Applying the Equal Access to Justice Act to Asylum Hearings

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The Refugee Act of 19801 attempted to establish a uniform and nonideological procedure for considering applications by refugees for political asylum in the United States.2 Charges persist, however, that foreign policy and ideology still dominate the government’s adjudication and litigation of asylum claims, thereby thwarting the goals of the Act.3 Even when a refugee presents a strong asylum claim, the Immigration and Naturalization Service (INS) generally contests the application by appealing an Immigration Judge’s (IJ) decision.4 Although IJ denials of strong asylum claims have been reversed or remanded by the federal courts,5 few asylum seekers have the resources to appeal.6

This Note argues that unjustified government opposition to meritorious asylum claims should be countered through the application of a federal statute.


2. As part of the Act, Congress incorporated the definition of refugee used in the 1967 U.N. Protocol Relating to the Status of Refugees: any person demonstrating a “well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, [who] is outside the country of his nationality and is unable or, owing to such fear, is unwilling to . . . return to it.” Convention Relating to the Status of Refugees, July 28, 1951, art. I, 19 U.S.T. 6223, T.I.A.S. No. 6577, 189 U.N.T.S. 150 (entered into force for the United States on Nov. 1, 1968). Congress thus sought to abolish the previous U.S. system of explicit ideological and national preferences in executive grants of asylum. The Refugee Act of 1980 eliminated the explicitly ideologically-based provision in the Immigration and Nationality Act of 1952 which granted “conditional entry” visas to aliens who fled persecution on account of race, religion, or political opinion “(I) from any Communist or Communist-dominated country or area, or (II) from any country within the general area of the Middle East,” Immigration and Nationality Act Amendments of 1965, Pub. L. No. 89-236, § 3, 79 Stat. 911, 913 (amending Immigration and Nationality Act of 1952, Pub. L. No. 82-414, § 203(a)(7), 66 Stat. 163, 178-79 (1952)), and replaced it with the new asylum statute, 8 U.S.C. § 1158(a) (1982).


4. See infra text accompanying note 77; see also infra notes 52-55 and accompanying text.

5. See infra note 46.

6. See infra notes 75-77 and accompanying text.
attorneys' fees award statute, the Equal Access to Justice Act (EAJA), to deportation proceedings in which the government opposes asylum claims. The EAJA awards attorneys' fees to a party who prevails against the United States in any civil action or in any "adversary adjudications" by federal agencies, in which the "position" of the agency is not "substantially justified." Application of the EAJA to asylum hearings will attract more representation for asylum seekers, deter the INS through the threat of fee awards, and expose more INS litigation to judicial review, which should further reform and refine INS asylum policy.

This Note argues that the purposes and legislative history of the EAJA justify its application to asylum hearings. In Escobar Ruiz v. INS [Escobar Ruiz I], the first and only court to address the issue held that the EAJA applied to deportation hearings, the forum in which asylum claims are adjudicated. But the INS still opposes the EAJA's application to deportation hearings, and the status of the law in other circuits is untested.

Section I examines the history, purposes, and terms of the EAJA, especially as it applies to agency proceedings. Section II focuses on asylum procedure and policies, and argues that application of the EAJA to asylum hearings would serve the purposes of the Act by aiding asylum seekers contesting unjustified INS opposition to their claims. Finally, Section III proposes two changes to strengthen the EAJA's effectiveness in agency proceedings: Congressional amendment of a key statutory term, and clarification by the Justice Department of the process by which fee awards are reviewed.

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8. 28 U.S.C. § 2412(d) (Supp. IV 1986), pertains to fee awards made by federal courts in civil cases (except tort cases) including proceedings for judicial review of agency action. 5 U.S.C. § 504 (Supp. IV 1986) contains very similar language but applies to awards made by agency adjudicators in adversary adjudications.

9. The relevant portion of 5 U.S.C. § 504(a)(1) states:

An agency that conducts an adversary adjudication shall award, to a prevailing party other than the United States, fees and other expenses incurred by that party in connection with that proceeding, unless the adjudicative officer of the agency finds that the position of the agency was substantially justified or that special circumstances make an award unjust.


11. The INS did not seek certiorari but indicated that it will seek to reverse the holding of Escobar Ruiz III by litigating a "more appropriate" future case in the Supreme Court. No Supreme Court Review in Escobar Ruiz, 65 INTERPRETER RELEASES 540 (May 23, 1988). Further, the INS has stated that it will not comply with the holding of Escobar Ruiz III even within the Ninth Circuit, "in order to bring the matter before the Supreme Court at the earliest possible moment." INS Refuses to Be Bound by Escobar-Ruiz, 65 INTERPRETER RELEASES 899, 900 (Sept. 2, 1988).
I. THE EAJA: TERMS AND BASIC PURPOSE

A. History of Fee Award Provisions

The EAJA, originally enacted as an experiment, significantly changed existing law by permitting attorneys' fees awards against the government in civil actions and in adversary agency adjudications. Under the common law "American Rule," parties in litigation traditionally pay for their own attorneys' fees and costs, except where attorneys' fees are specifically authorized by statute.

The American Rule became subject to increasing attack in the 1960's and 1970's, and courts began to experiment with new exceptions to the doctrine. The most significant of these new judicial exceptions, the "private attorney general" theory, was abolished in Alyeska Pipeline Service Co. v. Wilderness Society. In response to Alyeska, Congress passed the Civil Rights Attorney's Fees Awards Act of 1976, which permitted prevailing parties in actions brought under certain civil rights statutes to collect attorneys' fees. Four years later, Congress enacted a far more comprehensive attorneys' fees bill, the EAJA, to enable small parties, who might otherwise be unable to afford to assert

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13. See Alyeska Pipeline Serv. Co. v. Wilderness Soc'y, 421 U.S. 240, 247 (1975). The American Rule was first articulated by the Supreme Court in Arcambel v. Wiseman, 3 U.S. (3 Dall.) 306 (1796). There are two traditional narrow common law exceptions to the rule: when the losing party has acted in "bad faith" he may be obliged to pay attorney fees (bad faith exception), or when a successful party preserves or creates a benefit for a group, the court may permit her to recover fees from the beneficiaries (common benefit exception). Winold, Institutionalizing an Experiment: The Extension of the Equal Access to Justice Act — Questions Resolved, Questions Remaining, 14 Fla. St. U.L. Rev. 925, 927 (1987).

Congress has enacted many specific statutory exceptions to the American Rule. For a sample list, see H.R. Rep. No. 1418, supra note 12, at 4987.


15. This theory allowed private plaintiffs to collect attorneys' fees against private parties, even in the absence of specific statutory authority, when their suits vindicated certain public rights. Id. at 544 n.15. Courts that followed this doctrine reasoned that when litigants helped enforce certain broad rights and interests promoted by, for example, civil rights and environmental legislation, they should not have to pay the costs of the litigation. Winold, Institutionalizing an Experiment: The Extension of the Equal Access to Justice Act — Questions Resolved, Questions Remaining, 14 Fla. St. U.L. Rev. 925, 927 (1987).

16. 421 U.S. 240, 253 (1975) ("[C]ongressional utilization of the private-attorney-general concept can in no way be construed as a grant of authority to the Judiciary to jettison the [American] rule.").


18. Eligibility for an EAJA award is limited to individuals with a net worth of less than $2 million, businesses with a net worth of less than $7 million and nonprofit organizations of any size. 5 U.S.C. § 504(b)(1)(B) (Supp. IV 1986).
their legal rights, to defend against or seek review of unreasonable government action.\textsuperscript{19}

B. \textit{Purpose of the EAJA}

The EAJA has three principal purposes. First, the EAJA seeks to aid victims of unjustified government action who might be deterred by the cost of litigation from legally contesting such action.\textsuperscript{20} Congress intended the EAJA to prevent the government from coercing compliance with its position merely because the affected individuals lacked the funds to litigate against the government.\textsuperscript{21} Congress wanted to ensure that individuals, small businesses, and other organizations would decide on the merits rather than on their fear of high attorneys' fees whether or not to defend against or seek review of unjustified government action.\textsuperscript{22}

A second goal of the EAJA is to deter such unjustified government action by the threat of sizeable awards of attorneys' fees which would come from agency budgets.\textsuperscript{23} By requiring that the government prove that its position is substantially justified or face liability for a fee award,\textsuperscript{24} Congress also intended to "caution agencies to carefully evaluate their case and not to pursue those which are weak or tenuous."\textsuperscript{25}

A third objective is to expose, by statutory revival of the private attorney general theory,\textsuperscript{26} more governmental action to "adversarial testing . . . to refine the administration of federal law—to foster greater precision, efficiency and fairness in the interpretation of statutes and in the formulation and enforcement of governmental regulations."\textsuperscript{27} Congress felt that the EAJA would promote more agency adjudications, which would often bring to light and correct inaccurate or erroneous agency policy or action.\textsuperscript{28}

\begin{itemize}
\item \textsuperscript{19} H.R. Rep. No. 1418, supra note 12, at 4988. The EAJA is a general statutory exception to the American Rule. Only common law and specific statutory exceptions to the American Rule existed prior to the enactment of the EAJA. Id. at 4986-87.
\item \textsuperscript{20} The American Rule was based on a desire not to deter litigation by penalizing a losing party for having brought or defended a lawsuit. But, the House Report concluded: "[I]n litigation with the Government, the American rule is in fact having the opposite effect. For many citizens, the costs of securing vindication of their rights and the inability to recover attorney fees preclude resort to the adjudicatory process." Id. at 4988.
\item \textsuperscript{21} Id. "[T]he Government with its greater resources and expertise can in effect coerce compliance with its position. . . . [and thus] precedent may be established on the basis of an uncontested order rather than the thoughtful presentation and consideration of opposing views." Id.
\item \textsuperscript{22} See, H.R. Rep. No. 120, supra note 12, at 132-33.
\item \textsuperscript{23} See H.R. Rep. No. 1418, supra note 12, at 4991; see also Spencer v. NLRB, 712 F.2d 539, 550 n.40 (D.C. Cir. 1983).
\item \textsuperscript{24} See infra notes 29-34 and accompanying text.
\item \textsuperscript{25} H.R. Rep. No. 1418, supra note 12, at 4993.
\item \textsuperscript{26} See supra note 15. The EAJA and the private attorney general theory are based on the premise that "a party who chooses to litigate an issue against the Government is not only representing his or her own vested interest but is also refining and formulating public policy." H.R. Rep. No. 1418, supra note 12, at 4988.
\item \textsuperscript{27} Spencer, 712 F.2d at 550 n.41.
\item \textsuperscript{28} H.R. Rep. No. 1418, supra note 12, at 4989.
\end{itemize}
C. **Key Terms of the EAJA**

To win an EAJA award an applicant must show that she is an eligible “prevailing party.” Courts have generally held that to be a “prevailing party” one need only succeed on any significant issue which achieves some of the benefit sought by the parties. The government must then show that its “position” in the adjudication was “substantially justified,” or that “special circumstances” would make an award unjust, or it will be liable for an EAJA fee award.

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31. A key amendment to the EAJA in 1985 resolved the split in the circuits over the meaning of the term “position” of the agency. Pub. L. No. 99-80, §§ 1(a)(1), 1(b)(1)(E), 2(b), 99 Stat. 183, (codified at 5 U.S.C. §§ 504(a)(1), (b)(1)(E), 28 U.S.C. §§ 2412(d)(2)(D)). Following the enactment of the EAJA in 1981, some circuits followed the more restrictive “litigation theory”: In determining whether the “position” of the government was substantially justified, the reviewing court or agency adjudicator would look only at the government’s “litigation position,” and not at the underlying agency position—the facts which formed the basis of the litigation or adjudication. Spencer v. NLRB, 712 F.2d 539 (D.C. Cir. 1983).

For example, if the government is a defendant it may present a technical defense, such as lack of jurisdiction, which is unrelated to the merits of the underlying action. Although the government may lose, by presenting only that defense—assuming that lack of jurisdiction is a substantially justified, or reasonable, legal argument—the government could escape liability for EAJA fees under the litigation theory, regardless of how unreasonable its original action was.

Congress in 1985 ratified the broader “underlying action” approach, in which the court or Administrative Law Judge (ALJ) reviewing a fee application would look at both the government’s legal arguments and the prelitigation facts of the case on the record to make the substantial justification determination. See H.R. Rep. No. 120, supra note 12, at 140-42; Haitian Refugee Center v. Meese, 791 F.2d 1489, 1496-97 (11th Cir. 1986).

32. 5 U.S.C. § 504(a)(1) (Supp. IV 1986); 28 U.S.C. § 2412(d) (Supp. IV 1986). The Supreme Court recently addressed the split in the circuits concerning the interpretation of the “substantially justified” standard. In Pierce v. Underwood, 108 S. Ct. 2541 (1988), the Court held that the standard should be essentially one of reasonableness. This ruling may limit the effectiveness of the EAJA and reduce government liability for awards, given that since the 1985 reenactment of the EAJA, many courts had been imposing a higher, "more than mere reasonableness" standard on the government. See infra notes 95-99 and accompanying text.

33. Only in rare cases has the government escaped liability for an EAJA award under this provision. For instance, only two of 95 EAJA application denials in the federal courts in 1987 were made because special circumstances made an award unjust. 1987 DIRECTOR ADMIN. OFFICE U.S. GTS. ANN. REP. 101 [hereinafter 1987 CTS. REP.].

34. A recent case illustrates how the EAJA works in agency adjudications. In Phil Smidt & Son v. NLRB, 810 F.2d 638 (7th Cir. 1987), a former employee of a small company had sought backpay after proving that she had been wrongfully discharged. An NLRB official investigating the case wrote to the company twice, first directing payment of $920 to the employee, but then later demanding payment of more than $5,000, based on an affidavit by the employee which falsely claimed that her tax returns were erroneous and that she had suffered a loss of income after her discharge. The company refused to pay such a large amount and a hearing was set solely to determine the amount of backpay. *Id.* at 639-40.

Before the start of the hearing the company offered to pay the original determination of $920. But the NLRB General Counsel rejected this settlement offer and at the hearing the ALJ found that the company owed only $631, even less than the original NLRB demand. *Id.* at 640-41.

Having prevailed in the NLRB adjudication, the company sought attorneys’ fees by filing an EAJA application with the ALJ. The ALJ dismissed the application, and a panel of the NLRB affirmed, on the grounds that the NLRB General Counsel’s position in the case was substantially justified because its legal arguments at the hearing were reasonable. *Id.* at 641.

The Seventh Circuit, however, reversed the NLRB panel’s denial of fees because it was based on the wrong legal standard and was unsupported by substantial evidence. *Id.* at 643. The court found
EAJA awards for attorneys' fees in agency adjudications have been rare. In the first three years after the passage of the EAJA, the number of applications and awards and the total dollar amount of all EAJA awards fell far below expectations.\(^5\) The lack of applications and the low number of awards were particularly striking in administrative agency adjudications, where Congress had believed that many awards would be made.\(^3\) Even when the number and amount of court awards increased,\(^7\) the number of administrative awards remained extremely low leading many to proclaim the EAJA a failure in agency proceedings.\(^8\) An alternative explanation is that during the Reagan years there has been less agency activity and fewer enforcement initiatives which would spur EAJA applications.\(^9\) In either case the consistently small number of agency applications and the low percentage of applications which result in awards, compared with the significantly higher numbers for comparable court cases, suggest that flaws in the statute itself limited the EAJA's impact in agency adjudications in its first three years.

For example, the provisions in the original Act governing standards for judicial review of fee decisions were arguably too restrictive. Judicial review of administrative fee adjudications was discretionary with the federal courts and was under an abuse of discretion standard.\(^4\) Congress had feared that a large volume of routine appeals of agency fee denials would flood the federal courts.\(^3\) But during the three years that this narrow approach was in effect, the number of applications granted in U.S. courts increased from 10 to 420. The percentage of applications granted also increased, from less than 50% in 1982 to more than 70% in 1985. The total amount awarded grew from $264,339 to $1,912,768 in that same period.\(^1\)

35. The Congressional Budget Office (CBO) estimated that EAJA awards during fiscal years 1982–84 would be $310 million, based on an estimated 11,200 court awards and 8,100 administrative agency awards. H.R. REP. No. 1418, supra note 12, at 4999–5002. The actual amount of all EAJA awards during those three years was less than $4 million and the total number of awards was less than 200. H.R. REP. No. 120, supra note 12 at 137.

36. The CBO estimated that awards would be made in some 2,700 administrative cases per year, with an average award of $7,200 for a total cost to the government of $19.4 million in fiscal year 1982, and $62 million total for fiscal years 1982–84. H.R. REP. No. 1418, supra note 12, at 4999–5002. But during fiscal years 1982–1984 only 21 awards were made by administrative agencies, while 223 applications were denied and 160 were still pending. The total amount of the awards was less than $158,000 for those three years. 1985 CHAIRMAN ADMIN. CONF. U.S. ANN. REP. ON AGENCY ACTIVITIES UNDER THE EQUAL ACCESS TO JUSTICE ACT app. IV [hereinafter 1985 ACUS REP.].

37. Between 1982 and 1985 the number of applications granted in U.S. courts increased from 10 to 420. The percentage of applications granted also increased, from less than 50% in 1982 to more than 70% in 1985. The total amount awarded grew from $264,339 to $1,912,768 in that same period. 1987 CRs. REP., supra note 33, at 97.


41. H.R. REP. No. 1418, supra note 12, at 4995. Congress also made denial of a petition for
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judicial review provision of the original EAJA was in effect, few administrative fee denials were reviewed, and fewer still were reversed. Thus, when Congress extended and amended the EAJA in 1985, it was no longer concerned with a flood of cases. Congress expanded the opportunity for judicial review by providing for an automatic right to appeal administrative fee decisions, and by changing the standard of review from abuse of discretion to substantial evidence on the record of the agency. This liberalized standard of judicial review made possible awards in cases such as Phil Smidt & Son v. NLRB. Expanded judicial review is especially important given the low number of agency awards, and the obvious reluctance of agency administrators to grant large awards out of their own budgets, even in the rare cases where they do make awards. In the asylum context, judicial review is especially important because so many significant legal victories have been won in the federal courts on appeal from agency adjudications.

II. APPLICATION OF THE EAJA TO ASYLUM PROCEEDINGS

This Section describes current asylum application and adjudication procedure and then reviews the legal debate over whether the EAJA applies to those adjudications. It argues that the EAJA should apply to asylum adjudications by demonstrating that the EAJA’s three objectives will be furthered by its use in that context.

A. Asylum Procedure

Asylum is one of two principal forms of statutory relief available to an alien in the United States who claims that she will be persecuted if deported to her country of origin. Asylum is a temporary but highly de-
sired form of relief because it permits an alien to apply for permanent residence status after one year and to receive important benefits such as work authorization.48

To gain asylum, an applicant must first establish eligibility for relief by demonstrating a "well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion."49 Then, the IJ must exercise the discretion delegated by the Attorney General, to grant or deny asylum.60 Asylum adjudication thus involves two separate determinations which are subject to different standards of judicial review. Federal courts review asylum eligibility determinations under a substantial evidence standard and the discretionary determination is reviewed under abuse of discretion.51

The asylum seeker may follow two different procedural routes to gain asylum but can probably only recover EAJA fees by following the second of these. First, if no deportation proceedings have been instituted against her, she may affirmatively apply for asylum by requesting an interview with the office of the local district director of the INS.62 In most cases, the EAJA would probably not apply to the district director's decision on an affirmative application for asylum because there is no adversary adjudication and the government is not represented by counsel.63

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48. 8 U.S.C. § 1158(b) provides that the Attorney General may revoke a grant of asylum if changed conditions in the asylee's country of nationality make him ineligible.

There is no limit on the number of persons who may receive grants of asylum each year, but only 5,000 asylees may become permanent residents in a given year. 8 U.S.C. § 1159(b) (1982). Work authorization is now mandatory for any asylum applicant who can show she has filed a "nonfrivolous" application. 8 C.F.R. §§ 274(a.12(c))(1988). For a discussion of the INS's interpretation of "nonfrivolous," see 64 Interpreter Releases 873 (July 27, 1987).


52. 8 C.F.R. § 208 (1988). After the interview, the INS sends the application to the State Department for an advisory opinion (district directors and IJs are required to request these advisory opinions under existing INS regulations, 8 C.F.R. §§ 208.7, 208.10(b) (1988)), and then issues a grant or denial. If the INS rejects the claim, the applicant may not appeal directly, but may renew the claim before an IJ, who would review the matter de novo, if the INS institutes deportation hearings. 8 C.F.R. § 208.9 (1988). The INS has proposed new asylum regulations which would eliminate the rule of district directors, replacing them with specially trained asylum officers. 53 Fed. Reg. 11,300 (1988) (to be codified at 8 C.F.R. §§ 3, 208, 236, 242 & 253) (proposed Apr. 6, 1988).

53. See infra notes 65-67. When Congress in 1985 expanded the scope of the "position" of the agency which must be substantially justified to include underlying agency action, see supra note 31, it concluded that the government would not be liable for "mere preliminary or procedural decisions which would not be subject to judicial review." H.R. Rep. No. 120, supra note 12, at 141. Thus, a
The EAJA would, however, apply to appellate review of an asylum claim raised in a second way: during a deportation hearing before an IJ. The decision of the IJ is appealable to the Board of Immigration Appeals (BIA), whose decision may be appealed directly to the federal courts of appeals, and from there to the Supreme Court.

The government may be exposed to liability for an EAJA award in asylum hearings for either appealing a grant of asylum by an IJ, or for contesting an asylum seeker's appeal of an IJ denial. Liability might arise where the court of appeals determines that the IJ or the BIA applied the wrong legal standards or failed to articulate the reasons for a denial of asylum, and the government's argument on appeal lacks substantial justification.

This is an unusual posture for EAJA agency adjudications. In other
administrative settings where the EAJA applies, such as NLRB adjudications, the EAJA award may be made against the government merely for causing the adversary adjudication to be held; the EAJA fee applicant contests the government’s action that prompted the adjudication in the first instance. But the fact that EAJA fees will in many asylum cases only be available for work performed on appeals to the BIA or the federal courts of appeals will not limit the Act’s effectiveness because so many asylum cases are won only on appeal.59

B. Escobar Ruiz and the Legal Debate

The INS and the Justice Department have long contended that the EAJA does not apply at all to deportation hearings,60 but the issue was not tested in court until recently. In Escobar Ruiz I,61 and Escobar Ruiz II,62 the INS objected to the application of the EAJA to deportation proceedings on two major grounds. First, the INS claimed that the Immigration and Naturalization Act specifically precludes the application of any fee-shifting statute to immigration hearings because the Act gives the alien a right to counsel in such hearings, but not at the government’s expense.63

The court in Escobar Ruiz I squarely rejected this argument.64

The INS then petitioned for rehearing, arguing that the EAJA only

59. See supra note 46.


Although Congress did not specifically consider immigration proceedings during the debate over the passage of the EAJA, the Act was intended to have general application to agency adversary adjudications involving eligible parties. See H.R. REP. NO. 1418, supra note 12, at 4988. This is especially clear when the EAJA is contrasted to other fee-shifting statutes which are issue-specific. See The Civil Rights Attorney’s Fees Awards Act of 1976, Pub. L. 94-559, 90 Stat. 2641, (amending 42 U.S.C. § 1983).

61. 787 F.2d 1294 (9th Cir. 1986). Plaintiff, a Salvadoran trade unionist, sought asylum but was ordered deported at a hearing in which he appeared pro se. Plaintiff subsequently found pro bono counsel and moved to reopen and file for asylum. Before the circuit court ruled on his appeal, the INS voluntarily reopened the proceedings. Plaintiff then filed for EAJA fees for his attorney’s work before the Ninth Circuit and the BIA. Id. at 1296. Though the court held that the EAJA did apply to work done in IJ and BIA immigration proceedings, it did not address the central issue of whether such proceedings are deemed “adversary adjudications” under the EAJA. See infra notes 64-66.

62. 813 F.2d 283 (9th Cir. 1987).

63. The INS argued that the EAJA’s key section contains an exception which precludes its application to immigration proceedings. The EAJA applies “except as otherwise specifically provided by statute.” 28 U.S.C. § 2412(d)(1)(A) (emphasis added). The INS argued that a provision in the Immigration and Naturalization Act (INA) “specifically otherwise provided” (thus precluding application of the EAJA) that “[i]n any [BIA or IJ proceedings] the person concerned shall have the privilege of being represented (at no expense to the Government)” barred the application of the EAJA. Escobar Ruiz I, 787 F.2d at 1296-97 (quoting 8 U.S.C. § 1362 (1982)(emphasis added)).

64. 787 F.2d at 1296-97. The court held that Congress, in enacting the EAJA, intended the phrase “except as otherwise specifically provided by statute” to prevent the EAJA from superseding other existing specific fee-shifting statutes. But the INA is not such a statute, since it contains no provision for awarding fees. Id. Therefore, the court concluded, “[d]epartment proceedings before the IJ and the BIA . . . are precisely the type of proceedings to which Congress intended [the EAJA] to apply.” Id.
applies to administrative proceedings that are "adversary adjudications," and that immigration proceedings are not included within that term. The court, in Escobar Ruiz II, dismissed this argument as well, reasoning that the legislative history of the EAJA shows that Congress meant to cover this type of proceeding.

C. Deterring Routine INS Opposition to Asylum Claims

In addition to the arguments advanced by the Ninth Circuit, this Note argues for application of the EAJA to asylum proceedings to further the three purposes of the Act: enabling small parties to defend against unjustified government actions, deterring such government action, and improving the quality of government policy through increased exposure to litigation.

Critics have pointed to several aspects of INS asylum procedure and policy that contravene the asylum provisions of the 1980 Refugee Act: ideological biases in asylum determinations, the powerful weight accorded general foreign policy considerations through reliance on State Department advisory opinions on asylum claims, and denial of notice of both the right to apply for asylum and the right to counsel in asylum hearings.

Application of the EAJA in asylum adjudications by IJs and the BIA will serve the three purposes of the EAJA by: (1) aiding asylum applicants who are often deterred from pressing their claims on appeal, (2) deterring the INS from litigating clearly meritorious claims or pursuing unjustified policies, and (3) promoting more adversarial testing of the govern-

65. Fee awards were limited to adversary adjudications partly to narrow the scope of the Act and thus reduce its estimated costs. H.R. Rep. No. 1418, supra note 12, at 4993.
66. The EAJA defines "adversary adjudication" as "an adjudication under section 554 of this title [the Administrative Procedure Act] in which the position of the United States is represented by counsel. . . ." 5 U.S.C. § 504(b)(1)(C) (Supp. IV 1986). Thus administrative proceedings are covered by the EAJA if: (1) they are considered adversary adjudications under the APA; and (2) the government is represented in those proceedings by counsel. The government has conceded that it is represented by counsel in deportation hearings. Escobar Ruiz III, 838 F.2d 1020, 1023 n.2 (9th Cir. 1988).
67. The court rejected the argument in favor of Escobar Ruiz's position that "an adjudication under section 554" meant only those proceedings that were governed directly by the APA. Since immigration proceedings are not governed by the APA, the INS claimed that they are thus not covered by the EAJA. In support the INS cited Marcello v. Bonds, 349 U.S. 302 (1955) (hearing provisions of the APA do not apply to deportation hearings). Escobar Ruiz II, 813 F.2d 283, 287 (1987).
68. See infra notes 81-82.
69. Id.
government's actions towards asylum seekers and thus fostering greater precision and fairness in the INS's interpretation of the 1980 Refugee Act.

First, availability of the EAJA may attract more representation for asylum seekers, whose numbers have increased significantly since the termination of the Immigration Reform and Control Act of 1986 (IRCA) amnesty program. Given the asylum seeker's cultural disadvantages, legal representation is especially critical to her success. Although refugees seeking asylum have a statutory right to be represented by counsel, they have no right to appointed counsel. Since asylum seekers are often too poor to retain private counsel and are generally ineligible for representation by legal services offices using Legal Services Corporation funding, many are without representation.

71. Attorneys may be attracted by the possibility of receiving fees in meritorious cases and underfunded legal service organizations may be able to stretch their limited budgets with fee awards. Cf. Evans v. Jeff D., 475 U.S. 717, 741 (1986) (Civil Rights Attorney's Fees Awards Act improves civil rights victims' ability to employ counsel).


74. See Reyes-Palacios v. INS, 836 F.2d 1154, 1155 (9th Cir. 1988). Lawyers help document threats and persecution, which is especially important since refugees rarely have much evidence. An attorney can counsel the refugee and explain options. See Note, Toward a Meaningful Right to Counsel for Refugees in Exclusion Proceedings, 11 N.Y.U. Rev. L. & Soc. Change 297, 302 (1983).

75. Counsel must persuade the refugee to present her testimony in the best possible light to an IJ. This is difficult because asylum seekers often fear and distrust government officials, given their unhappy experiences with authorities in their native countries. Statement of Lynn Alvarez of El Rescate, New York University Conference on Immigration Reform (Mar. 7, 1987) (on file with author). Without counsel, asylum seekers tend to make inconsistent and damaging statements to IJs and the INS because they say what they think a particular official wishes to hear at the time. See E. HULL, WITHOUT JUSTICE FOR ALL 108 (1985).

76. Counsel must persuade the refugee to present her testimony in the best possible light to an IJ. This is difficult because asylum seekers often fear and distrust government officials, given their unhappy experiences with authorities in their native countries. Statement of Lynn Alvarez of El Rescate, New York University Conference on Immigration Reform (Mar. 7, 1987) (on file with author). Without counsel, asylum seekers tend to make inconsistent and damaging statements to IJs and the INS because they say what they think a particular official wishes to hear at the time. See E. HULL, WITHOUT JUSTICE FOR ALL 108 (1985).

77. No definitive figures exist regarding the level of representation for asylum seekers. However, especially at the several detention centers operated by the INS in remote areas, there are generally only a handful of inexperienced attorneys available to represent the thousands of asylum seeking detainees. See Note, INS Transfer Policy: Interference with Detained Aliens' Due Process Right to Retain Counsel, 100 Harv. L. Rev. 2001, 2005-06 (1987). When the newest and largest (capacity 6000) detention center opened in 1986 in Oakdale, Louisiana—two hundred miles from a major city—there were five attorneys in the town, none of whom had ever taken an immigration case. Interview with Michael Pasner, Executive Director of the Lawyers Committee For Human Rights in New York City (Apr. 14, 1986).

The effect of the INS detention program is to further deny asylum seekers' access to counsel and increase the difficulties they face in understanding their options and applying for asylum. See
Second, the EAJA may deter routine INS opposition to asylum claims by exposing the INS to fee awards in cases in which opposition is not justified under the facts or the law. Under the Reagan Administration the INS instituted a new recruitment policy to attract younger and more aggressive trial attorneys, many of them from the Justice Department, to prosecute deportation cases. The result has been vigorous opposition to adjudicated asylum claims, often irrespective of the merits, in contrast to the traditionally passive approach to litigation taken by INS trial attorneys.  

The deterrent effect of the EAJA may be particularly strong in the asylum context because the INS has already been subject to some of the largest EAJA awards made in civil litigation since the passage of the Act. Since the same INS lawyers who worked on these court cases litigate and supervise individual asylum cases before the BIA, they may have learned from their experiences and change their practices.

Further, the EAJA may deter the INS from considering ideological bias and foreign policy concerns, which, critics contend, continue to dominate the asylum process. Evidence suggests, for example, that it is much easier for aliens from Communist nations or countries hostile to the United States to obtain asylum, irrespective of the strength of their individual claims. A prime source of this foreign policy bias is the declining but still significant influence that the State Department has over asylum decisions through the customary issuance of advisory opinions.


78. Interview with Doris Meissner, Senior Fellow, Carnegie Endowment for International Peace and former Acting Commissioner of the INS (May 2, 1988).

79. See Haitian Refugee Center, Inc. v. Smith, 644 F. Supp. 382, 387-88, 393 (S.D. Fla. 1984) (awarding $441,000 in EAJA fees where government consciously developed Haitian program to facilitate deportation without consideration of requests for asylum and INS “used its considerable resources to oppress plaintiff class”); aff’d, 791 F.2d 1489 (11th Cir. 1986); Louis v. Nelson, 646 F. Supp. 1300 (S.D. Fla. 1986) (EAJA award exceeding $1 million for not substantially justified government policy of mass exclusion hearings and detention for all Haitian refugees effected without notice or publication).

80. See supra note 3.

81. A review of cases decided by INS district directors (statistics on asylum adjudications before IJs are not currently available) during the 1987 fiscal year shows that the range of the percentages of asylum grants made (versus the number decided) for applications from nations hostile to the United States was 84% (Syria and Nicaragua) to 20% (Hungary). For seven Western aligned nations the range was 26% to 0.0%, with El Salvador, Haiti, Guatemala, Honduras and the Philippines all below 5%. INS statistics reprinted in REFUGEE REP., Dec. 18, 1987, at 15.

Since the advisory opinion usually becomes a part of the record of the asylum hearing, it could be reviewed along with the rest of the government's position to determine whether the INS was substantially justified in contesting an asylum claim. If the INS relied on the advisory opinion, and the opinion stated no individualized reason for recommending against finding eligibility for asylum, the INS could be found liable for an EAJA award for contesting an applicant's case on appeal. Such an award could deter future reliance on the State Department Report.

Finally, availability of the EAJA in asylum adjudications will serve a third EAJA objective by spurring increased litigation of asylum claims and thus promoting greater BIA judicial review and modification of emerging government standards of discretion. After INS v. Cardoza-Fonseca, which significantly liberalized the standards for asylum eligibility, more asylum seekers are passing the eligibility hurdle; thus, more IJs are deciding asylum cases on discretionary grounds. The establishment of standards for the exercise and limitation of discretion through increased litigation will be critical to the success of future asylum seekers. While the standard of judicial review for a discretionary denial of asylum is less stringent (abuse of discretion) than the standard for eligibility determinations (substantial evidence), several appeals of discretionary asylum denials have been successful.

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This process disadvantages the asylum seeker because she cannot directly confront the State Department sources at her hearing. Further, the advisory opinion is often based on a political compromise within the State Department in which U.S. foreign policy objectives, not factors appropriate to individual adjudication as required by the 1980 Refugee Act, control. Preston, supra, at 117-18. In some instances the advisory opinions contain no references to the facts of an individual case. Rios-Berríos v. INS, 776 F.2d 859, 861 (9th Cir. 1985) (undated advisory opinion on petitioner's asylum claim "contain[ed] no reference to facts of petitioner's case," yet concluded petitioner's fear of persecution was not well-founded).

Responding to critics who have urged that the State Department's role in the adjudication process be limited to offering information on general country conditions rather than recommendations on individual cases, see Preston, supra, at 138-40, the INS recently indicated that the State Department will reduce the number of advisory opinions it issues. BHRHA Cuts Down Advisory Opinions, 64 INTERPRETER RELEASES 1215 (Nov. 2, 1987). In addition the Justice Department has instructed asylum adjudicators to pose specific questions to the BHRHA in cases in which they are unable to render a decision without advice from the State Department. 53 Fed. Reg. 2893 (1988). These regulations may reduce the incidence and influence of non-individualized advisory opinions.

Where the law of discretion in asylum cases is clear, for instance that an asylum seeker's manner of entry into the United States is only one of several factors which must be considered in exercising discretion to grant or deny an eligible asylum applicant, Matter of Pula, Interim Dec. No. 3033 (BIA Sept. 22, 1987), the INS may not be substantially justified in opposing an eligible applicant's appeal from an IJ's adverse denial of discretion based solely on manner of entry.
III. Recommendations for Strengthening the EAJA in the Agency Context

While application of the EAJA to asylum adjudications furthers the purposes of the EAJA by aiding asylum seekers and deterring unjustified INS litigation, the EAJA is not a perfect vehicle for achieving its own goals. This Section discusses two proposed clarifications of the EAJA that would strengthen its application in the asylum context. Both recommendations stem from and build on the 1985 amendments to the EAJA that clarified and liberalized the terms of the original Act to counter restrictive court and agency interpretations. First, Congress should clarify the “substantially justified” standard and overrule the recent restrictive Supreme Court interpretation of the phrase. Second, the Justice Department should prohibit excessive agency review of fee decisions made by IJs or the BIA.

A. Amend the “Substantially Justified” Standard

The leading reason cited for denials of EAJA fee awards is that the government has met its burden of showing that its position was substantially justified. But the phrase is not defined in the text of the EAJA, and the circuits have split over its interpretation. Prior to the 1985 reenactment, a majority of circuits interpreted “substantially justified” as mere reasonableness. The legislative history of the original EAJA supports this position. But a “more than mere reasonableness” standard is supported by the legislative history of the 1985 EAJA Amendments, although Congress did not actually amend the statutory language. Since

86. For fiscal year 1987, 61 per cent of denials in the federal courts were made because a court found substantial justification of the government’s position. 1987 CRS REP. supra note 33, at 101. In agency adjudications, the comparable figure for fiscal year 1985 (the last year for which these figures are available) is 40 per cent. 1985 ACUS REP., supra note 36, at app. V.
87. But some circuits initially held the government to a slightly higher standard than “reasonableness.” See Cinciarelli v. Regan, 729 F.2d 801, 804 (D.C. Cir. 1984).
88. See H.R. REP. NO. 1418, supra note 12 at 4992 (“The test of whether or not a government action is substantially justified is essentially one of reasonableness. . . . the government must show that its case had a reasonable basis in law and fact.”).
89. See H.R. REP. NO. 120, supra note 12, at 138. “Because in 1980 Congress rejected a standard of ‘reasonably justified’ in favor of ‘substantially justified,’ the test must be more than mere reasonableness.” Id.
90. Congress may have believed that the clarification in the House Report, the authoritative legislative history for the 1985 amendments, would suffice to offer the courts direction on interpretation. One commentator has suggested that Congress did not change the language because it felt that the issue was complex and better left to be adjudicated on a case by case basis with guidance from legislative history. Equal Access to Justice Act Amendments: Hearings on H.R. 5059 Before the Subcomm. on Courts, Civil Liberties and the Administration of Justice of the House Comm. on the Judiciary,
1985 six circuits have adhered to this “more than mere reasonableness” test; four others still retain the “mere reasonableness” standard; and three circuits have failed to decide the issue. Agency adjudicators have also divided on the standard for substantial justification.

Most recently, in Pierce v. Underwood, the Supreme Court held, by a 5-3 majority, that “substantially justified” means “justified to a degree that could satisfy a reasonable person,” which it equated with the “mere reasonableness standard.” Justice Scalia, writing for the majority, rejected as unauthoritative the legislative history in the House Report of the 1985 reenactment that suggested that “more than mere reasonableness” was the correct standard. Justice Brennan, joined by Justices Marshall and Blackmun, argued in dissent for the more than mere reasonableness standard, based on a full reading of the legislative history.

The “more than reasonableness” standard conforms with the legislative history of the 1985 Amendments and the purpose of the EAJA. In view of the restrictive holding in Underwood, Congress should amend the text of the EAJA to adopt this broader interpretation. The “more than mere reasonableness standard” would not require an automatic fee award in all cases in which substantial evidence does not support the government’s position (the standard for judicial review of eligibility for asylum claims).
But it would ensure that the government will not escape liability for an award when an agency adjudicator or a court finds only some basis for reasonableness in the government’s position.

B. Limit Agency Review of Fee Decisions

Another flaw in the EAJA is the ambiguous procedure governing agency review of fee decisions made by administrative adjudicators. The 1985 EAJA reenactment included an amendment indicating that the “agency” shall make the final administrative decision on a fee application.\(^{100}\) Previously the Act provided that the final administrative decision on a fee application be made by the adjudicative officer, an IJ, for example. The legislative history of this section is sparse and confusing, but it appears that Congress wanted to ensure that administrative decisions on fees were reviewed along the same appeals path as the merits.\(^{101}\)

Because in most administrative adversary adjudications the agency reviews the decision of an ALJ on appeal, it is appropriate that the agency also review the fee decision of the ALJ. Thus, in the asylum context, the BIA should review a fee application decision made by an IJ, because the BIA normally reviews the merits of an IJ’s decision.\(^{102}\)

Under the current EAJA, although the “agency” and not the “adjudicative officer” may make the final fee application decision, it is not clear whether the agency can review a fee decision when it is not entitled to review the merits of the case. The concern is that pursuant to the 1985 amendment, the Justice Department may add an additional layer of administrative review for EAJA fee decisions which does not exist for the merits of an asylum case. For example, the Justice Department might permit or require a high official within the EOIR to review all fee awards made by IJs or the BIA. That official’s decision could be the final “agency” decision, even though he has no authority to review the merits of the asylum case upon which the fee decision is based.\(^{103}\)

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101. The House Report gives a very brief explanation for the new language, stating that “it follows the view adopted by the Administrative Conference and recognizes the fact that decisions [on the merits] in administrative proceedings are generally not final until they have been adopted by the agency.” H.R. Rep. No. 120, supra note 12, at 142.

102. The first bill to reenact the EAJA, H.R. 5479 (1984) (vetoed by President Reagan, see Presidential Memorandum of Disapproval of H.R. 5479, 20 WEEKLY COMP. PRES. DOC. 1814–15 (Nov. 8, 1984)), included a section intended “to clarify the original Congressional intent to make fee award decisions of adjudicative officers final.” H.R. Rep. No. 992, 98th Cong., 2d Sess. 9 (1984). Under this earlier bill, appellate boards in agencies, such as the BIA, would not have been permitted to review fee application decisions, because Congress feared the conflict of interest arising when an agency which must pay fee awards from its own budget reviews such awards made by an ALJ against the agency. Id.

103. This problem also arises in contract appeals board cases, where the agency litigates before an independent contract appeals board. Congress explicitly brought these proceedings under the EAJA’s coverage in 1985. See H.R. Rep. No. 120, supra note 12, at 144. Decisions by these boards are
partment's resolution of this question in its newly revised EAJA implement-
ing regulations will be particularly important because if the INS de-
cided to add an additional layer of review for fee decisions, few BIA or IJ
awards would likely be upheld on review by the EOIR. This extra
layer of review for fee decisions would require prevailing parties to appeal
fee denials or reduced award decisions to the federal courts of appeals on
a routine basis, which might deter applicants and decrease the effective-
ness of the EAJA in immigration proceedings.

IV. CONCLUSION

Applying the EAJA in asylum adjudications would serve the objectives
of the EAJA by providing monetary incentive to counsel to pursue ap-
peals of meritorious asylum cases; by deterring unreasonable INS opposi-
tion in such cases and unreasonable asylum policies challenged in such
adjudications; and finally, by exposing more INS asylum decisions to ad-
versarial testing, thus encouraging greater INS compliance with the asy-
lum provisions of the 1980 Refugee Act. The effectiveness of the EAJA in
achieving these objectives will depend on how the Justice Department im-
plements the EAJA and on how Congress reacts to the Supreme Court's
decision in Pierce v. Underwood. Application of the EAJA is no panacea
for the problems faced by asylum seekers in deportation hearings but it
may significantly deter unjustified INS opposition to meritorious claims.

generally appealable directly to the federal courts of appeals.

The Administrative Conference of the United States' Model Rules for implementing the EAJA
recommend that the fee appeals process in contract appeals board cases conform to the existing merits
appeals process. 1 C.F.R. Alt. § 315.308 (1988); see also 1985 ACUS Rep., supra note 36, at 7
(Model Rules concluded that new language in EAJA not intended to create a new layer of agency
review where none existed before, but rather to preserve existing channels of review).

But some agencies rejected the Model Rules approach in their EAJA regulations, allowing the
agency to review board EAJA decisions. For example, the National Aeronautics and Space Adminis-
tration (NASA) regulations require that NASA review fee decisions made by the NASA Board of

104. The current Justice Department regulations, implemented prior to the EAJA's reenactment,
are ambiguous regarding additional review of fee decisions. 28 C.F.R. § 24.307 (1988). They call for
the fee decision of the adjudicative officer (here the IJ or the BIA) to be "reviewed to the extent
permitted by law by the Department in accordance with the Department's procedures for the type of
proceeding involved. The Department will issue the final decision on the application." Id. The term
"Department" is defined as the "relevant Departmental component which is conducting the adversary
adjudication," id. at § 24.102(d), which is the Executive Office of Immigration Review (EOIR) for
asylum adjudications. See supra note 54. The EOIR's procedures for review of asylum adjudications
call for direct appeals from the BIA to the federal circuit courts of appeals. Yet the last quoted
sentence, mandating that the Department make the final decision on the application, could mean that
an additional office or official within the EOIR or perhaps elsewhere in the Justice Department could
review the BIA's fee decision.