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# Senate Judiciary Subcommittee on Border Security and Immigration Holds Hearing on Somali Fraud in Minnesota

## LIST OF PANEL MEMBERS AND WITNESSES

JOHN CORNYN:

Good afternoon. Thank you for all the witnesses for being here. The title of this hearing is, "Somali Fraud in Minnesota - The Tip of the Iceberg." When the news broke about the level of childcare service fraud in by Somali nationals in Minnesota, the American people were rightly shocked and outraged. The loss to the federal government, meaning the loss to American taxpayers, is estimated to be at \$9 billion, or more.

That estimate only covers what the US government has discovered in one state, the state of Minnesota. There are also credible allegations that the Minnesota government knew about the fraud as early as 2011, and that Governor Walz and Mayor Frey not only were aware of the fraud as early as 2018 or 2019, but did nothing to stop it. Some of the individuals involved in the recent Minnesota fraud scandal were US citizens of Somali descent, but there were also some Somali nationals who were not US citizens.



Hi. Need any help? US Department of Justice has charged 98 defendants in the Minnesota fraud -- in Minnesota fraud related cases, 85 of whom are of Somali descent. So 98 have been charged, 85 are of Somali



descent, 64 have been convicted. The Department of Justice has also issued more than 1,750 subpoenas, executed more than 130 search warrants and conducted more than 1,000 witness interviews.

Sadly, as soon as the magnitude of the fraud was identified and amplified by an independent investigator, following an appropriate surge of DHS immigration resources into Minnesota, the mainstream media and the radical left immediately began to call the US government's actions racist, claiming that the Trump administration was unlawfully targeting Somali nationals.

Not surprisingly, the ACLU rushed out to sue the Trump administration for simply enforcing the immigration laws, as written. But fraud is fraud and this recent episode, unfortunately, appears to be just the tip of the iceberg. I expect to hear more as the Department of Justice continues its investigations into fraud, not only in Minnesota, but also in states like California.

Recently, the Government Accountability Office estimated that the federal government loses between 233 billion and 521 billion, annually, due to fraud and improper payments. Let me say that again, 233 billion to 521 billion is lost, every year, due to fraud and improper payments of federal benefits and other public funds.

Our national debt has surpassed \$38 trillion and continues to climb. If the United States could recoup these hundreds of billions of dollars lost to fraud every year, we might actually have some hope of getting our fiscal situation on a sustainable trajectory. I imagine that the one in four American households who live paycheck to paycheck would love to have even a fraction of that money to pay down their bills, to buy groceries and even treat their family to a dinner or a movie.

Now eliminating fraud is more than just a matter of fiscal solvency. It also directly affects the safety and security of American citizens. Much of the fraud is committed by aliens, many of them criminal aliens, and we don't know what they're doing with those stolen funds. In 2023, the Federation of American Immigration Reform or FAIR, estimated that Medicaid lost approximately \$8 billion in funding, annually, due to fraud attributable to illegal aliens.

Similarly, FAIR estimated that the illegal aliens have obtained more than \$3 billion in earned income tax credits with the average filer receiving more than \$4,000. Over the last two years, \$700 million in cash largely tied to Somali couriers, has been flown out of the Minneapolis airport via suitcase, according to DHS officials.

DHS officials say this cash transfer has been occurring for close to a decade, but the practice has increased in recent years. There are two major problems with this type of large cash transfer. First, we don't know whether -- what the -- whether the source of this cash is from any federal state or local benefit program.

And second, the money could be used to fund Somali terrorist organizations like al-Shabab. Taking cash out of the country is not necessarily illegal. Any individual departing the country with more than \$10,000 in cash must file a customs declaration form about the amount of cash, before they take off. The Somali couriers are, in fact, legally declaring the cash they're taking out of the country, ironically.

From a fraud and national security perspective, the current customs form is not expansive enough to disclose the source of the cash these couriers are taking out of the country or the ultimate recipient of the cash. Later this week, I plan to introduce a bill to address this issue.

This bill, called the Stop Somali Currency Airport Smuggling Through

Hawalas Cash Fraud Act, or Stop Somali Cash Fraud Act, will strengthen the customs form for non-citizens only who are taking more than \$10,000 in cash out of the country.

This bill will require disclosure of whether the cash is from any federal, state or local government contractor benefit, additional background information on the individual transporting the cash and additional background information on the ultimate recipient of the cash. More importantly, most importantly, it will require filing the customs form 72 hours in advance, which will give Customs and Border Protection more time to fully vet the form, before allowing non-citizens to leave the country with suitcases full of cash.

In addition to those smuggling money out of the country to potentially supporting terrorists, those who commit fraud while staying in the country also pose a threat. President Trump's team at the White House has uncovered numerous examples of illegal aliens arrested for crimes, who've also been receiving Medicaid.

These individuals have been arrested for a variety of crimes ranging from child abuse to domestic battery to burglary to murder. During deliberations for the Working Family Tax Cuts, which strengthened guardrails against illegal aliens receiving Medicaid, Democrats repeatedly assured Republicans that illegal aliens are already ineligible for Medicaid and that we are simply barking up the wrong tree.

But I'm grateful to President Trump and his team for showing the American people the truth about what is actually happening. Fraud takes many different forms, but the harm to Americans is real and can even have life threatening consequences. A quick internet search will reveal numerous instances of foreign nationals who've been convicted

for fraud, everything from wire fraud, manufacturing and selling -- selling counterfeit documents, fraudulently obtaining mass numbers of H-2b visas and much more.

None of these crimes are victimless. Consider the damage done to countless US citizens whose identities are stolen. According to one report, over \$19 billion is lost to identity theft, annually. And many of the individuals who've been defrauded have to spend their own hard earned money and countless hours and headaches to fix the mess that came about through no fault of their own.

Which brings me to another point, I'd like to remind the public of something that's hardly ever reported on by the mainstream media. Too often, we hear that ICE and CBP are arresting people who supposedly have no criminal record. But the fact that an alien has no criminal record, that is, has never been arrested charged or convicted, doesn't mean that this individual has not broken the law.

Consider what it takes an illegal alien to continue living in the United States, not to mention the fact that entering the country without authorization is a crime. To work, an illegal alien has to obtain some sort of identity document. In many instances, the identity documents are fraudulent or altered documents of real US citizens and the alien has assumed that person's identity.

Stealing a US citizens identity or social security number is a crime, but that isn't where the criminal activity stops. Once an alien has acquired a false identification, how would this person commute to work every day? Often, by driving without a license, also a crime in most jurisdictions, or driving without insurance, Also, likely a crime.

Whether someone entered the country illegally or overstayed a visa, there are certainly crimes that all aliens have committed against our

immigration laws, even though they may not have yet been caught and the offenses may seem minor. But make no mistake, criminal aliens not only prey on unsuspecting US citizens, but they also prey on their own people, stealing the identities of other aliens lawfully in the United States to stay in the United States, work illegally, or in some instances, just defraud the US government.

So what can we do about it? What can Congress, what can the government do about it? First, we can begin by prioritizing thoroughness of security vetting rather than speed with this -- rather than speed and efficiency like the Biden administration did as they waived hundreds of thousands, even millions of people into the country during the four years of the Biden administration, without adequate vetting.

We can invest in fraud prevention and detection mechanisms that will allow federal, state and local government agencies to quickly identify those who are attempting to fraud. We can also require agencies to require biometric identification and verify that each alien's identity before they may be granted any federal, state or local public benefit loan or grant.

Furthermore, we can require automated and recurrent identity verification, random audits and in-person identity verification for all federal and state programs that provide funds for public services or programs. Finally, one thing I find surprising is that the American citizens in blue and red states are not demanding more accountability for the millions of Americans who've been defrauded.

It seems that they are more interested in going out on the street to actively protest against federal law enforcement officers who are not only doing the job they've been sworn to do but enforcing the laws

Congress has passed. It is our responsibility, as the US government, to protect the American people.

It's also our duty to protect the American people and preserve the integrity of our republic. If we fail in those duties, we won't have a country, any longer. I look forward to hearing from the witnesses and I'll yield to my friend, Senator Padilla, for his opening statement.

ALEX PADILLA:

Thank you, Mr. Chairman. Thank you for, uh, everybody who is here today, uh, unfortunately, now for the second week in a row, to allegedly talk about fraud cases in the state of Minnesota. The majority has titled this hearing, quote, "The Tip Of The Iceberg," a clear nod to one of the majority witnesses' articles.

So let me be clear from the outset. First, fraud of any kind is wrong, and second, no one is here to defend fraud. When fraud occurs, it should be investigated thoroughly and the people responsible should be held accountable, just as the law requires. We all agree on that and that's what's happening. In fact, it's happening in Minnesota.

Many of the cases being referenced have, thoroughly, been investigated by the Department of Justice dating back to 2022, under the Biden administration. More than 90 arrests have been made. Updated numbers that you shared, Mr. Chairman, 98 defendants have been charged. Prosecutions are ongoing and the people at fault are being held accountable.

Mr. Chairman, you're citing that 64 people have been convicted. Fraud, indeed, has occurred under both Republican and Democratic administrations. For decades, agencies responsible for reviewing immigration and visa applications have had systems in place to detect

and to address it. The Immigration and Nationality Act includes strict penalties for fraud, along with criminal enforcement mechanisms that are being used.

This is current law, existing law, existing law and practice, existing law being applied. So the real question is, what's this hearing really about? It's about something far too familiar and far more troubling. It's about choosing to point to a few isolated incidents and using them to cast suspicion on entire communities.

We've seen this far too often throughout American history, using isolated criminal cases as a pretext to paint entire immigrant communities with the broadest and most damaging brush, possible. It's an old playbook and it's a shameful one. We've seen it with Irish immigrants and the no Irish need apply signs in the windows of businesses.

Italian immigrants suffered the same. Do you remember the Chinese Exclusion Act? Again and again, immigrants have been scapegoated for society's problems, whenever it's been politically convenient. Today, the target is Somali Americans, lawfully admitted refugees and US citizens and more broadly, anyone whose application was approved under a president that this administration does not like.

Republicans want to take specific, well-documented cases and again, cases that are already being investigated and prosecuted and stretch them into a narrative of widespread abuse by immigrant communities, more broadly. And we know where this leads, it becomes justification for targeting and expelling entire communities, something that I'm not speculating about.

It's happening in real time. Just yesterday, we learned that the asylum cases of hundreds of Somali immigrants in Minnesota, Illinois and

Nebraska were suddenly rescheduled or recategorized, accelerated by months and in some cases years, to be heard by the end of next month. Why? To target a specific ethnic group and place them on a fast track to deportation, without meaningful due process.

But that narrative simply does not hold up against the facts because the evidence tells a different story. Study after study shows that immigrants, both legal and undocumented, are less likely to commit crimes than people born in the United States. One analysis from the American Immigration Council found that undocumented immigrants, specifically, are about half as likely to be arrested for violent crimes and property crimes.

Another from the Cato Institute found that immigrants, overall, are 33 percent less likely to be incarcerated than US born individuals. And if we look specifically at fraud, the very subject of this hearing, the numbers are even clearer. According to United States Sentencing Commission, non-citizens were responsible for just a little over six percent of benefit fraud convictions in 2024. These aren't anecdotes, folks; this is verifiable data.

And the economic data is just as clear. Afar from being a drain on our economy, immigrants are among its strongest contributors. So if we're not engaging honestly with these facts, then this hearing is not honestly about rooting out fraud. It seems to me that this hearing is really about demonizing immigrants, especially immigrants of color, and advancing a narrative that does not hold up to scrutiny.

If this committee truly wanted to have a serious conversation about fraud, there are far more pressing concerns about fraud that we could and should be examining. We should be talking about how this administration is actively weakening the systems designed to detect

and deter fraud, hollowing out enforcement agencies, undermining consumer protections, accepting financial investments and gifts from foreign entities, stripping resources from those charged with going after real wrongdoers, including inspectors general and most glaringly, the president continually pardoning wealthy individuals who have been convicted of massive fraud and canceling the restitution to victims.

Why is it that at the same time immigrants are being targeted for mass deportation, the president unveiled \$1 million gold card, closing the door on doctors, engineers and teachers, while opening it to the highest bidders, with little scrutiny. Mr. Chairman, you talked about the bill you're planning to introduce in a few days, uh, demanding where the money comes from and where the money is going.

I hope you're calling on that same disclosure for all gold card applicants. Where is their money coming from? But this gold card proposal, that's what systemic fraud looks like, fraud that this committee, under this majority, refuses to examine. Instead, they're seeking to perpetuate a tired myth that all immigrants bring crime with them when they come to this country, despite overwhelming evidence to the contrary.

So let's be honest about what this hearing is and what it is not. This hearing is not about facts. It's not about accountability and it's not about protecting taxpayers; it is about fear. It is about scapegoating; it is about demonizing immigrants for political gain. And that may make for a convenient talking point, but it's wrong and it does not make for responsible governance or policy making.

Mr. Chairman, it's certainly not what the American people expect or deserve from the United States Senate.

JOHN CORNYN:

Now I'll introduce the majority witnesses and turn to Senator Padilla to introduce the minority witnesses, and then we'll administer the oath. Rebecca Gambler is chief quality officer and managing director of Audit Policy And Quality Assurance at the Government Accountability Office. Ms. Gambler currently serves in that capacity. She's previously served -- previously served as a director in GAO's Homeland Security and Justice team, where she's led GAO's work on border security, immigration and election issues. She joined GAO in 2002 and has worked on a wide range of issues related to homeland and justice. She has a master's degree in National Security and Strategic Studies from the US Naval War College, a master's degree in international relations from Syracuse University and a master's degree in political science from the University of Toronto. She has a bachelor's degree in political science from Messiah College.

Simon Hankinson is Senior Research Fellow in the Border Security and Immigration Center at the Heritage Foundation. Mr. Hankinson recently testified before this committee on President Biden's parole program and the vetting or lack of vetting of Afghan nationals. He served as a Foreign Service Officer from 1999 to 2022 in India, Fiji, Ghana, Slovakia, Togo, Washington DC, Marseille and Nairobi. Prior to his work as a Foreign Service officer, Mr. Hankinson worked as a lawyer in London and then taught history, English and drama at a private school in Miami. He holds a master's degree in modern history from Saint Andrews, Scotland, a degree from the College of Law in London and a master's degree in International Security Affairs from the National Defense University in Washington DC.

Phillip Linderman, with the Center for Immigration Studies and the Ben Franklin Fellowship. Mr. Linderman is a retired State

Department Foreign Service officer, as well. Over a three decade career, he served abroad in US embassies and consulates in Belgium, Mexico, Ecuador, Germany, Cuba, Chile and Trinidad. He also represented US interests at the Organization of American States and the EU. Mr. Linderman's diplomatic duties are often focused on international travel, security and protecting national borders. He collaborated with friendly foreign governments and worked with US law enforcement and intelligence agencies on visa and passport fraud, human trafficking and terrorist travel and watch listing.

Matt O'Brien is the deputy executive director for the Federation for American Immigration Reform. He's responsible for overseeing FAIR's investigation, legislation and education activities. Previously, Mr. O'Brien served as the director of Research at FAIR and as the director of Investigation at FAIR's affiliate, the Immigration Reform Law Institute. Mr. O'Brien has three decades of frontline experience in government having held multiple senior positions, including as an assistant chief immigration judge, overseeing the US Immigration Court in Annandale, Virginia, as the chief of the National Security Division at USCIS's Fraud Detection and National Security Directorate and as assistant chief counsel with US Immigration and Customs Enforcement.

I'll turn to Senator Padilla to introduce the remaining witnesses.

ALEX PADILLA:

Thank you, Mr. Chairman. I'd like to welcome and briefly introduce the minority's witnesses today, Mr. Eric Schwartz and Mr. David Bier. Professor Eric Schwartz is chair of the global policy area at the Humphrey School of Public Affairs at the University of Minnesota. Mr. Schwartz is a former director of Refugees International and also

has an extensive background in government work, having served as an assistant secretary of State for Population Refugees and Migration at the State Department, the senior human rights and humanitarian official at the National Security Council and as a staff consultant to the House of Representatives Foreign Affairs Subcommittee on Asian and Pacific Affairs.

His extensive work in the field of humanitarian efforts make him one of the most preeminent experts in this area and we thank him for being with us today. Uh, Mr. David Bier is the director of immigration studies at the Selz Foundation chair in immigration policy at the Cato Institute. He is an expert on legal immigration, border security and interior enforcement and served as a senior policy advisor to former Republican Congressman Raul Labrador.

In that capacity, he drafted immigration legislation for Representative Labrador, then the chairman of the House Judiciary Subcommittee on Immigration and Border Security. Mr. Bier has been published in numerous prominent national publications and has been cited on multiple occasions by the United States Supreme Court and Federal Circuit courts.

Mr. Bier is -- is a political science graduate from the Grove City College in Pennsylvania and in his -- and his experience in the field of immigration makes him a great source of knowledge for our hearing today. And I thank them both for their participation.

JOHN CORNYN:

[Off-mic] for five minutes.

REBECCA GAMBLER:

Good afternoon, Chairman Cornyn, Ranking Member Padilla, and members of the subcommittee. Thank you for the opportunity to testify at today's hearing to discuss GAO's work on US Citizenship and Immigration Services efforts to address fraud risks in immigration benefit programs. USCIS processes millions of applications and petitions, each year, for persons seeking to visit the US for temporary activities, to reside in the US on a permanent basis or to become US citizens.

To ensure the integrity of the immigration system, USCIS reviews applications and petitions for potential fraud. Immigration benefit fraud is the act of willfully or knowingly misrepresenting material facts to obtain an immigration benefit for which the individual would otherwise be ineligible. Benefit fraud can occur in a number of ways and is often facilitated by document or identity fraud.

Today, I'll be highlighting two recent GAO reports on USCIS's efforts to manage fraud risks across immigration benefits it adjudicates, and in three humanitarian parole processes for noncitizens with US based supporters. First, in September, 2022, we reported that USCIS could better ensure its anti-fraud efforts are effective and efficient by taking a more strategic and risk based approach to managing fraud risks.

For example, at the time of our report, USCIS had conducted fraud risk assessments for a small number of specific immigration benefits but did not plan to conduct additional assessments. We also found that USCIS had not developed an anti-fraud strategy or evaluated its anti-fraud activities for effectiveness and efficiency.

We recommended that USCIS develop and implement a process for regularly conducting fraud risk assessments, developing and updating an anti-fraud strategy and evaluating the effectiveness and efficiency

of anti-fraud activities. USCIS agreed with these recommendations and has taken some steps toward addressing them.

However, USCIS needs to take additional action to fully implement these recommendations. Second, in December of last year, we reported on humanitarian parole processes for noncitizens with US-based supporters. The particular processes we reviewed were; one, the processes for Cubans, Haitians, Nicaraguans and Venezuelans, known as CHNV; two, uniting for Ukraine; and three, family reunification parole.

Our analysis of Department of Homeland Security data found that, from May 2022 through September 2024, the department granted parole to about 774,000 noncitizens, under these processes. In implementing the processes, USCIS was responsible for reviewing supporter applications. If USCIS confirmed the application, US Customs and Border Protection was responsible for vetting the prospective beneficiary, determining whether to authorize them to travel to the US and considering them for a discretionary grant of parole, upon their arrival.

Shortly after the processes began, USCIS began receiving referrals of potential fraud and in 2024, conducted an analysis of supporter applications. Based on this analysis, USCIS found that fraud indicators were widespread in Uniting for Ukraine and CHNV. Fraud indicators among the applications include a supporter information belonging to deceased individuals, counterfeit or altered documents and thousands of applications with at least one piece of fictitious supporter information.

The Department of Homeland Security suspended the CHNV and Uniting for Ukraine processes in 2024, due to the fraud risks and

subsequently terminated CHNV in March, 2025. USCIS assessments attributed the risks identified in the parole processes to insufficient internal control activities. We concluded that although DHS has ended the supporter based parole processes, USCIS could still benefit from having an internal control plan in place for future situations that may introduce new or increased fraud risks, and we recommended that USCIS develop such a plan.

In closing, implementing our recommendations would help USCIS -- USCIS take a more strategic and risk-based approach to managing fraud risks. We will continue to follow up on USCIS's actions to implement our recommendations. This concludes my prepared statement and I would be pleased to answer any questions that members may have.

JOHN CORNYN:

Thank you, Ms. Gambler. Mr. Hankinson.

SIMON HANKINSON:

Chairman Cornyn, Ranking Member Padilla, members of the committee, I'm hoping we're here today to examine the issues posed by immigration benefits applicants from Somalia. Somalis vary person to person. The most famous Somali Americans I know of are Congresswoman Ilhan Omar and the writer Ayaan Hirsi Ali. Now their views are very far apart, yet both have been accused of immigration fraud.

But the question before us is not about race and it's not about religion. The question is how we calculate risks and rewards across migrant populations, so we can decide who to let into our country. Last year, DHS looked at immigration benefit applications in Minnesota and

they found evidence of fraud or national security concerns in 44 percent of cases.

USCIS Chief Joe Edlow said, "That should shock all of America." It doesn't shock me because in my consular assignments, I was lied to many times a day about every aspect of applicants' cases, including their age, name, identity, occupation, marital status, purpose of travel, wealth, income, relatives in the US and intent to return home.

It's an unfortunate fact, people lie to get visas and immigration benefits. An interview with US consular officer is the first line of vetting for visa applicants. And the second line of vetting is through automatic checks of US databases. If a foreigner has a record in the United States, we can see it, but the great weakness of vetting is what I call the NINO rule, nothing in, nothing out.

Let's assume a visa applicant has committed a serious crime, but his home country has little law enforcement and no centralized records. Well, if his country is incapable of recording or unwilling to share this criminal record, then we have no way of knowing the truth, unless the individual self-reports on his application form.

And in my experience, many applicants with adverse histories don't volunteer this information. Typically, the more corrupt and poor a country is, the more visa fraud. Somalia is as poor and corrupt as countries get. In 2025, the UN ranked Somalia 192 out of 193 countries on its Human Development Index. Transparency International's Corruption Perceptions Index ranks Somalia 179th out of 180. At the US Embassy in Nairobi, Kenya, I supervised consular operations for Somalia since we had no consular presence there, and here are some examples of the routine fraud that we saw: fraudulent claims to marriages and family relationships, fraudulent or

unauthorized letters of support from the Somali government, fraudulent employment letters, educational qualifications, civil documents, letters of invitation from Somalis in America who had sponsored other individuals who claimed asylum, and so on. This hearing is about visa fraud, not welfare fraud, but they are connected.

Like crime, corruption rates seem to follow immigrant populations into host countries, at least in the first generation. Refugees in the US can be eligible with no waiting period for federal benefits including Medicaid, cash and medical assistance, social services, Social Security, Supplemental Security Income, Supplemental Nutrition Assistance Program, Temporary Assistance For Needy Families and Federal Student Aid. Now, all Americans or Americans of all backgrounds have been known to commit fraud, but the concentration and the scale of the welfare benefit fraud committed by people of Somali descent in Minnesota is still notable with losses estimated in the billions.

The US asylum system is also easy to defraud because there are too many cases and we lack the resources to verify every applicant's claim in their home country. There are over 1.5 million cases pending at USCIS, and that backlog encourages more fraud because aliens know that they can stay here for years, before their cases get decided.

And if they obtain US visas by fraud, they usually go on to become American citizens, all on the foundations of an original lie. And once citizens, they can petition to bring in their relatives. In 2017, the US prosecuted a fake family of five Somalis in Minnesota who fraudulently obtained US citizenship after winning the green card lottery under false names and relationships.

But I'd call that a rare win, among many fraudulent cases that are never discovered. And in addition, Somalia's perpetual violence makes it quite likely that some asylum applicants have persecuted others in the past, which should render them ineligible. But we would have no way of knowing, without being able to vet them and having accurate records.

Some Somalis have gotten a second nationality, including in the US, and yet they go back to Somalia regularly to do business. Others based in the US have financed terrorist activity or recruited others to fight for al-Shabab. And these activities are obviously incompatible with asylum status, let alone citizenship.

DHS recently launched operation -- an operation in Minnesota to review thousands of refugee cases through background checks and verification, which I think is a great start. They should apply the growing power of artificial intelligence and to look at fraud patterns in all immigration benefits from visas, all the way through to naturalization.

We have to do that to restore integrity into our system and to punish those who abuse our generosity. And we should not be giving immigration benefits to people from countries, in general, whose identities we cannot verify and whose documents are unreliable and whose criminal records cannot be checked, adequately.

Thank you very much. I'd be happy to take questions?

JOHN CORNYN:

Thank you. Mr. Linderman.

PHILLIP LINDERMAN:

Thank you, Mr. Chairman. I thank the committee for this opportunity. As a US diplomat who dealt with consular issues during my postings in Trinidad, Cuba, Ecuador and Mexico, I came into regular contact with widespread fraudulent activities related to obtaining a US visa. The fraud took place at many levels.

Sometimes, it involved simple cases of altered documents and other times, it involved organized criminal networks that link back to the United States. The most challenging and pernicious aspect of sophisticated fraud involved corrupt host government authorities who provided bogus official documents to crooked visa applicants.

This unscrupulous practice is common in countries with widespread government corruption. The US visa process is driven by a documentation -- by documentation presented by applicants, particularly those that show their family relationships, educational and work history, police and medical records. In conspiracy with corrupt government officials -- Officials, malfeasance visa applicants can obtain falsified birth, marriage, divorce or police documents, among others.

Years ago, the Congress passed the Immigration and Nationality Act to set the standards for US consular officers to adjudicate visas. The INA rightly puts the burden of proof on visa applicants to demonstrate their bona fides ease to receive a visa benefit. This process, however, is fundamentally complicated when applicants can procure from local corrupt government authorities, through bribes or illicit favors, official documentation that falsely attests to vital information.

When visa applicants present such falsified documentation, the burden of proof, in effect, has been flipped back on the consular officer to demonstrate that the government issued document is bogus.

Demonstrating such fraud is a supreme challenge for consular officers. Only -- only so much information can be extracted during a short visa interview.

Consular field investigations are costly and time consuming and very few can be rigorously followed up. In addition, for many years, State Department had prioritized issuing visas over investigating fraud. Consular officers were given interview quotas, posts were ordered to avoid visa backlogs and waiting times and plus, there were always powerful voices in Washington constantly insisting that all visas be issued, and fast.

Over the decades of my career, almost nobody spoke up for those consular officers who did not want to issue visas because they had fraud concerns. So what can be done? My recommendation is to make the host governments where our embassies operate take responsibilities for their citizens who present fraudulent documents.

Right now, these governments typically ignore the fraud. The number of criminal prosecutions that host governments undertake against local fraud rings and their own corrupt bureaucrats are very, very few. Each US embassy writes an annual report on the visa fraud in the host country where they work. These reports are a wealth of information on visa fraud in that country and across the world, but State Department does not -- keeps these documents as internal.

They do not make them public and they do almost nothing with them. This is a big mistake. These reports should be made part of the bilateral agenda in all countries where the fraud is high. Unofficially, consular officers speak of many high visa fraud countries such as Bangladesh, Brazil, China, the Dominican Republic, Ecuador,

Guyana, Haiti, India, Mexico, Nigeria, the Philippines and Vietnam, to name just some.

Unfortunately, the State Department almost never raises this issue on the bilateral agenda. Now is the moment for State Department to use these reports to take the diplomatic offensive against high fraud countries. Instead of dealing with each visa fraud applicant as an endless series -- series of isolated problems, US policy should curtail visa services in those countries that tolerate or are complicit in high levels of fraud.

The lesson is that visa fraud must be addressed overseas. Host governments cannot be allowed to turn a blind eye to what their unscrupulous citizens do to obtain a US visa. Thank you, Mr. Chairman.

JOHN CORNYN:

Thank you, Mr. Linderman. Mr. O'Brien.

MATT O'BRIEN:

Chairman Cornyn, Ranking Member Padilla, and members of the subcommittee, fraud in the United States has increased dramatically, driven in large part by electronic systems that make it easy to hide one's true identity. The Federal Trade Commission reports that financial losses tied to fraud in the United States rose 25 percent from the period 2023 to 2024, over \$12.5 billion.

But what many Americans don't realize is that immigration related fraud represents a large and largely unacknowledged share of the problem. Now we've heard about immigration benefit fraud, but there is another type of fraud that accompanies immigration, which we refer to at USCIS as immigration related fraud.

And that consists of crimes committed to maintain life in the United States when someone lacks lawful status, identity theft, false claims to US citizenship, Social Security fraud, tax fraud and more. Many migrants face strong pressures to succeed, recognize opportunities created by weak oversight and may rationalize fraudulent conduct based on ideological narratives common in their home countries.

The result is widespread repeated fraud that touches nearly every part of our government systems. Despite this, reliable data about fraud is remarkably scarce. Agencies release occasional program specific reports, but there is no consistent government wide picture. The most comprehensive historical data, nearly two decades old, showed immigration fraud prosecutions more than doubling between 2004 and 2006. But even then, those cases represented only the fraud that we caught.

Today, with dramatically higher migration flows, the true scale is unquestionably far larger. A central problem is the lack of a coordinated federal strategy. Responsibility for detecting and prosecuting immigration fraud is scattered across the USCIS, ICE, CBP, the State Department, DOJ, SSA, IRS and state agencies.

And that multiplicity of agencies often comes with poor communication and overlapping jurisdictions that cause problems. Within USCIS, fraud detection has long been treated as a secondary to rapid benefit approval. The Fraud Detection and National Security Directorate was created only in 2004 and for years, its work was viewed internally as an impediment, rather than a core mission.

In some cases, senior officials even pressured adjudicators to overlook questionable applications for politically connected individuals. The cost of this systemic neglect is enormous. Although no official

estimate exists for immigration specific fraud, the fiscal cost of illegal immigration, which is driven in large part by fraudulent access to taxpayer funded programs, has been estimated at roughly \$150 billion, annually.

And that figure does not capture the everyday identity theft, tax evasion and document fraud that ripple through our communities and institutions. Now the good news is the problem is largely solvable. Immigration benefit fraud can be sharply reduced by refusing to admit applicants whose identities cannot be reliably verified.

Effective vetting requires records, school files, property records, financial histories and other documentations. Many migrants currently arriving in the United States come from countries with poor record keeping systems or governments that are unwilling to share information. When we cannot verify an applicant's background, we cannot responsibly assess whether that applicant poses a threat or is engaged in fraud.

Where verification is impossible, denial must be the default. Immigration related fraud is even easier to address. Systems like E-Verify and SAVE allow us to detect identity fraud, unlawful employment and fraudulent claims for public benefits, quickly and efficiently. Making these systems mandatory nationwide, paired with laws that prevent issuing licenses or identity documents to individuals whose identities and intentions cannot be confirmed, would eliminate millions of opportunities for fraud.

A false statement on an immigration form often leads to identity theft, illegal employment, fraudulent tax filings and illicit financial activity. These crimes undermine the integrity of our institutions and erode trust within our communities. There are also tools used by criminal

networks, foreign intelligence services and terrorist organizations to conceal their activities in the United States.

Thank you and I look forward to your questions.

JOHN CORNYN:

Thank you. We're going to pause here for a moment. I know Senator Durbin is here, the ranking member. And Senator Durbin, do you have any opening remarks you'd like to make?

DICK DURBIN:

I do, thank you, Mr. Chairman. In the troubling first weeks of this year, federal immigration agents shot and killed two of our fellow Americans in Minneapolis. These killings followed other instances of brutal violence and arrests in Minneapolis, Chicago and cities around our country. Under the Trump administration, we've seen an unprecedented number of deaths in federal immigration detention, one of which was recently ruled a homicide.

Desperate families are waiting for answers to many others. These are the devastating impacts of this administration's reckless, aggressive, mass deportation campaign. As members of the Senate Judiciary Committee, it's our responsibility, committee and legal responsibility, to conduct much needed oversight of the Trump administration and to have a reasoned bipartisan discussion on how to stop these abuses of power and fix the broken immigration system.

Instead, we're having our second hearing in two weeks, demonizing an entire community based on a few individuals' misconduct. Quite simply, the Republicans on this committee are working overtime for the Trump administration's attacks on lawfully admitted refugees.

This administration shot down refugee admissions on day one, except for white Afrikaners.

They've justified this decision based on alleged fraud. To be clear, under the Biden administration, refugees went through multi-layered, rigorous vetting processes considered the gold standard of vetting. In contrast, under this administration, from the comfort of their homes in South Africa, Afrikaners can apply for a refugee program, using a Google form.

This processing takes less than a month in South Africa and it shows. Consider one recently arrived Afrikaner refugee. He made disgusting antisemitic posts in 2023 before he was admitted to this country as a refugee. Yet he was approved in record time by this administration, even as the administration claims it will revoke visas for, quote, "antisemitic activity." At the same time, this administration is rounding up lawfully admitted refugees.

In recent weeks, immigration agents have arrested over 100 refugees with no criminal record in Minnesota and flew them to detention centers in Texas for, quote, "interviews," close quote. Some were released in the middle of the night, thousands of miles from home. They had no idea where they were. They were not even given paperwork or identification.

These individuals had immigrated the right way to the United States. Many waited for years in refugee camps, overseas. They underwent extensive vetting by the Department of Homeland Security and other federal agencies. They arrived on flights coordinated by the US government. It is wrong to treat these refugees like they're fraudsters.

So why is the government putting these highly vetted refugees in shackles, transporting them thousands of miles from home and

interviewing them in detention? We only have to look to the president's own words. He has repeatedly made bigoted and racist attacks on Somali immigrants, calling them, quote, "garbage," close quote.

He has said, repeatedly, he doesn't want immigrants from -- I'm not going to use the word that he used, s-hole countries. How do I know He said that? I was sitting in the Oval Office with him when he said it. The racist attacks have not stopped with immigrants. Just last week, Trump posted a disgusting racist image of former President Barack Obama and his wife, Michelle.

They are my personal friends; Barack was my colleague. I was the first senator to endorse him for president. I resent what President Trump created an image that was so demeaning to this man and his wife. His staff took the image down, but he refuses to apologize. The words, I'm sorry, are not in the president's vocabulary.

This racism should have no place in our society or in our immigration system and it should have no place in this committee. Let's be clear. Fraud is a crime and it should be prosecuted. I will remind everyone that it was the Biden Justice Department that opened the Minnesota fraud investigation and brought the first prosecution.

And it is the Trump Justice Department that has diverted prosecutors and FBI agents away from fraud investigations to focus on the president's mass deportation campaign. Refugees are some of the most vulnerable and most vetted individuals in the United States. We can target fraud without shackling and detaining them in the dead of night.

It is time we reject these racist attacks and restore order and humanity in our immigration system. I yield.

JOHN CORNYN:

Mr. Bier.

DAVID BIER:

Chairman Cornyn, Ranking Member Padilla, and distinguished members of the subcommittee, thank you for the opportunity to testify. For nearly half a century, the Cato Institute's research has shown that people of any ancestry, background or birthplace can be assets in a free society. America's immigrants exemplify this truth.

Despite often leaving terrible conditions abroad, immigrants work, start businesses and invent at higher rates than the US-born population. Cato's recent analysis shows that immigrants reduced deficits by \$11.5 trillion, over the last 30 years, including about \$140 billion in Minnesota. Although welfare fraud is a serious problem, immigrants aren't to blame.

Non-citizens account for just five percent of welfare fraud losses, 31 percent less per capita than US citizens. Rather than targeting entire ethnic groups, Congress should end the broken welfare systems, namely, the oversight free aid to states that led to all the fraud in Minnesota. But let's be clear, DHS isn't anti-fraud.

DHS is, itself, openly carrying out the largest fraud in the history of the US immigration system. DHS and the State Department are raking in billions of dollars in immigration fees and not providing the adjudications that applicants are entitled to. For individuals from over 90 countries, half of all legal immigrants, the administration is simply not processing their applications.

The burden of proof is already on these applicants. DHS and state can deny anyone who fails to make their case. Instead, this administration is pocketing thousands of dollars from hard working Americans and their relatives, including spouses and minor children of US citizens and then not even looking at their applications.

This is a scam, it is fraud. DHS's entire Minnesota operation is another kind of scam, sold to the public on lies. DHS hasn't criminally charged anyone with fraud there and 60 percent of its immigrant arrests in Minnesota have no criminal convictions or charges. DHS, itself, classifies just eight percent of its arrests in Minnesota as the highest threat level.

And three quarters of arrests, it classifies as not being a threat, at all. Instead of arresting fraudsters, it's seeking to jail 5,600 legal vetted refugees, nursing mothers, single parents, long-term residents, already dragged away from their families without any evidence of fraud at all. Rather than a law enforcer, DHS has become the biggest lawbreaker in America today.

In less than a year, DHS has attacked the first, the second, the fourth, fifth, sixth, eighth 10th, 14th amendments to the US Constitution, the writ of habeas corpus, the independent judiciary and much more. Every day, masked DHS agents detain Americans, based on their race and demographics. They arrest legal immigrants for criticizing their foreign policy and Americans for recording them doing it. They threaten assault and even shoot people for exercising their first and their Second Amendment rights.

They break into our homes without judicial warrants, they sentence legal immigrants to foreign prisons, without trials. They are trying to strip the citizenship of Americans born in this country. They detain

people without lawful basis and they ignore court orders to release them. And of course, they lie about all of it. Combatting fraud and upholding the rule of law is important, but the public cannot have faith in that effort, Biden administration that regularly gets away with fraud, lies and lawlessness.

Even the FBI supervisor and the 14 US attorneys in Minnesota who were responsible for leading the welfare fraud effort there lost faith. They quit because of DHS's operation there. We need accountability. The Supreme Court has said Congress hasn't authorized Americans to sue immigration agents for constitutional violations.

So fix it. No more absolute immunity, as the White House says. The new standard, absolute accountability, anything less would be a fraud. Thank you.

JOHN CORNYN:

Mr. Schwartz.

ERIC SCHWARTZ:

Mr. Chairman, Senator Padilla, thank you for inviting me to testify today. The school where I teach at the University of Minnesota is in the Cedar-Riverside neighborhood, a center of Somali American life with businesses contributing to its commercial and social vitality in a community that faced economic distress in the 1970s and 1980s. I'll begin by noting that Minneapolis is now hosting a militarized federal law enforcement presence with ICE and CBP personnel committing civil rights violations that have been credibly documented, that have been credibly documented and reported, and that include unlawful killings, arbitrary arrest and detention, harsh mistreatment, transport

out of the state of Minnesota and perhaps most ominously, disregard of federal court orders.

The result, individual suffering that I, unfortunately, have witnessed firsthand and personal anguish families ripped apart and pervasive anxiety that shapes our learning environment and our civic environment.

JOHN CORNYN:

Mr. Schwartz is your microphone on?

ERIC SCHWARTZ:

OK, I think it's on now. Yeah, all right. Well, I could -- I could hear you, but. OK, um, it would be unconscionable for me not to raise an obvious and deep concern, why this subcommittee is not focusing on a pattern of serious civil rights abuses affecting immigrant communities in Minnesota. These are the hallmarks of violations we more readily associate with countries like China or Russia.

And we have told those governments that, no matter how important the law enforcement concerns, they do not justify abuses. Isn't that a message we ourselves should take on board. Members of the committee should also be alarmed that the framing of this hearing risks tarring an entire community with a presumption of criminality, especially as there is no verifiable evidence that there is a greater degree of illegality in the Somali-American community than in other immigrant communities or by that matter, then among US citizens.

Um, and these concerns are compounded when the president refers to Somali Americans as garbage -- as garbage, and declares that he doesn't want them in the United States. Nearly all of the members of

this subcommittee have a critical mass of Somali Americans who are your constituents. But how many of you have condemned the president's bigoted and racist statements?

Turning to the Somali community in Minnesota, broadly, Somali Americans have played a significant role in the vitality of Minnesota's economy and cultural life. Minnesota's high quality of life measurements, compared to most other states in the country, are due in no small measure to Minnesota's immigrant population, which is critical to meet demand for labor in the decades to come.

I'll now turn to the question of refugee vetting. By the advent of the second Trump administration, the United States had in place the most extensive refugee vetting system in the world. They faced, refugees faced vetting that is more thorough than for any other travelers to the United States. Applicants undergo biographic and biometric checks, overseas in-person interviews by US, Citizenship and Immigration Service officers and security reviews involving intelligence and law enforcement databases.

Finally, on the question of -- of the feeding our future issue in Minnesota. The investigations were initiated and the indictments were announced, prominently, by former US Attorney Andrew Luger, highly respected for his integrity and for his professionalism. More than 50 individuals have pled guilty or have been convicted.

And if the President of the United States were truly serious about addressing this kind of crime, a purported cause of the militarized federal presence in Minneapolis, he would have retained and strengthened the highly competent legal team working on these issues, rather than deploying thousands of ICE and CBP officers, who are abusing the rights of residents.

Fraud must be investigated and prosecuted wherever it occurs, but Congress should not -- should not condone rhetoric that stigmatizes entire communities. Moreover, if one key concern, if one key concern of this subcommittee is accountability, as it should be, as it must be, I urge you to direct your focus where accountability is at risk in safeguarding citizens and residents from abuses by those who are entrusted to enforce our law.

Thank you.

JOHN CORNYN:

Ms. Gambler, um, for the general public that may be listening today, what is the General Accountability Office?

REBECCA GAMBLER:

The Government Accountability --

JOHN CORNYN:

Government Accountability Office.

REBECCA GAMBLER:

We are Congress's watchdog, Chairman. Our mission is to evaluate how federal taxpayer dollars are spent and to issue reports on the result of our evaluations to Congress.

JOHN CORNYN:

And you've, um, the GAO has estimated in an April 2024 report that the US government loses between \$233 billion to \$533 billion to fraud or improper payments, annually, correct?

REBECCA GAMBLER:

That's right. That estimate, Chairman, was focused on losses, particularly attributed to -- to fraud each year, but that was the estimate that GAO has made about the federal government's annual losses, estimated annual losses attributed to fraud.

JOHN CORNYN:

So fraud is real.

REBECCA GAMBLER:

Uh, in terms of GAO --

JOHN CORNYN:

It's not a figment of our imagination, it's not racism to -- to identify fraud where it exists, it is real.

REBECCA GAMBLER:

There are absolutely cases of fraud affecting federal government programs.

JOHN CORNYN:

So during the Biden administration, um, there were two programs I wanted to ask you about. One had to do with the so-called humanitarian parole process and the other had to do with the placement of unaccompanied children with sponsors in the interior of the country. And I understand the GAO has made investigations of both of those programs.

Is that right?

REBECCA GAMBLER:

That's right, Chairman.

JOHN CORNYN:

So the -- I think it gets complicated, I think, for most folks to really comprehend, but there are people who claim asylum that is essentially they're present in the United States or at the border and they would qualify, let's say, to be a refugee if they were overseas but they have some statutory basis for seeking admission to the United States.

Is that your understanding?

REBECCA GAMBLER:

Uh, that's right. There are different statutory pathways by which individuals -- individuals, foreign nationals can be legally admitted to the United States.

JOHN CORNYN:

But in addition to that, and that's, I think Mr. Hankinson or Mr. Linderman pointed out, there were about 1.5 million pending asylum cases in front of the immigration courts that simply flooded our capacity to deal with that. But, um, in addition to people claiming asylum, um, the Biden administration used something they called humanitarian parole to let huge numbers of people into the country.

Um, I think we've had witnesses testify before, Mr. Hankinson, you may have been one of them, that pointed out that the parole process is supposed to be done on a case by case basis, not on a categorical basis. In other words, people coming from certain countries get admitted without any further question.

But what -- what sort of fraud did you and at the GAO find in the humanitarian parole process during the Biden administration?

REBECCA GAMBLER:

Uh, yes, thank you for the question, Chairman. In the review I mentioned in my -- my opening remarks, we looked at three, uh, parole processes that were available to noncitizens who had US-based sponsors. And in reviewing those programs, we found that that through USCIS's own assessment of the program that there -- of the processes that there were, um, widespread fraud indicators in those processes to include supporter applications, including fictitious information or information that belonged to deceased individuals.

Um, and so, through USCIS's own assessment, they found that that there were fraud risk indicators in those processes.

JOHN CORNYN:

So just to give people a sense of what the magnitude of what we're dealing with as a result of the mass of humanity that's come across our border, largely unvetted, using bogus process of categorical parole. In addition to that, we have, uh, we have, uh, overwhelmed the immigration court system, the 1.5 million pending cases.

And Mr. -- Mr. Hankinson or Mr. Linderman, perhaps you would care to comment on this. I'm going to ask consent that a document from the Executive Office for Immigration Review adjudication statistics be made part of the record, that's from the Department of Justice. But here's what it shows, that in 2025 alone, there were 485,456 orders of removal.

In other words, these are people who sought to have their legal rights vindicated in a court and they simply lost. 277,000 of them were criminal aliens with final orders. In other words, they were ordered to be removed from the country, but simply stayed in defiance of the law. Of that, 267,000 were not detained.

In other words, they're still running loose around the country. That includes 190,000 convicted criminals and 27,000 with pending criminal charges. And then there were those who were actually detained, which are 9,613. So, it seems pretty clear to me that just the -- the volume of people coming across the country has overwhelmed, uh, both, uh, both the illegal immigration enforcement -- enforcement -- enforcement of our immigration laws and the legal systems that we set up to try to determine whether people actually have a legal right to come and stay in the United States.

And that's, of course, on top of the points that Mr. Linderman and Mr. Hankinson have made about, uh, countries, many of these folks come from have no reliable records. So it's almost impossible to vet these people who are coming into the country, some of these countries. Mr. -- Senator Padilla.

ALEX PADILLA:

Thank you, Mr. Chair. Look, let's be honest, this administration is now in the process of, collectively, punishing refugees because their applications, sometimes pending for years, were approved under the prior administration. Uh, my colleagues on the right, though, are eerily silent about the speedy approvals of South African Afrikaner refugees who are not even going through the typical UN referral process and are being screened and admitted more rapidly than any other group of refugees, going back to 1980. Now, look, I believe that

anyone who can show they are eligible should have a fair review of their application.

My first question is for Mr. Schwartz. Can you tell us what you're seeing on the ground in Minnesota and how refugees are being treated?

ERIC SCHWARTZ:

Well, it's heartbreaking, um, and of course, I'm at a university so day in and day out, I'm probably seeing the more elite of the refugee and immigrant population, people who have more means, better understanding of -- of the legal system. But the stories that I've heard, a student of mine who was whose wife, who was here legally, um, you know, she worked at a -- she works at a hospice for goodness sake.

And you know, she was -- she was taken detained by ICE, um, or CBP, I don't know which, um, had an awful circumstance. Uh, was -- was -- was suffering from various medical conditions and was so traumatized by the experience of being detained and the treatment that she faced that she is now, uh, she's now back in her home country because she doesn't want to have anything--

ALEX PADILLA:

Usually both a lot of physical as well as mental trauma.

ERIC SCHWARTZ:

The trauma and -- but -- but also stories of -- of -- of families ripped apart, people being flown to different parts of the country, to Texas. When they're finally determined not to merit incarceration in terms of ICE and CBP's enforcement priorities, they're released, but they're not given the wherewithal to return home.

And this isn't coming from me, only. I mean, you've got federal court cases, federal judge, federal Judge Menendez, another federal judge whose name escapes me. I think it was a federal judge, Schiltz, who issued these opinions and with evidence you've got the human rights organizations there. This is not -- this is all documented stuff.

ALEX PADILLA:

Let me -- just a second here because I know you have a ton to share, but I want to make sure that this committee benefits from your expertise, your experience and your research. How easy is it to become a refugee?

ERIC SCHWARTZ:

Oh, my goodness, um, first of all, refugees, you know, don't volunteer to be refugees. They referred, um, we've developed the United States, developed a system over many, many years in which the referrals come from the UN High Commissioner for refugees.

ALEX PADILLA:

And as a refugee or someone seeking, uh, applying, do they control which administration reviews and or acts upon their application.

ERIC SCHWARTZ:

They do not and the vetting, the vetting system is -- is -- is -- has become more and more arduous over the years. There is no person traveling to the United States who goes through a more thorough vetting, overseas interviews, biometric screening and for -- for countries in conflict, not just Somalia, but for countries in conflict, another level of vetting because people understand that when you're

in a country of conflict, there are various factions and there are concerns that US security has to take account of and which the United States has.

ALEX PADILLA:

Thank you. Thank you. And my time remaining, I do want to ask Ms. Gambler a question. Uh, it's a yes or no question. Is the GAO currently assessing whether the speedy processing of South African Afrikaners is meeting the same standard laid out in the GAO's fraud risk framework?

REBECCA GAMBLER:

Thank you, Ranking Member Padilla. We do not have, no, we do not have current work assessing -- assessing those processes.

ALEX PADILLA:

OK, that's very telling. Um, I'm hoping there's going to be another round of questions, but I'll end with this one. Uh back to Mr. Schwartz. Uh, as we heard the opening statements from the majority witnesses, they seem to be implying that our immigration officers and consular affairs professionals and adjudicators don't have the ability to do the -- the biometric checks and other, um, elements of vetting and reviewing.

Would you agree with that or what would you -- how would you respond?

ERIC SCHWARTZ:

Well, in the refugee admissions context, with which I'm most familiar, I think the amount of resources by the advent of the Trump

administration that have been devoted to that task. And after all in this, the majority of Somalis who have come into the United States have come in as refugees, initially. I think the -- the efforts were serious, credible and very defensible.

Um, but I think we can always devote more resources to addressing issues of fraud, of course.

ALEX PADILLA:

Thank you.

JOHN CORNYN:

Senator Kennedy.

JOHN KENNEDY:

Thank you, Mr. Chairman. Professor Schwartz, um, you're a professor at the University of Minnesota.

ERIC SCHWARTZ:

Uh, yes.

JOHN KENNEDY:

OK, uh, beautiful state, by the way, wonderful state.

ERIC SCHWARTZ:

It's a wonderful state.

JOHN KENNEDY:

Um, some people in your beautiful state went to your state Medicaid department and said, we want some taxpayer money, some being

state taxpayer money, some being federal taxpayer money to feed the poor. Um, and -- and -- and these, uh, these entities that did that got the money and then they stole it. Uh, but to help cover their tracks -- well, before I go there, do you think those people should be prosecuted?

ERIC SCHWARTZ:

I think if they -- if there is reason to pursue prosecution, of course they should be prosecuted.

JOHN KENNEDY:

OK, do you think that ethnicity should matter?

ERIC SCHWARTZ:

The ethnicity of these people should not -- should not matter, not a bit.

JOHN KENNEDY:

OK. Now, some of these thieves also went to some restaurants and said, uh, I need a fictitious invoice that you fed 100 people. You're not going to feed 100 people. Uh, you're just going to help me steal the money and I'll kick back some of the money to you. Do you think those restaurant thieves should be prosecuted?

ERIC SCHWARTZ:

I think if they're -- if -- if they have committed crimes, they should be prosecuted.

JOHN KENNEDY:

Regardless of their ethnicity.

ERIC SCHWARTZ:

Regardless of their ethnicity.

JOHN KENNEDY:

OK, you had some other people in Minnesota, um, who had a different scam. They went to the Medicaid department and said, uh, I need state taxpayer, money and federal taxpayer money to provide services to autistic children. Uh, and they got the money and, uh, then to -- to maximize the fruits of their theft, they went to -- well, first, do you think those people who --

ERIC SCHWARTZ:

Same answer to the question.

JOHN KENNEDY:

OK, um, now, in order to -- to, uh, to -- to generate more money they can steal, they went to some families and said, do you have children? And some of the families said, yeah, we have kids. And they said, the thieves said, are your children autistic? And they said well, no. And the thieves said, well, would, would you, uh, agree to sign paperwork to say they're autistic, if we kick back you -- kick back to you some of the money?

Do you think those families should be prosecuted?

ERIC SCHWARTZ:

Same answer.

JOHN KENNEDY:

OK. And you don't think their ethnicity should matter?

ERIC SCHWARTZ:

Not a bit.

JOHN KENNEDY:

OK. All right, Mr. -- is it Hankinson, I'm sorry, Mr. Hankinson, did I understand you to say that you have studied, um, immigrant, uh, communities throughout the United States in terms of fraud levels on social services?

SIMON HANKINSON:

Not specifically, no. I've done visa interviews in many countries, tens of thousands of them, and I've looked at reports about fraud levels.

JOHN KENNEDY:

OK. I misunderstood you, I'm sorry about that. It's been a long day. Mr. Bier, am I saying your name right?

DAVID BIER:

It's Mr. Bier.

JOHN KENNEDY:

Mr. Bier. I like beer, better.

DAVID BIER:

Most people to.

JOHN KENNEDY:

Uh, tell me that -- I think I heard you say that -- that some people, some folks who've come to our country, uh, and are trying to -- to -- to get status to say -- to stay, have applied to the Department of Health of, uh, DHS. And they've paid money and DHS is doing nothing.

DAVID BIER:

Oh, that's right. Yep, they're sitting on their applications, not processing them.

JOHN KENNEDY:

That's -- that's -- that's a pretty bold statement. How many people -- I'm not saying you're wrong, I don't know. How many people we're talking about?

DAVID BIER:

About half of the immigrant flow, right now. Ninety -- 90 countries are affected by the State Department ban.

JOHN KENNEDY:

How many people -- how many people is that?

DAVID BIER:

Well, it's at least 300,000 abroad and probably twice that when you consider the people already in the US.

JOHN KENNEDY:

So you're saying that 300,000 folks have gone to -- to -- to DHS to seek some kind of permanent status or semi-permanent status to stay, at least 300,000, and they paid money to DHS and DHS has -- has set -- has done nothing. Is that right?

DAVID BIER:

That's right. Yeah, they're sitting on their applications or they're just putting them in the trash.

JOHN KENNEDY:

Well, who at DHS is doing that. Who at DHS is doing this?

DAVID BIER:

Oh, it's Joseph Edlow. He's in charge of it. He came up with this policy to just --

JOHN KENNEDY:

Who is he?

DAVID BIER:

He's the head of USCIS. Joseph Edlow is the head of USCIS. He came up with this policy where he is just --

JOHN KENNEDY:

Slow down a minute, you've had too much coffee. Uh, is he -- he's at DHS.

DAVID BIER:

I'm just from new Jersey, sir.

JOHN KENNEDY:

I understand. Great state, too. Who does he report to?

DAVID BIER:

Secretary Noem, of course.

JOHN KENNEDY:

OK, does Secretary Noem know whether this is going on?

DAVID BIER:

I don't know what Secretary Noem knows, but she's aware of -- of the general tenor of this.

JOHN KENNEDY:

Well, Mr. -- what's his name?

DAVID BIER:

Joseph Edlow.

JOHN KENNEDY:

Mr. Edlow, who's his boss?

DAVID BIER:

Secretary Noem.

JOHN KENNEDY:

Oh, OK, and you can document all this?

DAVID BIER:

Oh, absolutely, they put out a memorandum saying we're not processing these people and Secretary Rubio is involved as well, when it comes to the State Department.

JOHN KENNEDY:

Will you send me that memo, please?

DAVID BIER:

I will absolutely send that to you.

JOHN KENNEDY:

I went way over -- I'm sorry, I'm sorry.

DAVID BIER:

I appreciate that, Senator.

JOHN CORNYN:

Senator Kennedy, I'm informed that USCIS is slowing adjudication because of the huge backlog and the lack of vetting of these migrants during the Biden administration is the reason that we've been given.

JOHN KENNEDY:

Yeah, I don't know, I just heard Mr. Bier, and I'm not saying he's right or wrong. That's a pretty -- pretty bold allegations that they're -- they're taking the money and they're not -- they're not doing anything. And I just want to know if it's true or not.

JOHN CORNYN:

Well, they're making sure that these people are vetted, so we don't end up with people like the National Guardswoman here in Washington, DC, that was killed by an Afghan.

JOHN KENNEDY:

I don't have a problem with vetting. I just want to know whether what the witness is saying is true.

DAVID BIER:

No, they're not adjudicating them.

JOHN CORNYN:

Senator Klobuchar.

AMY KLOBUCHAR:

Thank you very much, Chairman, Ranking Member Padilla. Um, I believe that people who break the law have to go to jail and people who steal taxpayer money have to go to jail and that we need to root out fraud in every state. But I got to say, as someone that prosecuted fraud cases for eight years, the person who recommended Andy Luger who did such a tremendous job in exposing this fraud as the US attorney for the state of Minnesota and then charged 75 cases, as the person who actually recommended Todd Blanche, to -- to recommended to Todd Blanche that he put in Joe Thompson as the acting US attorney, a specific ask I made.

And then he did it because Joe Thompson was the one that led these fraud cases in Minnesota. As a person who actually called the Justice

Department years ago and asked for more resources for the Minnesota US Attorney's office so they would go after these cases, the saddest thing that has happened, besides 3,000 ICE agents landing on the streets of our town, is that we have now lost the 14 -- 14 assistant US attorneys that were taking on these fraud cases.

And they left because they were asked, by all news accounts, to investigate Renee Good, one of two of three fatalities in Minneapolis, in January. Two of three were committed by ICE agents or border control. They were asked to investigate her wife and they did not feel that was ethical, and they left. This is incredible talent to investigate fraud that left that US Attorney's office.

So that's something, if we're going to go after fraud, losing that talent is a huge problem. I guess I'd start with you, Mr. Cato, because -- Mr. Bier of Cato, because you, um, had I say, a passion for going after the fraud, but also for understanding, uh, what this metro surge has all been about. You wrote, "Benefits fraud is a serious issue and whoever commits it should be held accountable, but that spending billions on operations like Metro surge will increase the deficit, rather than invest in better systems and investigations to control benefits fraud." I would agree.

As we've seen in Minnesota, losing that talent, losing the work that has to be done and should be done on a bipartisan basis is such a problem. Can you describe where you think Congress's decision to spend 75 billion on ICE making three times its budget, making it bigger than the FBI has led to what's going on in Minnesota and, ironically, cut back on the fraud prosecutions?

DAVID BIER:

Yeah, so absolutely, we're actually pulling people and resources away from criminal law enforcement. ICE is recruiting people from the FBI. They've already diverted 2,600 individuals, but they're also hiring people away from police, local police, as well as federal law enforcement into the mass deportation effort, which is not targeted toward criminals.

It's not targeted toward fraudsters. It's targeted towards the people who are living their lives peacefully in the United States and contributing to their communities.

AMY KLOBUCHAR:

Thank you. We know the surge has had huge economic costs, locally. The Minneapolis Economic development director estimates the city is losing 10 to \$20 million, every week. Estimates are it's costing about \$18 million a week, the taxpayers of this country for the ICE agents that are there, for all the hotels, for all the extra hours of local police, for all the jail time.

And you explained what's really happening with the numbers of which I support going after the worst of the worst. I support going after the violent offenders, but this is all costing huge amounts of money for the people of Minnesota and the people across the nation. Can you discuss the administration's actions and how they are hurting our economy and costing taxpayers?

DAVID BIER:

Well, like I said in my -- in my prepared remarks, in Minnesota, the immigrant population has reduced the deficits at the federal, state and local level by almost \$140 billion, over the last 30 years. Even if you

look at the illegal immigrant population nationwide, it's about a \$1.7 trillion reduction in deficits, over the last 30 years.

And it's because these people work, because they're increasing the economic activity, because they're providing goods and services to us as Americans that -- that uh, we have these positive economic effects.

AMY KLOBUCHAR:

Thank you. Ms. Gambler, uh, the data analysis from the firm Optum identified widespread vulnerabilities in the state's Medicaid program, recently, that allowed questionable billing to go undetected. Um, can you discuss what GAO recommends to states, and you can do it in writing later as well, to strengthen these programs?

Clearly, so much work has to be done in the state of Minnesota on how these grants were allowed and then of course, how they were monitored, afterward. And I wish that's what we were focusing on, instead of indicting an entire population group, which includes police officers, firefighters, doctors, nurses.

Please answer. Thanks.

REBECCA GAMBLER:

Sure, I'll answer briefly, Senator, and happy to provide more information afterward. But GAO has issued a fraud risk framework that lays out leading practices that agencies should take to help, uh, upfront, um, prevent, detect, identify and then address and mitigate fraud risks in federal programs. And so, those leading practices are really helpful for agencies to, um, to adopt practices relating to conducting fraud risk assessments, making sure they have a strategy in place and then making sure that they're targeting, um, resources

and their -- their fraud, the anti-fraud activities to the areas of greatest of greatest risk.

And those types of leading practices really help -- really help an agency, um, um, have in place a process for managing fraud risks at a strategic level.

JOHN CORNYN:  
Senator Moody.

ASHLEY MOODY:

Thank you, Mr. Chairman, for holding this hearing and thank you for the witnesses for being here today. You know, I think one of the reasons this is so important is because we keep seeing fraud in the news, every single day. And I want to thank people in the Trump administration; they're working so hard to make sure we are accountable to taxpayers.

And I know that many are examining what happened over the last administration, at least in terms of immigration and how taking in -- a conservative number is 11 million, but some say up to 20 million people in such a short amount of time -- many unvetted, uh, what that can do and how that can tax a nation and, specifically, how that can challenge an existing taxpayer base.

Um, and I think that's why we're here today. It was disheartening to me to hear some comments from the other side of the aisle that questioned why we were here. Why would we even have this hearing because, quote, unquote, "fraud has been going on for decades." I just got here to the Senate. I'm the newest member of the United States Senate.

And I actually think as fraud has been going on for decades, we should examine exactly why, even if it's uncomfortable to talk about why, even if it happened under Republican or Democrat administrations, how did we get to a point where some estimates that 10 percent of our outlay is going to fraud and bad actors and criminals.

When Americans are working so hard to foot the bill and we're putting our country into debt every single year and 10 percent of that is going to bad actors. I'm about to go over to the White House with my great colleague, Senator Kennedy, to talk about a bill that's going to get signed to stop payments going to dead people.

That's a good start, I would say. But hey, I think having a hearing is a great.

JOHN KENNEDY:

[Off-mic]

ASHLEY MOODY:

Having a hearing is a great start. There are not a lot of know nothings in Washington. People know a lot of -- a lot of stuff, but there's a lot of do nothings. And we have got to start acting like it is incumbent upon us to examine how we got here and fix our laws. And that's why you're here today. That's why we're all here today.

Because every one of you would say we have a problem. Now some might say, and I think I heard that immigration reduces deficit -- deficits. I think there's some testimony to the other side of that. Um, regardless, we have to figure out why, in Minnesota, there was childcare fraud, many from the Somali community, that totaled an estimate almost \$9 billion.

I think we need to start examining when we're wasting and giving to criminals \$0.09, but 9 billion, probably a good reason to be here, good impetus to be here. So I'm glad for one that we're having this hearing today so we can figure out how we got here, talk about how to adjust our laws to fix it and move forward so that we don't have fraud going on for the next decades into the future.

And I think that's what the American taxpayers and the people that sent us here would expect from us, at the very least. Mr. O'Brien, appreciate you being here today. I've read your testimony and you mentioned in your testimony that the net fiscal cost of illegal immigration to US taxpayers was about 150.7 billion, annually.

Is that correct?

MATT O'BRIEN:

Yes, that is correct.

ASHLEY MOODY:

Billion with a B.

MATT O'BRIEN:

Billion with a B.

ASHLEY MOODY:

So that number is just, so to put that in perspective, that is tens of billions of dollars more than the entire budget for the state of Florida. That's my home state. We are the third largest state. We have about 23 million people. So again, your testimony is the net fiscal cost of illegal immigration to US taxpayers is more than the entire budget for the state of Florida.

MATT O'BRIEN:

Yes, that is correct.

ASHLEY MOODY:

And if I'm not mistaken, there are only a few federal agencies, maybe the Department of Defense, maybe HHS, some of the mandatory health care spending that have budgets in excess of 150 billion.

MATT O'BRIEN:

That sounds accurate.

ASHLEY MOODY:

Most every federal agency has budgets for the entire agency of less than 150 billion but yet, we give that over as a result of illegal immigration. The American taxpayers pay that, every single year. Yes. Can you walk through that a little more in detail, how you estimated that?

MATT O'BRIEN:

Sure, so what we took a look at was the costs from illegal aliens applying for benefits that they were not entitled to. We looked at the criminal justice costs. We looked at the immigration enforcement costs. We looked at the state costs, particularly in programs where there was federal money that the states distribute.

So, it was a comprehensive analysis taking into account anything where we could find a significant connection between the illegal migrant population and expenditure of taxpayer dollars.

ASHLEY MOODY:

And do you believe by changes to our laws, working together across the aisle, we can tweak and reform our laws to reduce that cost and burden on the American taxpayer?

MATT O'BRIEN:

Yes, and I also think there are things in place that would eliminate a significant amount of it. For instance, the SAVE and E-Verify systems, if their use was mandatory, that would eliminate 95 percent of the problems with benefits and unlawful employment.

ASHLEY MOODY:

Appreciate your testimony.

JOHN CORNYN:

Senator Hirono.

MAZIE HIRONO:

Thank you, Mr. Chairman. I believe that Senator Durbin requested, is that OK? Thank you. He's going to let me go. Thank you, Mr. Chairman. So, um, you know, there is fraud in so many areas of our -- of -- of -- of life. I mean, there's tax fraud, there's welfare fraud, there's, um, Medicare fraud, there's Medicaid fraud.

There is a lot of fraud, correct, and yes, I guess we can focus on immigration fraud, which is part of what this hearing is all about. But maybe Mr. Bier, since you have researched in this area, with all of this, the massive fraud that occurs, especially I would say in the Medicaid, Medicare space, um, do you think that immigration fraud constitutes the majority of the fraud that is going on in our country?

DAVID BIER:

No, I have no way to possibly answer that question. I would just say, look, if someone's committing fraud to come to the United States, it's, uh, not something that's going to be quantified in the same way as stealing from Medicaid. I mean, it's just there's different measures. So you know, we looked at the monetary value, 95 percent of all the monetary losses to the government from government benefits fraud is by US Citizens, not non-citizens, and the non-citizen on a per capita basis is 30 percent less likely to.

MAZIE HIRONO:

Yeah, so I think that some of the other areas of fraud that I cited, these are massive fraud that are being committed. Uh, I'm sorry to say, and they ought to be investigated and prosecuted. But much of the fraud in our country is perpetrated by US citizens, not by immigrants. Now, we know that this is a regime that is totally intent on -- on deporting as many immigrants as possible.

We have about 11 million undocumented persons. How this regime is supposed to be deporting all these people is really beyond me. But nonetheless, we have a -- Steve Miller who says, no, I want you all to arrest at least 3,000, get at least 3,000 people and put them into our detention facilities for which they now have some \$40 billion, thanks to the big ugly bill.

So you have all of these resources, including the Department of Justice. They are every -- just about every department that has anything to do with law enforcement, uh, is being directed to immigration enforcement. So we have a regime that wants to deport

people. And so, we have this hearing that is focusing on -- on fraud being committed by a group of Somalis.

And I tell you, you know, we -- I listened to the depiction of Somalis as a country where they seem to be producing all these people who are prone to fraud. And I just want to have a really short response from the professor. You know, when you were sat here listening to the portrayal of Somalis as basically fraud prone and having worked in a community with a lot of Somalis, does this portrayal of a whole people come as a shock to you?

ERIC SCHWARTZ:

It comes as a -- as a huge disappointment.

MAZIE HIRONO:

Not OK, not only that, did it strike you as being fair?

ERIC SCHWARTZ:

It is not fair. The framing of this on top of the president's statements, the framing of this -- of this hearing is wrong. There's no evidence that Somalis are responsible for a greater degree of illegality than any other immigrant population.

MAZIE HIRONO:

Yes, OK and Mr. Bier, you know, you talked about reducing our deficit. You know the -- I would say the majority of the 11 million undocumented people here, what are they doing? They are working, they are buying stuff, they are going to our grocery stores and doing all that, they are paying taxes. They even pay Social Security taxes, many

of them, without ever hoping for any kind of payment from Social Security.

So they are there being part of our community. That is why we have a whole egg ag segment saying our produce is dying literally in the fields and on the vines. See these are -- I don't know why we are sitting here focusing on a community that is just trying to make a life for itself. So, rather than focusing on all the fraud that is going on and all these other massive areas of our lives, sitting here with yet another hearing, I don't know how many more hearings we're going to have focusing on the Somalis.

But it is all in the service of trying to come up with a way for our regime to justify going after a group of people. And since when do ICE agents and Border Patrol see as their mission, beating up American citizens, murdering them, dragging them out of cars and that is their mission and their jobs.

DAVID BIER:

It's too hard to find fraudsters. That's the problem. There aren't -- there aren't -- there aren't everywhere on every street corner. So they're out harassing random people. That's the fundamental problem. There aren't actually that many immigrant criminals. So what are they doing? They're harassing us. They're harassing the citizens of the United States.

MAZIE HIRONO:

Yeah, so I heard the depiction that they're doing their jobs. That's part of the mission. Since when?

JOHN CORNYN:

Senator Britt.

KATIE BRITT:

Thank you, Mr. Chairman. I appreciate you holding this hearing to address the staggering -- staggering levels of fraud that we've seen there in Minnesota, but I believe it's the tip of the iceberg. We heard my colleague from Florida talk about that it's estimated that maybe 10 percent of what we spend every single year, actually, um, ultimately, is frauded in some way, shape or form, and the American taxpayer deserves better.

When our debt climbs by the trillions at this point and we are putting that debt on the backs of our children and our children's children, we absolutely have an obligation to ask questions. And that's exactly what we're doing here today. So I want to start with, um, Mr. Hankinson, um, I want to begin by you.

You served for years as a foreign service officer at the State Department, is that correct?

SIMON HANKINSON:

Yes.

KATIE BRITT:

OK, um, I understand that your role there, obviously adjudicating visa cases and investigating fraud. So you've had kind of been on the front lines of this, so to speak. Um, a recent DHS inspector general reported, it highlighted that during the Biden-Harris administration, that the State Department issued more than 26 million non-immigrant visas to about 15 million people.

And of those 15 million, the State Department said that they waived the interviews and fingerprinting for more than 8 million of those people. That same report highlighted that CBP were not notified that those foreign nationals had not been fully screened by the State Department. Not only does that open our nation up for grave national security risks, but by waiving those interviews and fingerprint requirements, they make it dramatically easier for foreign individuals to, fraudulently, obtain visas.

So my question is for you. Based on your experience, how does it work, when you -- when you don't fully vet individuals who are entering the United States, um, how can that or how does that ultimately lead to fraud, and how can future administrations make sure that we are fully vetting and that we're actually, you know, crossing every T and dotting every I, and what is the end result of that?

SIMON HANKINSON:

Well, I think the idea of fully vetting is -- is a bit of a myth because if you have, say an immigrant visa applicant from Germany where they have excellent records, they share them with us, and you have that person's identity and civil documents that are trustworthy, you can be pretty sure that person is who they say they are.

If they don't have a record, they don't have a record. If you have an applicant from Somalia or from Mali or somewhere that has much worse records, then you're much less likely to have an accurate result. And in some countries that I've worked, you have people who have marriages that are testified to only by villagers who are illiterate.

So they've maybe had a statement printed out for them that they've signed with a thumbprint. That's not really something you can rely on.

And then often, criminal records in places like Afghanistan just simply aren't recorded. You know, everybody in the village knows, but unless you can go there to check, you have no way of knowing.

KATIE BRITT:

So how can we better -- how can our system be better to prevent fraud in the future, visa fraud in the future?

SIMON HANKINSON:

Well, from my perspective, if in doubt, you don't issue. You want to make sure that you know who it is, that they are who they say they are and that they don't have a criminal record or any other ineligibility. And if you can't be sure, then you simply just don't issue that person a document.

KATIE BRITT:

And Mr. Linderman, do you have anything to add to that?

PHILLIP LINDERMAN:

Thank you, Senator. In my remarks, I emphasized that State Department actually keeps country by country fraud summaries on the encounters that they meet in that country. This is an unclassified document in which you will find for Somalia, Nigeria, name the Mexico name the country, a collection of very deep dive into corrupt practices, fraudulent documents and other information in which American diplomats, consular officers encounter fraud.

And this is a valuable tool so that you can actually make some intelligent judgments. Countries in which fraud practices are widespread, when those nationals come to our country, it is only

logical to believe that, in many cases, they may continue those practices. And so, I would say this is not a judgment based on race, ethnicity or whatever; it's based on facts.

And consular officers keep very good records, as my colleague, Mr. Simonson just mentioned. And when there is doubt, visa should not be issued. But there is a holistic approach that we can do, as well. We can turn to a government in which it, a foreign government in which it basically condones corrupt practices and say, we will hold you responsible for this, foreign government.

We will stop adjudicating visas in your country, until you clean up your own documents, you clean up your -- your other corrupt practices.

KATIE BRITT:

Yeah, demand better. Um, let me ask real quick uh, Mr. O'Brien. We've discussed the topic a lot, particularly in the last couple of weeks, about sanctuary cities. And it is my belief that sanctuary city policies are ruining America and that both we can keep our law enforcement officers safe and we can keep our American citizens safe by cooperation on the state, local and federal level.

And that cooperation, I think, is incredibly important. And I've long thought that we should defund sanctuary cities. Obviously, there's a public safety risk, which -- which I have just hit on. But can you discuss how those same policies enable individuals to actually defraud American taxpayers?

MATT O'BRIEN:

Sure, I mean, the -- the -- the whole point of sanctuary cities is essentially for those jurisdictions to exempt themselves from federal immigration laws that they don't like. So they become a major magnet

for people who are trying to evade the laws and are trying to commit fraud. And I think one of the things that is perhaps not necessarily digested by the American public is that if you are here illegally, you have to commit fraud in order to accomplish anything in the United States because you can't work without appropriate documentation.

You can't open a bank account; you can't operate a motor vehicle. And so, all of these places, in refusing to cooperate with federal law enforcement in order to remove immigration violators, make themselves preferred locations for committing fraud because they're magnets for people who are trying to evade enforcement by engaging in fraudulent activities.

KATIE BRITT:

Thank you so much, Mr. O'Brien. I think we need to end sanctuary cities, now.

JOHN CORNYN:

Senator Durbin.

DICK DURBIN:

Thank you, Mr. Chairman. Mr. Bier, I'm impressed by your analysis and your presentation and I thank all the members of the panel for their presentation. I'd like to follow up with a question or two. Um, big, bold, beautiful bill, president's budget approved 18,500 new agents, ICE agents, 10,000, 8,500, CPB agents.

I believe that Secretary Noem has identified their training period to be 47 days as a tribute to the president, the 47th president of the United States. When I talked to police chiefs and mayors back home, they say

you can't prepare an officer for contact with the public in that short a period of time. Do you have any thoughts on the subject?

DAVID BIER:

Oh, absolutely, it's, uh, it is reprehensible that they're cutting back on training at a time when they're asking officers to do things that even long experienced officers have not had to do, conduct random traffic stops, do crowd control. All of these things, uh, profiling people in the street, all of these things that were never done by Immigration and Customs Enforcement before is now being done as a mandatory policy.

So, there should be more training rather than less, when you're asking more from your officers.

DICK DURBIN:

And so, the question in my mind is, what are they going to do with all of these people as they're learning on the job with weapons in their hands, wearing masks, so they can't be identified. It's speculation in Washington about detention facilities, how many there will be. Eight, nine, I've heard 15 detention facilities.

Our present Bureau of Prisons population is around 160,000. We have more people in jail than any country on earth, more people in jail than any country on earth. And now we're going to build detention facilities that house another 150,000. Visualize, if you will, the America that they're designing for us in the future with those parameters.

DAVID BIER:

Look, they're not -- they're clearly not concerned about the welfare of the people that they're arresting. I mean, they are detaining American citizens even and putting them in these facilities and not giving them access to attorneys, they're not letting them make phone calls and then they're often released without charges.

But that doesn't make the wrong correct. And so, now when you're going to have this huge bureaucracy of people pulling people off the street and shoveling them into warehouses where they're essentially black boxes, lawyers can't get in, no one. There's no oversight. There's very little due process. And the due process that there is -- they're constantly attacking and trying to -- to remove it. So, you need greater oversight.

You need greater protection, but they're not putting any of the money into oversight and accountability for these facilities.

DICK DURBIN:

So the president's been very clear what his goal is, hasn't he? He's told us he's going after murderers, rapists, terrorists, criminally insane, childhood predators, the worst of the worst, he says. How are they doing on that score?

DAVID BIER:

If you look at all the people that they booked into these facilities, just five percent in the most recent available data had violent criminal convictions of any kind.

DICK DURBIN:

One out of 20 fits that category. So you get 19 people that are not culpable, not liable, not criminally responsible in any way and they are

the ones who are being swept up into this detention.

DAVID BIER:

Even more tellingly, the administration, itself, assigns a threat level to each detainee, and we can look at in the data how they categorize these people. Just eight percent are categorized at the highest threat level and 73 percent are not given a threat level at all, not deemed, not a threat. And so, you look at what they're actually saying in their own administrative records.

They don't believe these people are threats either, and they don't care because it's not about public safety, it's about the population purge. And by all means necessary. It doesn't matter if it makes us poor. It doesn't matter if it takes away our rights. It doesn't matter if it harms you, takes your wife and sends her to some foreign country.

DICK DURBIN:

I just have a few seconds left. I commend to you the case of Marimar Martinez in October who was shot on the streets of Chicago, a teacher in a Montessori school. She was shot in her car five times and survived. God knows how she survived. And what happened to the charges against her? Eight weeks later, dropped, all charges.

Could be because the vehicle she supposedly rammed had been moved from Chicago to Maine to be repainted. So it wasn't any evidence in her trial. To think of what has happened to this 30 year old woman's life, born and raised in Chicago, an American citizen shot by these ICE agents on the streets of Chicago.

DAVID BIER:

And they bragged about it.

DICK DURBIN:

They brag about it. He was the, one who shooters said, I got five bullets and seven holes, quite a shot. He's very proud of himself. Thank you, Mr. Chairman.

JOHN CORNYN:

Senator Cruz.

TED CRUZ:

Thank you, Mr. Chairman, for holding this hearing. You know, I think it is amazing that Democrats never seem to focus on innocent victims who are shot and killed by illegal aliens that their policies have led into this country. They never seem to say names like Jocelyn Nungaray in my hometown of Houston, who was raped and murdered, a young girl, by two Venezuelan gang members that Joe Biden had in custody and released, and they came to Houston and raped and murdered that beautiful little girl.

They never seem to mention someone like Laken Riley, a nursing student, beautiful young woman, murdered by an illegal alien the Democrats have released. They never seem to mention anyone like Kate Steinle, a beautiful young woman, 28 years old in California, shot on a pier by an illegal alien who had been released, over and over and over again.

We have had Kate Stanley's father testify before this committee. He held her head in his hands as she died and her last words were, "Help me, daddy." And yet, for my Democrat colleagues, it seems there's no limit to how many Americans can be murdered by illegal aliens and

yet, they simply don't care, they still support open borders and releasing murderers and releasing violent criminals.

We're here today because of the Democrats open border policies and the damage it's done to this country. But we're also here today because Minnesota's welfare system has been treated like an open ATM and the taxpayers are the ones getting robbed. Ms. Gambler, GAO has reported that the federal government loses hundreds of billions of dollars each year to fraud and improper payments, much of it in public benefit programs.

Is that correct?

REBECCA GAMBLER:

Yes, GAO has reported both on estimates of federal government losses due -- due to fraud, as well as estimates of improper payments, government wide.

TED CRUZ:

You may recall the infamous Learning Center, whose blacked out windows and childless facilities have become emblematic of the public programs fraud currently plaguing Minnesota. Mr. O'Brien, when investigators encounter fraud this obvious, does it usually represent just a single isolated bad actor or the visible tip of a much larger scheme.

MATT O'BRIEN:

No, it's usually the visible tip -- excuse me, the visible tip of a much, much larger scheme. Fraud has a tendency not to occur in a vacuum.

TED CRUZ:

In that instance, the fraud was so blatant that the owners of the business couldn't be bothered to spell the organization's name correctly on the public signage. Mr. O'Brien, does fraud of that magnitude typically persist because it's difficult to detect or because oversight and enforcement break down?

MATT O'BRIEN:

It tends to persist because oversight and enforcement break down and it tends to spread, geometrically.

TED CRUZ:

The Somali fraud problem in Minnesota is not confined to childcare centers. Federal prosecutors in Minnesota expect that half of the more than \$18 billion spent since 2018 on 14 different Minnesota welfare programs may prove to be fraudulent. To put that figure into perspective, the amount of fraud, if confirmed, may approach the entire GDP of the nation of Somalia.

Mr. Hankinson, once funds are laundered and sent overseas to fragile or corrupt jurisdictions, is there any realistic prospect of recovering them?

SIMON HANKINSON:

Only if they come back and spend them.

TED CRUZ:

In many respects, Minneapolis has become the Mogadishu of the Midwest. As the chairman of the Subcommittee on Federal Courts Oversight Agency Action Federal Rights, I'm proud to have held a hearing, last week, on the issue of fraud within the Minnesota Somali

community and beyond. But the problem of fraud doesn't stop there and neither does our inquiry.

Our shared civic culture rests on something uniquely American, a respect for the public commons. It is clear, though, that though Minnesota opens its doors in the early 1990s to a massive number of Somali immigrants, that kindness was not reciprocated. Instead, it was exploited again and again and again, and that's simply unacceptable.

Mr. Bier, can any welfare system long survive if large-scale fraud is excused and explained away, rather than confront it.

DAVID BIER:

No.

TED CRUZ:

It would be entirely naive to assume that fraud of this magnitude simply stopped at public program frauds. I encourage you to examine the graph behind me. What do you notice about the usage of public programs among Minnesota's Somali immigrant population? Eighty one percent of Somali households in Minnesota receive some form of welfare, compared to 21 percent of non-Somali households.

Fifty four percent of Somali households receive food stamps, compared to seven percent of non-Somali households. Seventy three percent are enrolled in Medicaid, compared to 18 percent of non-Somali households. And 27 percent receive cash assistance, compared to six percent of non-Somali households. My question to the panel, this is my final question, is importing vast numbers of people from an impoverished nation, putting the majority of them on

public welfare for years and decades at a time and then turning a blind eye while they steal billions of dollars from the taxpayers, is that helping America or hurting America?

Each of you has a chance to answer that. Ms. Gambler.

REBECCA GAMBLER:

Yes, thank you, Senator. I would just say that your question really speaks to the work that GAO has done, um, as it relates to leading practices for managing fraud risk. We've put out a framework for agencies that can help them better, uh, put in place processes and controls upfront to -- to prevent fraud risks, and then also have policies and practices in place to really tailor their anti-fraud activities and anti-fraud approaches.

TED CRUZ:

Mr. Hankinson.

SIMON HANKINSON:

I believe in the melting pot. I'm an immigrant, but to melt, you need heat. You've got to put heat on people to make sure they obey laws and learn how we do business in the United States.

TED CRUZ:

Is that helping or hurting America? It's a simple question.

SIMON HANKINSON:

I think if we ignore fraud, we're hurting America, of course.

TED CRUZ:

OK, Mr. Linderman?

PHILLIP LINDERMAN:

That's not in the US national interest, Senator, and we know that Somalia is a high fraud country. To bring people from that country who cannot integrate into our systems is not in the US national interest.

TED CRUZ:

Mr. O'Brien.

MATT O'BRIEN: I believe it was Milton Friedman who said you can have a welfare state or you can have open borders, but you can't have both.

TED CRUZ:

Mr. Bier.

DAVID BIER:

We can build a wall around the welfare state and that would be a lot better for taxpayers than building a wall and keeping out all these illegal immigrants who can come.

TED CRUZ:

Is this helping or hurting America?

DAVID BIER:

Certainly, the welfare state is a -- is a problem, but --

TED CRUZ:

Mr. Schwartz.

ERIC SCHWARTZ:

It is not unusual for immigrant populations to have a high degree of assistance early in their -- after their arrival, but we are already seeing statistics that the net benefit, economically, of Somali presence in the United States far outweighs the costs. And that chart is--

TED CRUZ:

So your testimony is this massive welfare usage is helping America and the fraud is helping America?

ERIC SCHWARTZ:

Not the fraud, we need to -- we need to go after the fraud, which makes all inexplicable the Trump administration's decision to take actions that has decimated the US attorney's office in Minnesota. I can't understand it. Can you understand it?

TED CRUZ:

So simple question, is this helping America or hurting America?

ERIC SCHWARTZ:

The Somali presence in the United States is helping America. That -- that graph--

TED CRUZ:

Well, for the Minnesota taxpayers who had \$9 billion stolen from them, sir, the Minnesota taxpayers who had \$9 billion stolen from them, it has not helped them. And the American taxpayers who are

supporting a dependent population who are here for one reason and that is to vote Democrat and give money to elect Democrats.

And if it robs the American taxpayers and endangers our security, for our Democrat colleagues, that is a perfectly acceptable trade off.

ERIC SCHWARTZ:

Speaking loudly does not make it true.

TED CRUZ:

And if it robs the American taxpayers and endangers our security, for our Democrat colleagues, that is a perfectly acceptable trade off.

ERIC SCHWARTZ:

Speaking loudly does not make it true, it just doesn't.

TED CRUZ:

Your time has expired. Your time has expired, Mr. Schwartz.

JOHN CORNYN:

Mr. Linderman and Mr. Hankinson, I want you to respond to Mr. Bier's criticism of slowing the flow of adjudications. Because of the lack of vetting of migrants during the Biden administration, do you think, uh, additional vetting, uh, is appropriate and slowing the -- the adjudications by USCIS is a good idea or a bad idea in order to determine what the background is of these individuals.

PHILLIP LINDERMAN:

Mr. Chairman, it's a good idea to slow any visa process and to be sure when we are issuing a document, refugee, whatever the status that

admits a foreign national into our country, the obligation of the State Department or DHS has to be clear that that person is -- is someone we know who is, who -- who he is or she is before we admit them into the country.

Otherwise, why are we there?

JOHN CORNYN:

Mr. Hankinson.

SIMON HANKINSON:

I do think everybody deserves a decision in their case in the end, even if the answer is no. But having let in an untold number of many millions of people under parole released at the border and having so many pending asylum cases, I think it is a good idea to pause and figure out exactly where we are and maybe revise our systems to make sure that so many people don't slip through.

JOHN CORNYN:

Mr. O'Brien, I just -- my final questions are for you, um. So one of the things that makes me a little bit crazy is when I see in the media, people talk about the migrants that are here in the country and said, well, they -- they haven't committed any crimes. But you made clear that you can't be here in the United States illegally, without committing crimes, whether it's identity theft or failure to have insurance and driving a car, you name it. But of course, when you enter the country without authorization, that is a crime, is it not?

MATT O'BRIEN:

It is 8-USC 1325, makes improper entry by an alien a misdemeanor crime on the first offense and a felony on any subsequent offenses.

JOHN CORNYN:

And you've made the point correct, in my view, that after they get here, you cannot claim to be a perfectly law abiding individual if you enter the country illegally because you can't -- simply can't get access to public benefits. You can't drive a vehicle. You can't -- and -- and the like. So, um, thank you for -- thank you for responding to that.

So earlier, I made part of the record, a document we got here from the Department of Justice that said, last year alone, 485,000 final orders of removal. So, it's really interesting because our Democratic colleagues have demanded, in order to reopen the appropriations process for the Department of Homeland Security, that ICE agents be required to get court orders, uh, in order to detain these individuals.

But the fact of it is, at least in this, at least last year, 485,000 of them have already received all the process they are due under the law, isn't that correct?

MATT O'BRIEN:

Yeah, that is correct. Those individuals have received a final order of removal from an immigration judge and that whole argument about the warrants is a red herring. Because federal district court judges do not have the authority to issue a civil warrant for the arrest of a person who has undergone the removal process.

JOHN CORNYN:

Well, and that's an important point, this is a civil process, not a criminal process, correct?

MATT O'BRIEN: That is correct.

JOHN CORNYN:

And so, the idea of having to go back to court and get another order on top of the order of removal that's been defied by the immigrant, um, makes no sense.

MATT O'BRIEN:

Well, it makes no sense, whatsoever. And if you stop and think about it, we spend an inordinate amount of money on the immigration court. And then to claim that an immigration judge has the authority to remove somebody from the United States but on the strength of that order, ICE can't remove them from their apartment, is just absolutely absurd.

JOHN CORNYN:

And finally, Senator Britt touched on this with you. In Texas, we don't have the problems they're having in Minnesota, getting local law enforcement cooperate with ICE, ICE issues, a detainer when somebody is in a county jail and then is turned over to federal authorities without ICE having to, uh, go and execute their -- their administrative warrant in the streets and be subject to harassment and interference by some of the individuals who, unfortunately, um, including those who suffered their loss of life for interfering with the federal law enforcement activity.

So, if we didn't have sanctuary jurisdictions like Minneapolis and, uh, and Minnesota, the state of Minnesota, um, would that help?

MATT O'BRIEN:

Yeah, it would help massively. I mean, the fact is that a large number of people who are engaged in criminal activity who are here unlawfully are going to encounter state or local police, first. And if the state and local police make the presence of those individuals known to ICE, then that means ICE has to expend a significantly smaller amount of effort in order to take that person into federal custody and subject them to the removal process.

Or if they already have an order of removal to then, physically, remove them from the country.

JOHN CORNYN:

Thank you. Senator Padilla.

ALEX PADILLA:

Thank you, Mr. Chair. Um, I know we're the hour, but a few more questions. I'll try to be brief, before we close. Uh, first, Mr. Bear, I saw your head nodding during the discussion of warrants. My understanding is the issue of warrants is specifically to, uh, federal agents going into homes without a warrant, including homes of United States citizens.

The practice of racial profiling, which has been, uh, sanctioned by the Supreme Court, do you want to briefly add anything to that?

DAVID BIER:

Well, absolutely. What we're talking about is going to a judge to actually enter a home. I mean, that is -- how do we know it's the immigrant's home. We don't know that unless you actually present probable cause to a judge and determine that. You don't just rely on some individual ICE agent or some federal agent's gut.

We saw what happened in Minnesota when they went with their gut. They dragged a US citizen out of his home in front of his grandkids, in his underwear in the middle of winter. That's unbelievable what's happening.

ALEX PADILLA:

And it wasn't who they thought it was. Uh. Mr. Linderman, a quick follow up question. I heard you say, just a few minutes ago in response to Senator Cornyn's question, that, uh, all, uh, background vetting processes should be slowed down, so that we're sure of who's trying to come into the country, uh, something along those lines.

Did I hear that, correctly?

PHILLIP LINDERMAN:

Senator, what I meant to say was that we should not speed up issuing for some abstract reason because the paperwork is pending or someone is demanding.

ALEX PADILLA:

I would imagine that not speeding up, uh, should apply to South African Afrikaners that the white House has given preferential treatment to. Agree or disagree?

PHILLIP LINDERMAN:

I would agree that everyone who comes as a foreigner to our country --

ALEX PADILLA:

But it also applies to those seeking to come to the United States by purchasing this gold card that the president has talked about.

PHILLIP LINDERMAN:

If there are foreign nationals, they would all be vetted.

ALEX PADILLA:

Thank you. Uh, the transition to a question for Ms. Gambler. I asked you in the first round of questions if, uh, the process for Afrikaners' consideration was abiding by the standards and best practices that the GAO has laid out. Uh, has the gold card program that the president has referenced a few times, uh, also implemented your recommendations?

REBECCA GAMBLER:

Uh, thank you, Ranking Member Padilla. We also have -- have not looked at that proposal. So, uh, we don't have insights to share related to that process. Certainly, if that's something that, um, that your office would be interested in GAO taking -- taking a look at, um, that's something we'd be happy to follow up with you on.

ALEX PADILLA:

That would be, I think, incredibly valuable for not just this committee, but the entire Senate, both sides of the aisle for that matter, to talk about the gold card proposal. Have you seen something in writing?

REBECCA GAMBLER:

Uh, no, GAO has not specifically been reviewing that proposal.

ALEX PADILLA:

OK, I think that's it for questions, but I understand you have a closing statement. So do I.

JOHN CORNYN:

Um, I don't have a closing statement. If you have a closing statement, go ahead.

ALEX PADILLA:

Sure, just a couple of things. I mean, we heard a lot today. I mean, I don't even know where to begin but, sadly, as I predicted in my opening statements, we heard repeated claims about immigrant communities and their supposed, uh, crimes on a mass scale. We heard what I feared, the scapegoating attacks, uh, that I warned about in my opening remarks, like I mentioned.

Uh, first, just to -- to set the record straight for folks in the audience and those watching from home of what sanctuary cities are and what sanctuary cities are not. There is no city in America that the federal government cannot go in and enforce federal law, period. A sanctuary jurisdiction, a state, a municipality, a municipality is simply a choice that those local governments take to not dedicate local resources for the enforcement of federal law.

That's a federal government's job. Some jurisdictions choose to. Clearly, we've heard some examples. Some do not. Sanctuary policies are not unlawful. They are not unconstitutional. Second, the question about USCIS processing pause, happy to enter into the record the very memos that were referenced in the conversation, earlier today.

JOHN CORNYN:

Without objection.

ALEX PADILLA:

Thank you. And speaking of USCIS, I know Senator Kennedy is not here anymore, but Mr. Joseph Edlow is indeed the director of USCIS. It should be a name familiar to him because he was confirmed by the Senate in July of 2025, after having been considered by the Senate Judiciary Committee, which he is a member of, prior to that.

Look, folks, well, we did not hear from our colleagues on the other side -- other side of the aisle today was any serious discussion of the far more widespread fraud being committed by United States citizens, starting all the way to the top with President Trump. And we have example, after example, after example, fraud that, by the numbers, vastly outpaces anything tied to immigrant communities.

We said it before and we'll say it again in closing, nobody condones fraud. When it happens, it should be investigated and those accountable, those responsible to be held accountable, as they are currently with existing laws. But if you want to truly look beyond the so-called tip of the iceberg, then demonizing entire communities for the actions of a few is not the answer.

And to that end, Mr. Chairman, I want to enter into the record, statements from leading refugee resettlement and advocacy organizations detailing the harmful impacts of the indiscriminate arrests in Minnesota into the record.

JOHN CORNYN:

Without objection.

ALEX PADILLA:

Thank you very much. And in closing, just two final things, a serious conversation about fraud would focus on strengthening oversight and

improving enforcement, not the diversion of enforcement resources or by pushing career professionals involved in enforcement and investigation out, as the current administration is doing.

We'd also be wanting to make sure that systems that we already have are working, as intended. That's the conversation we should be having, but that's not what happened today. So I urge my colleagues on this committee to step away from the theatrics and the stereotypes and to engage in the real work on a bipartisan basis of identifying genuine vulnerabilities, of strengthening safeguards and holding all bad actors accountable.

Thank you.

JOHN CORNYN:

The record will stay open for one week so that members can submit questions for the record. I want to express my gratitude to all the witnesses for hanging in there with us and offering your expertise and answering our questions. Thank you very much.

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SEN. RICHARD J. DURBIN (D-ILL.), EX-OFFICIO

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ASSURANCE OFFICER REBECCA GAMBLER

THE HERITAGE FOUNDATION BORDER SECURITY AND  
IMMIGRATION CENTER SENIOR RESEARCH FELLOW SIMON  
HANKINSON

CENTER FOR IMMIGRATION STUDIES CHAIRMAN PHILLIP  
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