

The working relationship between our agencies during the implementation of the SEVIS I-901 fee has been excellent. The SEVP Office and your Consular Affairs staff have thoroughly investigated the requirements for using State Department resources to collect the SEVIS I-901 fee in India and China. Everyone in the State Department has been very cooperative.

Now that we have begun to collect the SEVIS I-901 fee, the SEVP staff has determined that using State Department resources to collect the fee overseas is not the best option. In the Federal Register notice (69 FR 39814, July 1, 2004) with the final fee rule, we agreed to consider this option. In the notice, we discussed the parameters of a pilot and noted that:

... a needs analysis will be done to document the requirement for an alternative fee collection method in each individual country being considered. To avoid increased fee settlement costs that would be spread among all fee payers, the DOS pilot would be extended only post-by-post, country-by-country, on the basis of documented need. For these reasons, DHS will assess the feasibility, efficiency, and effectiveness of these pilot projects to determine whether and how SEVIS fee collection can occur through DOS consulates.

Prior to implementation of the SEVIS I-901 fee collection, there was no empirical method to determine where foreign students or exchange visitors would have problems paying. We initially targeted India and China. Many foreign students and exchange visitors come from these countries and anecdotal information indicated that applicants might encounter problems when making payments.

Experience has not borne this out. Between September 1 and October 31, 2004, 910 Chinese applicants and 677 Indian applicants paid the fee. Ninety-six per cent of these applicants paid by credit card. We have a Customer Service Hotline and Customer Resolution Unit (CRU) to respond to applicants. There is a well-publicized e-mail address for people who need assistance with the fee. We have also asked colleges and universities to report any instances where students or exchange visitors have encountered problems with making a payment. To date, we have not encountered issues with *any* Indian or Chinese applicant who wanted to pay and could not.

We have also instituted a new fee payment option with Western Union. This allows applicants to pay the fee in local currency in the countries where Western Union offers their QuickPay™ option. Our relationship with Consular Affairs -- who quickly alerted Posts to accept Western Union receipts as proof of payment -- made this option possible. SEVP added the Western Union option without incurring any additional costs.

Applicants from Nigeria, Ghana, Tunisia, Chad, Mauritania, Burkina Faso, and Togo have indicated that it is difficult to pay the SEVIS I-901 fee without outside help. (We have been able to assist all the applicants with making a payment.) As of November, the Western Union option is available in all these countries except Nigeria and Ghana.

Nigeria and Ghana represented a small number of applicants -- about 1.2% of those who paid the SEVIS I-901 fee in September and October. We want to ensure that **all** students are able to pay the fee. At the same time we must ensure that the cost of fee collection (borne by all applicants) does not rise unnecessarily. As we know that Western Union is in active negotiations with Nigeria to offer their QuickPay™ option early next year, there is no need to develop another alternative for Nigeria.

Everyone in the State Department has been extremely cooperative in developing plans for the pilot project. They can quickly implement a process to collect fees and the required data. However, the solutions available would require that DHS develop a work around in order to record the payment data in our I-901 fee system. These workarounds will add to our costs as well as posing data integrity issues. There will also be costs to the State Department.

If our experience demonstrated that these expenses and risks were necessary to serve our foreign student and exchange visitor population, we would incur them. As it stands, the pilots are not needed.

However, we continue to need, and value, our partnership with Consular Affairs. We are considering an option to allow applicants from the countries where there is a problem with currency restrictions to defer fee payment until they enter the United States. We will allow this on a case-by-case basis and will need to work with Consular Affairs to develop a method to communicate this waiver.

We appreciate the efforts your staff has made and look forward to continuing our successful relationship.