

**Statement of Congressman Elton Gallegly
Before the Subcommittee on Immigration, Citizenship, Refugees,
Border Security, and International Law
Hearing on Proposals for Improving the Electronic Employment
Verification and Worksite Enforcement System
April 26, 2007**

Madam Chairwoman, thank you for holding this important hearing on one of the most critical issues that must be addressed if our country is serious about reducing illegal immigration – the development and implementation of an efficient and secure worksite enforcement system.

Illegal immigration is one of the most serious problems facing our nation. The high number of immigrants crossing the border illegally has overwhelmed our schools, hospitals and communities. It is also a direct threat to our national security and counter-terrorism efforts. Illegal workers also hurt American workers by taking jobs and keeping wages and benefits down.

Under current law, a person must provide a social security number in order to get a job. In many cases, an illegal immigrant simply provides a false name and social security number. In other cases, an illegal immigrant adopts the identity of an American who is unaware that his identity has been stolen until he is refused a loan or contacted by an irate creditor.

The federal government could stop misuse of Social Security numbers, but has failed to do so. My legislation would change that.

Every year, employers are required to file W-2 forms with their workers' names, social security numbers and addresses. Currently, when the Social Security Administration receives multiple W-2 forms with the same social security number and different names, it simply ignores it--even when it is obvious that more than one person is using a Social Security number.

In other cases, when an employer files a W-2 with a name and Social Security number that does not match, the government simply mails the worker a letter. That's it. There is little or no follow-up.

This has led to a serious accounting problem in the Social Security program. A GAO report found that as of November 2004, the Social Security

Administration has been unable to resolve discrepancies involving 246 million W-2's – involving \$463 billion – that were filed with names and Social Security numbers that do not match.

A bill I introduced, H.R. 138, the Employment Eligibility Verification and Anti-Identity Theft Act, would solve this problem by requiring workers to resolve discrepancies involving their name and Social Security number.

A companion bill, H.R. 136, the Identity Theft Notification Act would require the Social Security Administration to investigate if it receives information that more than one person is using one Social Security number.

If there is evidence of fraud and identity theft, the Social Security Administration would be required to contact the Department of Homeland Security (DHS) for prosecution. It would also be required to notify the innocent owner of the Social Security number, so that he can take steps to protect his good credit and good name.

I have also introduced H.R. 849, the Stop the Misuse of ITINs, which would require the Internal Revenue Service (IRS) to notify the Department of Homeland Security (DHS) when it receives a W-2 indicating that a foreign national is working illegally. IRS would also be required to notify the employer that the worker does not have proper work authorization.

Finally, H.R. 850, the IRS Illegal Immigrant Information Act, would require that each December the DHS provide IRS with a list of the people whose work authorization or employment-based visa expired before the calendar year.

If a return is filed by someone working illegally, IRS would be required to notify DHS. The IRS would also notify the employer that the worker does not have proper work authorization and withhold any refund due or Earned Income Tax Credit claimed.

For example, in December 2007, DHS would provide IRS with the names and Social Security numbers of foreign nationals whose work authorization or employment-based visa expired before December 31, 2006. If the IRS receives a W-2 in January of 2008 indicating that the person continued to work in 2007, the IRS would notify both IRS And the worker's employer.

All four of these bills would give the worker an opportunity to resolve the discrepancy or provide proof of current employment authorization.

Enacting these proposals, in addition to requiring that all employers use an improved Basic Pilot Program, will substantially reduce the number of people illegally crossing the border. This will allow the border patrol to concentrate on securing our borders against terrorists, drug smugglers and other criminals.

Madam Chairwoman, thank you again giving me this opportunity to explain my proposals. I look forward to working with you and the distinguished Ranking Member to identify additional ways to reduce the number of people who come to this country illegally.