will be Bob Bach who will be meeting almost daily with Lin and Steve.

The proposed timing is to draft the report by September 9th permitting three weeks to obtain clearance.

The report will focus six to seven of the following areas determined by Bob, Steve, and Lin in recent meetings: Border control/smuggling; internal enforcement actions; costs of illegal immigration; advances in development of INS immigration demographic information; immigration and the labor market/employer sanctions; asylum reform; illegal immigration and housing policy; mass migratoin emergency planning; reinventing INS; and/or criminal aliens. All of these areas can be highlighted with Administration progress.

The balance of the report will focus on the process to be used in continuing the progress toward a final report. This will include the reinvigorated and reorganized interagency working group, including a number of subgroups chaired by and comprised of members from relevant agencies.

INTERAGENCY WORKING GROUP

As stated in a previous memo to you, this group was started in the spring after long delays. Then action ceased due to staffing shortages in INS and personal leave due to illness by the INS Commissioner. With Bob Bach coming on board at INS as referenced above we are back on track. Before calling the group together, Bob, Lin and Steve will be meeting individually over the coming weeks (during the time they are also working on the report) with each agency's working group member to discuss their thoughts about agency-specific and cross-agency immigration issues important to their agencies. These discussions will help to outline the agenda for the full group. It is expected as shown on the timeline attached the full group will meet by September 15. Please note this is preceded by one or two Chiefs of Staff briefings as requested by them as well as a full DPC briefing in August.

One final note regarding the timeline: Barbara Jordan testifies before the Senate Committee on August 3 regarding the Commission's interim report. The Commission is working with our administration team on the content of their interim report in order to have no surprises. I am requesting of scheduling and feel strongly that President Clinton should see Barbara Jordan that day for a brief visit.

Please let me know if you wish to discuss this further.

cc: Alice Rivlin

TIMELINE FOR MAJOR IMMIGRATION ACTIVITIES FOR JULY,
AUGUST AND SEPTEMBER

JULY

- Doris Meisner briefs Agency Chiefs of Staff (July 22)
- Susan Forbes Martin, Executive Director, Commission on Immigration Reform, will brief Agency Chiefs of Staff (tentative)
- Roll-out of OMB/DOJ/Urban Institute study on costs of illegal immigration
- Meetings with each agency's immigration working group representatives re: agency-specific and cross-agency immigration issues
- Preparation of President's Report to Congress on Immigration
- Provide fuller treatment of policy issues arising from State requests for cost reimbursement
- Final Commission meeting before Senate testimony
- Twice-weekly Justice Department immigration "action center" meetings with White House attendance

AUGUST

- Barbara Jordan Senate testimony re: Commission's recommendations
- Barbara Jordan meeting with Carol Rasco and President, if possible
- Administration response to Commission's recommendations (and/or when report is promulgated in September)

- Doris Meisner to brief Domestic Policy Council (tentatively scheduled)
- Preparation of President's Report to Congress on Immigration
- Commission hearings in Lowell, MA
- Twice-weekly Justice Department immigration "action center" meetings with Domestic Policy attendance

SEPTEMBER

- Meeting of the Interagency Working Group and beginning of work of subcommittees
- President's Report and Commission's Report to Congress due
- Twice-weekly Justice Department immigration "action center" meetings with Domestic Policy attendance

EXECUTIVE OFFICE OF THE PRESIDENT

27-Jul-1994 04:59pm

TO: Gwendolyn L. Suggs
FROM: Patricia E. Romani
Domestic Policy Council
SUBJECT: Appt. request - Meissner, Doris

Date
28-Jul-1994

Appointment with
RASCO, CAROL H

Room No. Bldg.
2FL/WW WH

Requested by
Patricia E. Romani

Phone #
(202) 456-2216

Comments:

TIME	VISITOR'S LAST, FIRST NAME	BIRTHDATE	SOC. SEC. #
10:00am	Meissner Doris	P6/b(6)	- -

EXECUTIVE OFFICE OF THE PRESIDENT

27-Jul-1994 05:06pm

TO: Gwendolyn L. Suggs
FROM: Patricia E. Romani
Domestic Policy Council
SUBJECT: Appt. request - Liu, Lin

Date Appointment with
28-Jul-1994 RASCO, CAROL H

Room No. Bldg. Requested by Phone #
2FL/WW WH Patricia E. Romani (202) 456-2216

Comments:

TIME	VISITOR'S LAST, FIRST NAME	BIRTHDATE	SOC. SEC. #
09:40am	Liu Lin	P6/b(6)	- -