### **DEPARTMENT OF STATE**

22 CFR Parts 22 and 42

[Public Notice: 12819]

RIN 1400-AG09

Schedule of Fees for Consular Services, Department of State and Overseas Embassies and

**Consulates – Visa Services Fee Changes** 

**AGENCY:** Department of State.

**ACTION:** Final rule.

SUMMARY: The Department of State ("Department") proposes an adjustment to the Schedule of Fees for Consular Services of the Department of State's Bureau of Consular Affairs ("Schedule of Fees" or "Schedule") to establish a \$1 fee to register for the Diversity Visa lottery program. This change will more fairly place the burden of the lottery registration on individuals seeking the benefit of gaining access to the DV application process instead of charging only the small percentage of successful registrants for the costs associated with administering the lottery program for all registrants. To effect this change to the DV program, the Department is also amending its regulations to note that an electronic registration fee will be collected at the time of registration.

DATES: This final rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Please visit http://regulations.gov and search for docket number DOS-2025-0302.

**FOR FURTHER INFORMATION CONTACT:** Steve Jacob, Office of the Comptroller, Bureau of Consular Affairs, Department of State; phone: 771-204-4677; e-mail: Fees@state.gov.

### SUPPLEMENTARY INFORMATION:

This rule makes a change to Item 33 of the Schedule of Fees by adding a \$1 fee to register for the DV lottery in addition to the \$330 Diversity Visa Application fee. The cost of managing the DV lottery historically has been included in the Diversity Visa Application fee as authorized by law. *See* 8 U.S.C. 1153 (note) (noting that the Diversity Visa Application fee "may be set at a level that will ensure recovery of the cost to the Department of State of allocating visas under such section, including the cost of processing all applications thereunder"). By creating a new fee for the lottery registration, the Department will more fairly put the cost of managing the lottery on those who register for it. This change will also help to reduce specious registrations by actors seeking to exploit unsuspecting potential entrants.

To effect this change to the DV program, the Department is also amending 22 CFR 42.33(b)(3) by deleting the following sentence: "No fee will be collected at the time of submission of a petition, but a processing fee may be collected at a later date, as provided in paragraph (i) of this section." In addition, the Department is amending 22 CFR 42.33(i) to note that a registration fee will be collected through an authorized U.S. Government payment portal at the time of registration, prior to submission and completion of the registration.

What Is the Authority for This Action?

Sec. 636 of Public Law 104-208, div. C, Title VI, 110 Stat. 3009-703, reproduced at 8 U.S.C. 1153 (note), authorizes the Secretary of State to collect and retain a "Diversity Immigrant Lottery Fee." Under this fee authority, the Secretary of State may establish and retain a fee to recover the costs of "allocating visas" described in 8 U.S.C. 1153, i.e., running the DV lottery pursuant to 8 U.S.C. 1154(a)(1)(I), and to recover the costs of "processing applications" for diversity immigrant visas submitted by selectees of the lottery. Per the authority, the Department is permitted but not required to build the costs of running the lottery into the DV application fee. The DV application fee was last adjusted in 2012, when it was lowered from \$440 to \$330.

In addition to the specific DV application fee authority, the Department derives the general authority to establish cost-based consular fees from the general user charges statute, 31 U.S.C. 9701. *See*, *e.g.*, 31 U.S.C. 9701(b)(2)(A) ("The head of each agency . . . may prescribe regulations establishing the charge for a service or thing of value provided by the agency . . . based on . . . the costs to the government."). The President also has the power to set the amount of fees to be charged for consular services provided at U.S. embassies and consulates abroad pursuant to 22 U.S.C. 4219, and has delegated this authority to the Secretary of State, E.O. 10718 (June 27, 1957). The Department is relying on these authorities to establish this fee to register for the DV lottery, and is shifting the costs of running the lottery from the DV application fee to the \$1 lottery registration fee.

In the absence of a specific statutory fee retention authority, fees collected for consular services must be deposited into the general fund of the Treasury pursuant to 31 U.S.C. 3302(b). Why Is the Department Adjusting Fees at This Time?

The Department is creating a \$1 fee to register for the DV lottery program. This \$1 fee reflects the operational costs of running the annual DV lottery. These include the annual review and update of the systems required to collect the lottery form submissions, data storage, automated randomized selection of lottery winners, and associated security reviews. The Diversity Visa application fee will continue to cover all other costs associated with administering the Diversity Visa program. The costs associated with the lottery that are currently included in the DV application fee would be removed from that fee, but the overall cost per accepted applicant is low enough that the DV fee would not be immediately reduced. The Department reviews consular fees periodically, including through an annual update to its Cost of Service Model, to determine appropriateness of each fee consistent with OMB guidance. The Department will review the DV fee in its next model update and adjust the DV application fee if and as needed at that time.

Separating the DV lottery process from the DV application process more fairly places the cost burden of the lottery registration on individuals who seek the benefit of gaining access to the DV lottery instead of charging the small percentage of successful registrants for the increased costs associated with administering the program for all registrants. With certain exceptions—such as the reciprocal nonimmigrant visa issuance fee—the Department generally sets consular fees at an amount calculated to achieve recovery of the costs to the U.S. government of providing the consular service, in a manner consistent with general user charges principles, regardless of the specific statutory authority under which the fees are authorized. As set forth in OMB Circular A-25, as a general policy, each recipient should pay a reasonable user charge for government services, resources, or goods from which he or she derives a special benefit, at an amount sufficient for the U.S. government to recover the full costs to it of providing the service, resource, or good. *See* OMB Circular No. A-25, sec. 6(a)(2)(a). The OMB guidance covers all Federal Executive Branch activities that convey special benefits to recipients beyond those that accrue to the general public. See id., sections 4(a), 6(a)(1).

When Will the Department of State Implement This Rule?

The Department intends to implement this rule 30 days after date of publication.

#### **REGULATORY FINDINGS**

Administrative Procedure Act

The Department asserts the "foreign affairs function" exemption to the Administrative Procedure Act (APA) (5 U.S.C. 553(a)(1)). This is consistent with the Attorney General's opinion<sup>1</sup> that was issued concurrent with the passage of the APA that

It is equally clear that the exemption is not limited to strictly diplomatic functions, because the phrase "diplomatic function" was employed in the January 6, 1945 draft of S. 7 (Senate Comparative Print of June 1945, p. 6; Sen. Doc. p. 157) and was discarded in favor of the broader and more generic phrase "foreign affairs function". In the light of this legislative history, it would seem clear that the exception must be construed as applicable to most functions of the State Department and to the foreign affairs functions of any other agency. (emphasis added)

<sup>&</sup>lt;sup>1</sup> Attorney General's Manual on the Administrative Procedure Act. (1947). United States: U.S. Department of Justice, pp. 26-27.

The subject matter of this final rule involves the collection of visa fees through the Diversity Visa program. The administration of this program is a foreign affairs function of the United States.

By requiring the \$1 fee for all aliens who register for the Diversity Visa program, the Department is shifting the burden of the registration and random selection process to the group that seeks the benefit of gaining access to the program, instead of only charging the small percentage of successful registrants, who will still be responsible for the costs associated with administering the remainder of the program. This is a fairer way to administer the DV visa program. Visas are issued by the Department of State to foreign citizens in foreign countries.

Accordingly, this rule is properly viewed as one that "clearly and directly involve[s] activities or actions characteristic to the conduct of international relations." *Capital Area Immigrants' Rights Coal. v. Trump*, 471 F. Supp. 3d 25, 53 (D.D.C. 2020); *E.B. v. U.S. Dep't of State*, 583 F. Supp. 3d 58, 64 (D.D.C. 2022). The D.C. Circuit likely would apply this test as well, as that court has adopted a direct-involvement test for the analogous benefits exception contained in the same subsection of the APA. Crafting visa policy for the United States is inherently a foreign affairs function under any test.

In addition, although the text of the Administrative Procedure Act does not require an agency invoking this exemption to show that such procedures may result in "definitely undesirable international consequences," some courts have required such a showing. *E.g.*, *Yassini v. Crosland*, 618 F.2d 1356, 1360 n.4 (9th Cir. 1980). As noted above, the collection of this fee is intended in part to help to reduce specious registrations by actors seeking to exploit unsuspecting potential entrants. Because the publication of this rule for notice and comment would provide opportunity for such actors to modify their methods prior to the first DV registration in which the fee will be implemented, such publication would more than likely result in such undesirable international consequences. Accordingly, the promulgation of a fee to be

collected at the time of registration for the DV program involves an inherently foreign affairs function of the Department of State.

In addition, consistent with his statutory authority<sup>2</sup>, the Secretary of State has determined that all policy related to visa operations and issuance, among other matters, constitutes a foreign affairs function of the United States under the Administrative Procedure Act (5 U.S.C. 553)<sup>3</sup>.

Regulatory Flexibility Act

This rule would not regulate "small entities" as that term is defined in 5 U.S.C. 601(6) and as such would not have a significant economic impact on a substantial number of small entities. The Department affirms that this proposed rule will not have a significant economic impact on a substantial number of small entities as defined in 5 U.S.C. 601(6).

Unfunded Mandates Act of 1995

This rule will not result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1501–1504. *Small Business Regulatory Enforcement Fairness Act of 1996* 

This rule is not a major rule as defined by 5 U.S.C. 804(2).

Executive Order 12866 (Regulatory Planning and Review) and Executive Order 13563 (Improving Regulation and Regulatory Review)

The Department has reviewed this rule to ensure its consistency with the regulatory philosophy and principles set forth in the Executive Orders. OMB has determined that this rule is not significant under Executive Order 12866.

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<sup>&</sup>lt;sup>2</sup> 22 U.S.C. 2656.

<sup>&</sup>lt;sup>3</sup> See Determination: Foreign Affairs Function of the United States, 90 FR 12200 (Mar. 14, 2025)

The Department is establishing this fee in accordance with 31 U.S.C. 9701 and OMB Circular A-25, as described in more detail above. *See, e.g.*, 31 U.S.C. 9701(b)(2)(A) ("The head of each agency ... may prescribe regulations establishing the charge for a service or thing of value provided by the agency ... based on ... the costs to the Government.").

Details of the proposed fee change are as follows:

Item No.	Proposed Fee	Fee	in Fee		Number of  Application  s \1\	Estimated Change in Annual Fees Collected	
SO	CHEDULE	OF FEES	S FOR C	ONSULA	R SERVICE	S	
			* * * * *	*			
VISA SERVICES							
33. Diversity							
Visa application							
fee							
(a) Registra tion Fee	\$1	\$0	\$1		25,000,000	\$25,000,000	
(b) Applicat	\$330	\$330	\$0		62,000	\$0	
Total						\$25,000,000	
\1\ D 1			*****	* *			

<sup>\1\</sup> Based on projected FY 2025 workload.

The Department of State anticipates that demand for the DV lottery may decrease in part due to these fee changes.

Executive Orders 12372 and 13132

This regulation will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with section 6 of Executive Order 13132, it is determined that this rule does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact statement. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on federal programs and activities do not apply to this regulation.

Executive Order 13175

The Department has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not preempt tribal law. Accordingly, the requirements of Executive Order 13175 do not apply to this rulemaking.

Paperwork Reduction Act

This rule does not impose any new reporting or record-keeping requirements subject to the Paperwork Reduction Act 44 U.S.C. Chapter 35.

Executive Order 14192 – Unleashing Prosperity Through Deregulation

This rule is not an Executive Order 14192 regulatory action because it is being issued with respect to an immigration-related function of the United States. The rule's primary direct purpose is to implement or interpret the immigration laws of the United States (as described in INA sec. 101(a)(17), 8 U.S.C. 1101(a)(17)) or any other function performed by the U.S. Federal Government with respect to aliens.

Fees; Foreign service: Immigration; Passports and visas

## List of Subjects in 22 CFR Part 42

Administrative practice and procedure; Aliens; Fees; Foreign officials; Immigration; Passports and visas.

Accordingly, for the reasons stated in the preamble, the State Department amends 22 CFR parts 22 42 as follows:

# PART 22--SCHEDULE OF FEES FOR CONSULAR SERVICES—DEPARTMENT OF STATE AND FOREIGN SERVICE

1. The authority citation for part 22 is revised to read as follows:

Authority: 8 U.S.C. 1101 note, 1153 note, 1183a note, 1351, 1351 note, 1713, 1714, 1714 note; 10 U.S.C. 2602(c); 11 U.S.C. 1157 note; 22 U.S.C. 214, 214 note, 1475e, 2504(a), 2651a, 4201,4206, 4215, 4219, 6551; 31 U.S.C. 9701; Exec. Order 10,718, 22 FR 4632 (1957); Exec. Order 11,295, 31 FR 10603 (1966).

2. In § 22.1 amend the table "Schedule of Fees for Consular Services" by revising entry 33 to read as follows:

### § 22.1 Schedule of Fees

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# **Schedule of Fees for Consular Services**

Item No.	Fee					
*****						
IMMIGRANT AND SPECIAL VISA SERVICES						
* * * * * *						
33. Diversity Visa Lottery	<b>\$</b> 1					
(a) Registration Fee	·					
(b) Application Fee	\$330					

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# Part 42 – VISAS: DOCUMENTATION OF IMMIGRANTS UNDER THE IMMIGRATION AND NATIONALITY ACT, AS AMENDED.

3. Amend § 42.33 by revising paragraphs (b)(3) and (i) to read as follows:

§42.33—Diversity immigrants.

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- (b) \* \* \*
- (3) Submission of petition. A petition for consideration for visa issuance under INA 203(c) must be submitted to the Department of State by electronic entry to an Internet website designated by the Department for that purpose. The Department will establish a period of not less than thirty days during each fiscal year within which aliens may submit petitions for approval of eligibility to apply for visa issuance during the following fiscal year. Each fiscal year the Department will give timely notice of both the website address and the exact dates of the petition submission period, as well as other pertinent information, through publication in the Federal Register and such other methods as will ensure the widest possible dissemination of the information, both abroad and within the United States.

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- (i) *Diversity Visa Lottery fee.* (1) An electronic registration fee will be collected at the time of registration.
- (2) Consular officers shall collect, or ensure the collection of, the Diversity Visa Lottery fee from those persons who apply for a diversity immigrant visa, described in INA 203(c), after being selected by the diversity visa lottery program. The Diversity Visa Lottery fee, as prescribed by the Secretary of State, is set forth in the Schedule of Fees, 22 CFR 22.1.

# John L. Armstrong,

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**BILLING CODE: 4710-06** 

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