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BORDER MANAGEMENT

**Dual Management Structure at
Entry Ports Should End**

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DUAL MANAGEMENT STRUCTURE AT
ENTRY PORTS SHOULD END

SUMMARY OF STATEMENT OF
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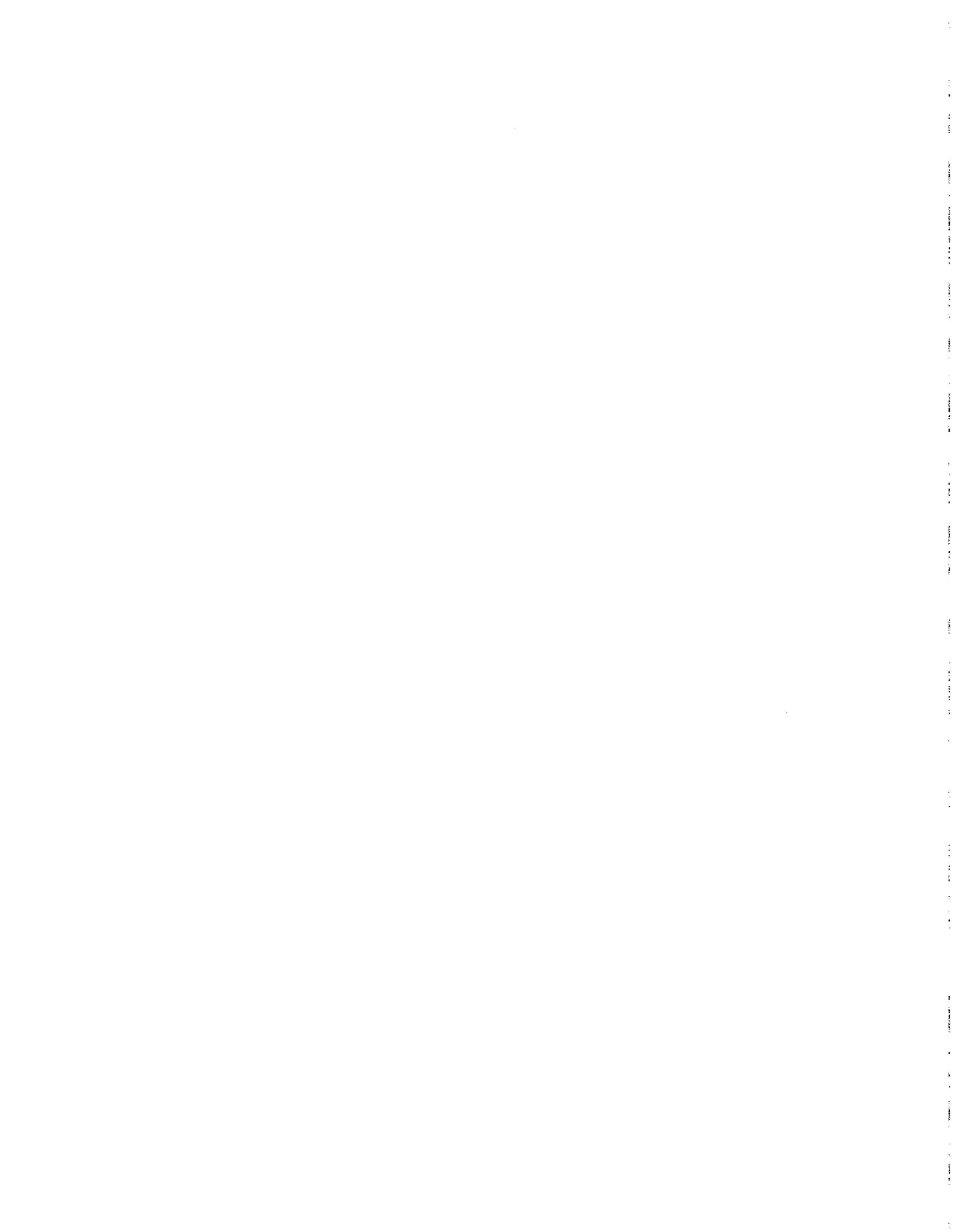
The Customs Service and INS are the principal U.S. agencies providing inspection and clearance at U.S. border crossings. Customs is primarily responsible for the entry of goods and merchandise and INS handles the entry of persons. Customs and INS face persistent pressures to meet their enforcement responsibilities while minimizing disruptions to passenger and commercial traffic.

Customs and INS have a long history of interagency rivalry coupled with ineffective cooperation and coordination pertaining to border crossing operations. These problems still exist today, and are deeply ingrained in the management cultures of these agencies. Cooperation agreements that top Customs and INS officials signed during the 1977-79 time period generally have not been adhered to or updated.

On the basis of historical evidence as well as its recent review of Customs' and INS' operations, GAO believes that the coordination problems at the land border crossings will not be resolved until the current dual management structure is ended. GAO convened a panel of current and former public officials familiar and experienced with customs and immigration activities to explore whether the problems were worth fixing and, if so, what solution would be best. The panel members did not believe the current dual management structure between INS and Customs was adequate to handle the customs and immigrations service demands that will likely confront the government in the next 10 to 30 years.

The panelists discussed various organizational options and reached consensus for establishing an independent immigration and customs agency. The creation of such an agency was seen as affording an opportunity to develop a more strategic and integrated vision within the government for addressing the problems of facilitating the entry and assimilation of people, services, and goods into the country in compliance with applicable immigration and customs laws.

GAO recommended that the Director of OMB, working with the Secretary of the Treasury and the Attorney General, develop and present to Congress a proposal for ending the dual management of border inspections. GAO noted that efforts are underway within the Executive Branch to consider this issue.



Mr. Chairman, I am pleased to be here today to discuss our report on the coordination of Customs and INS operations at border crossing points and alternatives for improving those operations.

The Customs Service and INS are the principal U.S. agencies providing inspection and clearance at U.S. border crossings. Customs is primarily responsible for the entry of goods and merchandise and INS handles the entry of persons. Since 1930, numerous studies have focused on ways to improve customs and immigration operations along the U.S. borders. The Congressional Research Service has compiled a summary of these studies, at least seven of which occurred during the 1973-88 time frame alone. Generally, these studies show that border control deficiencies result from common problems, including interagency rivalry and a lack of coordination and cooperation.

Customs and INS face persistent pressures to meet their enforcement responsibilities while minimizing disruptions to passenger and commercial traffic. Such pressures are prevalent, particularly along land borders. In fiscal year 1991, approximately 420 million people--or 88 percent of all applicants--applied for admission to the United States at land border ports of entry. The North American Free Trade Agreement is expected to increase the volume of cross-border traffic and, in turn, the workloads of Customs and INS.

Coordination Problems Persist Despite Interagency Agreements

Throughout our review, both Customs and INS managers and inspectors told us that the initial inspections of vehicles and people crossing the border, commonly referred to as primary inspections, are critical in preventing the entry of illegal aliens, drugs, and contraband into the United States. In this regard, primary inspectors need sufficient training and experience to identify and refer entrants to secondary inspection areas for further questioning and/or searches.

In 1977, the commissioners of Customs and INS signed an agreement to make cross-designation training a top priority. Its purpose was to help ensure that Customs and INS inspectors were capable of performing primary inspection duties for both agencies at ports of entry.

In 1978, the first joint regional agreement between the two agencies took effect. This agreement, which focused on the southwestern border, recognized the necessity of close cooperation and coordination at the regional, district, and port level. Among other things, this agreement required the agencies to develop standards for the maximum amount of traffic backup tolerable before opening additional primary lanes.

In 1979, the Customs and INS commissioners signed another agreement to further enhance primary inspection training and staffing cooperation along the U.S.-Mexican border. Under this agreement, the agencies were to periodically update the training of cross-designated inspectors, strive to achieve a 50-50 commitment for staffing primary inspection lanes at applicable southern border locations, and monitor the performance of cross-designated inspectors.

Our review showed that after their initial training, Customs and INS inspectors did not receive periodic updates of cross-designation training. Also, contrary to the 1979 agreement, Customs and INS officials have not monitored the performance of cross-designated inspectors by jointly studying the results of referrals from primary to secondary inspections. Generally, Customs and INS officials at the locations we visited believed that their respective inspectors do a good job of enforcing laws and regulations related to each agency's principal mission. However, each agency's officials questioned the effectiveness of the other agency's inspectors in performing cross-designated responsibilities.

Also, the Customs/INS agreement to strive for equal staffing of primary inspection lanes has not been updated since 1979, even though staffing imbalances have grown in the two agencies' southwestern border inspection efforts. In 1987, for example, Customs had a total of 1,039 inspectors on board at southwestern border ports of entry, whereas INS was authorized only 640. By 1992, the southwestern border staffing imbalance became more pronounced, with Customs authorized a total of 1,603 inspectors and INS a total of 949. These staffing imbalances, coupled with increases in cross-border traffic, have contributed to operating inefficiencies between the two agencies.

Dual Management Structure Weakens Operational Accountability

Mr. Chairman, our review showed that accountability for operations suffers under the dual management structure because, each port has both Customs and INS directors who report through their respective organizational channels. At the key ports of El Paso, Laredo and San Ysidro, Customs and INS inspectors and their first-line supervisors do not begin their daily entry lane work shifts with joint briefings for sharing intelligence and other operational concerns. Both Customs and INS officials told us that enforcement efforts suffer under the dual management structure because no one is in charge of overall port operations.

In addition, the dual management structure, combined with poor coordination between the agencies, results in each agency formulating its own long-range plans for land border inspections. These planning efforts perpetuate the potential for interagency

conflict. For example, at the time of our review, INS was contemplating a strategy for assuming responsibility for all primary inspections at land ports of entry.

The dual management approach also leads to separate performance measurement efforts and unnecessary costs. An INS headquarters official said there is a continuing issue concerning the adequacy of performance data-- both between the agencies and within INS. Both agencies are trying to develop a more coordinated set of statistics to cover border operations. But at the time of our review, Customs was focused on performance data regarding drug seizures, while INS was concerned principally with referrals for possible immigration law violations.

Also, prior studies of border operations have estimated that savings would accrue from consolidated operations. Customs, INS, and General Services Administration officials responsible for the construction of facilities at ports of entry all agree that unnecessary costs are incurred under current operating conditions.

Preparing for the Challenges of the Future

The operational problems along the southwestern border are real and have persisted for many years. It was with these problems in mind that, in cooperation with the National Academy of Public Administration (NAPA), we convened a panel of current and former public officials familiar and experienced with customs and immigration activities. The purpose of the panel was to explore whether the problems were worth fixing and, if so, what solution would be best.

The panel members did not believe the current dual management structure between INS and Customs was adequate to handle the customs and immigrations service demands that will likely confront the government in the next 10 to 30 years. And, they believed that management benefits could be gained by vesting responsibility with one agency. These benefits would include (1) an improved capability to think strategically about related immigration and customs issues and (2) clearer accountability for border operations by having one spokesperson within the government for issues surrounding the movement of people, goods, and services into the United States.

Organizational Options

Over the past 20 years, numerous study groups have recommended specific actions to correct common findings of fragmented border control programs and interagency rivalries, conflicts, and jurisdictional disputes (see attachment). However, no broad scale reorganization has ever been approved by Congress generally

because of opposition from agencies and departments that would lose jurisdiction, from congressional committees that would be similarly affected, and from agency personnel and private sector organizations whose interests would be adversely affected. Throughout our review, we met with current and former Customs and INS officials, Congressional staff, OMB staff, union representatives, and affected interest groups to get their views on operational problems at the land border ports and how to improve operations. Through this process, we identified three options for improving operations,

- Improve coordination within the existing framework of joint staffing of the primary lanes at ports of entry.
- Establish one agency as the lead for primary inspections.
- Create a border management agency by merging the INS border patrol and inspection functions with the Customs Service.

The NAPA panel considered each of these options. The panel rejected the first option because of longstanding evidence that coordination between the agencies has not been effective. The panelists noted that past commissioners had found efforts to improve coordination required a disproportionate amount of time and effort and detracted from the ability to deal with other challenges.

The second option--vesting responsibility for primary lane inspections with one agency--has been recommended by a number of prior study groups, including us. It also has been supported by Customs, INS, and some special interest groups. However, the panel noted that this option also had its weaknesses. The panelists felt that because both Customs and INS wanted to have the primary lane responsibility, strong opposition would come from the agency that would be consigned to doing secondary inspections.

The panelists also rejected the third option--creating a border management agency--because it did not give adequate consideration to the relationships among the various functions that support INS' missions. The panelists were concerned about the prospect of breaking up INS, both complicating efforts to develop a coherent policy for addressing world migration pressures and potentially demoralizing that agency. They also noted that this proposal had been made before without leading to any action.

Having rejected the three options, the panelists reached consensus for establishing an independent immigration and customs agency. The creation of such an agency was seen as affording an opportunity to develop a more strategic and integrated vision within the government for addressing the problems of facilitating the entry and assimilation of people, services, and goods into

the country in compliance with applicable immigration and customs laws. The panelists saw an integrated organization as being a prerequisite for doing the mission planning necessary to get the most benefit from evolving information systems technology, which they saw as leading inevitably to consolidated inspection functions. Ultimately, the decision to establish an immigration and customs agency as either a component of the departments of the Treasury or Justice or as an independent agency would depend on whether consensus can be reached among policymakers within the executive branch and Congress.

Mr. Chairman, in closing I would emphasize that the current coordination of border inspection functions is not effective. It is clear that the dual management structure for border inspections is not viable and should end. We recommended that the Director of OMB, working with the Secretary of the Treasury and the Attorney General, develop and present to Congress a proposal for ending the dual management of border inspections. We are pleased that efforts are underway within the Executive Branch to consider this issue and that this Subcommittee is holding hearings to focus attention on it.

That concludes my statement Mr. Chairman. I would be glad to respond to the Subcommittee's questions.

Table 1: Overview of Past Studies Recommending Unified Management Structure for Ports of Entry

Year	Study proponent and synopsis	Recommended placement of lead inspection unit		
		Justice	Treasury	Not specified
1973	Executive Office - President Nixon's Reorganization Plan #2 proposed to consolidate port-of-entry inspections by transferring personnel, jurisdiction, and authority from INS to Customs.		X	
1973	General Accounting Office - GAO recommended single-agency management of port-of-entry inspections and supported the enactment of President Nixon's Reorganization Plan #2.		X	
1974	Office of Management and Budget - OMB advocated a single-agency management strategy for the U.S.-Mexico border, with Customs having management responsibility for primary inspections, port security, and administration.		X	
1977	Office of Drug Abuse Policy - The office recommended creating a multi-purpose border management agency by consolidating INS and Customs into a new agency. This proposal was later incorporated into President Carter's 1977 Reorganization Project.			X
1983	President's Private Sector Survey on Cost Control - The Grace Commission recommended placing all responsibility for primary inspection functions currently performed at ports of entry into a single agency.			X
1988	Congress - Senate Bill 2205 and House Bill 4230 proposed establishing an Office of Border Management Affairs which would have consolidated Customs and the Coast Guard within the Treasury Department. Senate Bill 2230 would have consolidated Customs, the Coast Guard, and INS, also within the Treasury Department.		X	
1988	General Accounting Office - GAO reiterated its position on border control management consistent with the findings of the Grace Commission; that is, all responsibility for primary inspection functions currently performed at ports of entry should be placed into one agency.			X

Source: GAO and Congressional Research Service data.

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