

March 1989

# IMMIGRATION REFORM

## Federal Programs Show Progress in Implementing Alien Verification Systems



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United States  
General Accounting Office  
Washington, D.C. 20548

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**Human Resources Division**

B-229066

March 31, 1989

The Honorable Joseph R. Biden  
Chairman, Committee on the Judiciary  
United States Senate

The Honorable Strom Thurmond  
Ranking Minority Member  
Committee on the Judiciary  
United States Senate

The Honorable Jack Brooks  
Chairman, Committee on the Judiciary  
House of Representatives

The Honorable Hamilton Fish, Jr.  
Ranking Minority Member  
Committee on the Judiciary  
House of Representatives

This report discusses implementation of the verification requirements of the Immigration Reform and Control Act of 1986. The act states that by October 1, 1988, federal, state, and local program administrators should have begun verifying the immigration status of alien applicants for certain federal assistance programs with the Immigration and Naturalization Service, unless the responsible federal program secretary waived the requirement.

This report is being sent to you pursuant to the act's requirement that GAO report by April 1, 1989, the results of its review of implementation of the verification system. Copies of the report are being sent to the President of the Senate; the Speaker of the House of Representatives; congressional committees and subcommittees; the Commissioner, Immigration and Naturalization Service; the Director, Office of Management and Budget; the Secretaries of Agriculture, Education, Health and Human Services, Housing and Urban Development, and Labor; the Attorney General; and other interested parties.

Major contributors to this report are listed in appendix XII.

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# Executive Summary

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## Purpose

The Immigration Reform and Control Act of 1986 requires that the immigration status of all alien applicants for certain federal program benefits be verified with the Immigration and Naturalization Service (INS). By October 1, 1988, state and local program offices responsible for administering Unemployment Compensation, Food Stamp, Aid to Families With Dependent Children (AFDC), Medicaid, certain housing and education assistance programs, and adult assistance programs were to have begun verifying alien applicants' status. Federal departments may waive the new requirements, however, if (1) they have an alternative, equally effective and timely system for verifying immigration status, with comparable hearing and appeal rights, or (2) the costs of verification exceed projected savings.

The same act requires that GAO report both to the Congress and to responsible federal department heads on the implementation of the new requirements. (See pp. 8-12.)

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## Background

Since the early 1970s, some federal programs have specified the immigration status that would qualify an individual alien for benefits and used various procedures to verify that status. The act now requires that, unless waived, verification be done through an INS system. In 1984, INS created the Systematic Alien Verification for Entitlements (SAVE) system, through which programs could verify alien applicants' immigration status. Under SAVE, program offices use touch-tone telephones, computers, or other methods to check an alien's status against one of INS's automated data bases. If the automated check, referred to as "primary verification," does not indicate satisfactory status—because of insufficient or questionable information—INS personnel undertake "secondary verification" by searching other INS data sources to determine the alien's status.

There are 217 state offices responsible for administering the Unemployment Compensation, Food Stamp, AFDC, Medicaid, and adult assistance programs in the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands (included as "states" in this report to simplify presentation). The education and housing programs are usually administered by schools and by local housing authorities and other housing providers, respectively. GAO gathered information on implementation action by INS and the five responsible federal departments. Also, primarily in October and November 1988, GAO gathered information through a telephone survey of the 217 state program offices to ascertain their implementation progress. (See pp. 8-13.)

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## Results in Brief

Progress has been made in implementing the act's verification requirements, although experience in using SAVE has been too limited to evaluate its overall effects. Of the 217 state program offices, 29 percent reported they had begun using SAVE, 53 percent planned to use it, and 12 percent had requested waivers. The other offices had not taken action to comply with the act.

In the Unemployment Compensation program, all the state program offices had taken necessary steps to comply with the verification requirements, and decisions on all waiver requests had been made by the Department of Labor. Twenty-two percent of the state Food Stamp, AFDC, Medicaid, and adult assistance program offices had begun using SAVE; 60 percent planned to use it; and 10 percent had requested waivers, none of which had been decided.

All the responsible federal departments have taken steps to comply with the new requirements, although some have made more progress than others. By October 1, 1987, as the act required, INS's SAVE system was operational, and in March 1988, INS published a procedures manual to assist federal departments and state program offices in deciding waivers and implementing the new requirements.

Labor determined that new regulations were not needed and issued operating guidance to state Unemployment Compensation program offices by October 1, 1988. The Departments of Agriculture and Health and Human Services also made implementation progress. According to state program officials, however, delays in publishing regulations reportedly slowed the state Food Stamp, AFDC, and Medicaid program offices' implementation efforts. Agriculture issued interim regulations on October 7, 1988; Health and Human Services had not issued regulations by February 1989. Neither department has issued detailed waiver guidance. The Department of Education waived the new requirements, and the Department of Housing and Urban Development postponed implementing them.

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## Principal Findings

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### Most Progress Made by Unemployment Compensation Program

The Unemployment Compensation program is farthest along in meeting the new requirements. At the time of GAO's October and November 1988 telephone survey, about half of the 53 state Unemployment Compensation program offices reportedly were using SAVE, and the others either planned to use it (18 offices) or had requested waivers (9 offices). Most of the offices using or planning to use SAVE anticipated that their verification processes would be improved as a result.

Labor issued timely operating guidance to state Unemployment Compensation program offices. Labor also developed detailed guidance on waiver criteria, which supplemented that set forth in the act, and used it in making waiver decisions. (See pp. 14-16.)

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### Progress by Food Stamp, AFDC, Medicaid, and Adult Assistance Programs

At the time of GAO's survey, 91 percent of the 164 state Food Stamp, AFDC, Medicaid, and adult assistance program offices had taken steps to comply with the new law—36 offices reported using SAVE, 98 had plans to use it, and 16 had requested waivers. Unlike state Unemployment Compensation program offices, most of the offices using or planning to use SAVE for these four programs anticipated little or no improvement in their verification processes, usually due to small alien workloads.

Agriculture, for the Food Stamp program, and Health and Human Services, for the AFDC, Medicaid, and adult assistance programs, provided state program offices guidance on verification requirements, reimbursable costs, and other operating procedures, but not on specific waiver criteria. At the time of GAO's work, neither department had made decisions on the state program office waiver requests they had received. Moreover, both departments decided implementing regulations were needed, but encountered delays in publishing the regulations. Lack of federal regulations was the reason state program offices most frequently cited for implementation delays. (See pp. 16-19.)

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### Requirements Waived for Education Programs

The Secretary of Education waived the act's requirements for education assistance programs. Education's decision was based on a study it had done that showed use of SAVE would not be cost effective. Education told GAO that in January 1989 it began using alternative procedures, which it believes will meet the purposes of the new requirements yet allow more

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cost-effective verification of alien applicants' immigration status. In March 1989, additional regulations and implementing guidance were being developed. (See pp. 19-20.)

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### Implementation of Requirements Postponed for Housing Programs

The Department of Housing and Urban Development (HUD) postponed implementing the verification requirements to coincide with implementation of the Housing and Community Development Act of 1987, which affects alien housing aid eligibility. On October 19, 1988, HUD published regulations for the new housing legislation that also explain the new verification requirements, but do not provide guidance on reimbursable costs for secondary verification or waiver criteria and procedures. HUD considers it premature to develop waiver criteria until there is some experience with SAVE, and plans to issue no further guidance until its regulations become effective by January 1990. (See pp. 20-21.)

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### Recommendations

This report contains no recommendations.

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### Agency Comments

GAO received written comments from Agriculture, Education, Health and Human Services, HUD, Justice, and Labor. The agencies generally agreed with the report's contents. (See pp. 39-47.)

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**Abbreviations**

AFDC	Aid to Families With Dependent Children
GAO	General Accounting Office
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
INS	Immigration and Naturalization Service
IRCA	Immigration Reform and Control Act of 1986
OMB	Office of Management and Budget
SAVE	Systematic Alien Verification for Entitlements
UC	Unemployment Compensation

# Introduction

The Immigration Reform and Control Act of 1986 (IRCA) (P.L. 99-603) requires certain federal program administrators to verify, through the Immigration and Naturalization Service (INS), the immigration status of all alien applicants as part of the eligibility determination process. INS is responsible for maintaining information on the immigration status of all aliens—persons in the United States who are not citizens or United States nationals.<sup>1</sup> Federal departments, usually through the state, local, or other offices responsible for administering the designated programs, are required to ensure that program benefits are provided only to applicants who meet program eligibility requirements, including, where applicable, immigration status. Alien eligibility requirements vary by program.<sup>2</sup>

IRCA sets forth procedures designed to determine the eligibility of aliens for the following programs:

- Unemployment Compensation (UC).
- Food Stamps.
- Aid to Families With Dependent Children (AFDC).
- Medicaid.
- Adult assistance programs approved under plans authorized by titles I (Old-Age Assistance), X (Aid to the Blind), XIV (Aid to the Permanently and Totally Disabled), and XVI (Aid to the Aged, Blind, or Disabled) of the Social Security Act.
- Higher education grants, loans, and work/study assistance authorized by title IV of the Higher Education Act of 1965.
- Financial assistance for housing subject to section 214 of the Housing and Community Development Act of 1980.

Except for the education and housing programs, there is a central office that is responsible for administering each program, where available, in each of the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands (included as “states” in this report to simplify presentation). The Department of Labor’s UC program operates in 53 states—all except Guam; the Department of Agriculture’s Food Stamp program,

<sup>1</sup>A United States national is a person who owes allegiance to, but was not necessarily born in, the United States.

<sup>2</sup>For information on selected types of aliens eligible for programs covered by IRCA, see *Immigration Reform: Verifying the Status of Aliens Applying for Federal Benefits* (GAO/HRD-88-7, Oct. 1, 1987).

in 53 states—all except Puerto Rico;<sup>3</sup> and the Department of Health and Human Services' (HHS) AFDC and Medicaid programs are in all 54 states, while its adult assistance programs operate only in Guam, Puerto Rico, and the Virgin Islands. In total, there are 217 central state program offices responsible for administering these five programs, although daily program operations, including using SAVE, are handled by thousands of local offices.

There are no central state program offices responsible for all the education and housing assistance programs covered by IRCA. Many of the higher education programs are administered directly by colleges and other postsecondary education institutions. Similarly, housing assistance is provided by local housing authorities and such other housing providers as private owners.

IRCA also provided the milestones for implementing the new verification system, as shown in table 1.1.

**Table 1.1: Implementation and Reporting Milestones Under IRCA**

<b>Milestone</b>	<b>IRCA requirements</b>
October 1, 1987	INS was to make available to state and other program offices a nationwide system for verifying alien applicants' immigration status.
April 1, 1988	Each federal department responsible for administering the covered programs—those required by the act to implement the verification provisions—was to report to the appropriate House and Senate committees on whether, and to what extent (1) use of the new INS verification system was appropriate and cost-effective and (2) its use should be waived.
October 1, 1988	Programs covered under IRCA were to begin using the new immigration status verification system, unless granted waivers.
April 1, 1989	GAO was to report to the Congress and department secretaries responsible for the covered programs on the implementation of the new verification system.

IRCA provides authority for 100-percent federal reimbursement to state program offices for the cost to implement and use the new verification system for the covered programs.

<sup>3</sup>The Food Stamp program was replaced in 1982 in Puerto Rico by a nutrition assistance block grant program. We did not include it in our review because, according to Agriculture, it is not covered by IRCA.

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## Verification Procedures for Programs Covered by IRCA

By October 1, 1988, the program administrators were to begin using the following procedures.

1. All applicants declare in writing under penalty of perjury whether they are citizens or United States nationals. If not citizens or nationals, the alien applicants declare in writing that they are refugees, legal permanent residents, or in some other satisfactory immigration status.
2. Alien applicants present alien registration documentation or other proof from INS that contains the alien registration number (A-number), which is assigned by INS at the time of registration. State, local, and other program offices may also accept other documents determined to be reasonable evidence that the applicants are in satisfactory immigration status.
3. If the documents presented contain the A-number, the program offices verify the alien's immigration status with INS through automated or other means. If the documents do not contain an A-number, but are determined by the state program office to be reasonable evidence indicating immigration status, the office transmits copies to INS for verification.
4. If the alien does not submit required documents, or if the information on the documents is not verified by INS, the program office provides a reasonable opportunity for the alien to submit additional evidence.
5. If the program office determines that an alien is not eligible because of the alien's immigration status, the office denies or terminates the alien's eligibility for benefits. However, a fair hearing process is to be available.

Similar procedures were established by INS in 1984 when it created the Systematic Alien Verification for Entitlements (SAVE)<sup>4</sup> system, through which federal departments and state, local, and other offices responsible for administering federal programs could verify alien applicants' immigration status. Before enactment of IRCA, INS had encouraged use of this system as a cost-effective means for ensuring program integrity. During congressional hearings that preceded IRCA, INS stated that the system's success had been demonstrated through several pilot projects.<sup>5</sup> INS used

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<sup>4</sup>IRCA refers to SAVE as the System for Alien Verification of Eligibility.

<sup>5</sup>See GAO/HRD-88-7 and *Immigration Reform: Systematic Alien Verification System Could Be Improved* (GAO/IMTEC-87-45BR, Sept. 30, 1987) for information on the results of the pilot projects.

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a modified version of this system to satisfy the IRCA requirement of making available by October 1, 1987, a system through which administrators of programs covered by the act may verify alien applicants' immigration status. The current system is also called SAVE.

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## How SAVE Works

SAVE gives participating federal agencies and state program offices direct access to certain automated information maintained and operated by Martin Marietta Data Systems in Orlando, Florida, under contract with INS. An access code assigned by Martin Marietta is needed to obtain entry into the data base, which is called the Alien Status Verification Index. The data base includes the alien's first and last name, A-number, date and country of birth, date of entry into the United States, social security number (when available), and immigration status. Federal departments and state and other program offices may access the data base using a variety of methods, including touch-tone telephones, personal and mainframe computers, and point-of-sale equipment.<sup>6</sup> In some cases, such as when the number of alien applicants is very small, state program offices may make mail inquiries directly to INS.

Use of SAVE includes "primary" and "secondary" verification. After accessing the automated data base with a code assigned by Martin Marietta, state and other program offices query the system about individual program applicants using the applicants' A-numbers. Immigration status and other information about each applicant in the data base is provided to the requesters, usually automatically. This process is called "primary verification."

If the alien does not provide documentation with an A-number, or the information in the data base, accessed through primary verification, is insufficient to establish the applicant's satisfactory status, "secondary verification" is instituted. To initiate secondary verification, state and other program offices photocopy the alien's documentation and send it to the local INS office. INS personnel review the photocopied documents, search other INS records to make a status determination, and return the results to the requester. According to INS, no denial of benefits should be made without secondary verification.

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<sup>6</sup>Point-of-sale equipment is similar to that used by private companies to verify credit cards. It involves inserting a plastic card containing magnetic information into a machine that automatically reads the card.

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## Waivers

IRCA permits each responsible program secretary to waive the verification requirements (for the entire program or for state or other geographic areas) on the secretary's own initiative or at the request of a state or other program office if (1) the federal department or program office has an alternative system of alien status verification that is as timely and effective as SAVE, and provides comparable hearing and appeal rights or (2) the cost of administering SAVE will exceed the estimated savings from using it. In deciding waivers based on costs, the secretaries are to consider the number of aliens claiming program benefits, expected savings and costs, INS's ability to provide timely and accurate information, and other factors deemed relevant by the secretaries.

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## Objectives, Scope, and Methodology

This is the second of two GAO reports required by IRCA about verification of alien federal program applicants' immigration status. The first report, GAO/HRD-88-7, discussed pilot project experience of six states verifying with INS alien applicants' immigration status.<sup>7</sup> This report responds to IRCA's mandate that we monitor and analyze implementation of the new verification system and report to the Congress and program secretaries by April 1, 1989.

We interviewed and obtained information from headquarters officials in the Departments of Labor, Agriculture, HHS, Education, and Housing and Urban Development (HUD) about the status and content of regulations and other operating guidance provided to state and such other program offices as postsecondary education institutions on implementation of IRCA's verification requirements. We also interviewed INS headquarters officials and gathered information on the extent of SAVE use by organizations administering the covered programs.

To obtain information on their progress and plans for implementing the verification system, we administered a telephone questionnaire to officials in the 217 state program offices responsible for administering the five programs covered by IRCA for which implementation was not waived or postponed. We asked about what their plans were for using SAVE, and when they had begun or would begin taking steps to comply with the IRCA requirements. We did not independently verify the information provided by these offices.

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<sup>7</sup>The first report was supplemented by GAO/IMTEC-87-45BR, which discussed SAVE data problems and recommended improvements.

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**Chapter 1**  
**Introduction**

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Our fieldwork was done between October 1987 and November 1988. Our telephone interviews were done primarily between October 24 and November 30, 1988. This review was done in accordance with generally accepted government auditing standards.

# Progress in Implementing Alien Verification Requirements of IRCA

Progress has been made in implementing IRCA's verification requirements. INS has put into operation its SAVE system for verifying the immigration status of aliens. Labor, Agriculture, and HHS have issued guidance on the act's requirements and reimbursable costs. Education has waived the requirements for higher education programs. HUD has postponed implementing the requirements until it implements other federal housing legislation, estimated to be completed by January 1990.

At the time of our survey, about 94 percent of the 217 state program offices reported they were using SAVE, had taken or planned to take steps to use it, or had requested waivers, as shown in table 2.1.

**Table 2.1: Status of SAVE Implementation Reported by State Program Offices, by Program**  
(Oct.-Nov. 1988)

Program	Status				Number of responding offices
	Using SAVE	Plan to use SAVE <sup>a</sup>	Requested waiver	Other <sup>b</sup>	
UC	26	18	9	0	53
Food Stamp	12	31	6	4	53
AFDC	12	33	5	4	54
Medicaid	12	33	5	4	54
Adult assistance	0	1	0	2	3
<b>Total</b>	<b>62</b>	<b>116</b>	<b>25</b>	<b>14</b>	<b>217</b>

<sup>a</sup>Includes offices that had submitted an amended program plan, requested an access code from Martin Marietta, signed an agreement with INS to use SAVE, or planned to take one or more of these steps.

<sup>b</sup>Includes offices that had not requested a waiver, did not have plans for using SAVE, or were undecided.

State program offices identified a number of reasons that contributed to delays in implementing IRCA's verification requirements, as shown in table 2.2.



**Table 2.2: Major Reasons State Program Offices Gave for Delayed Implementation of SAVE**

Program	Reasons <sup>a</sup>				
	No federal regulations	Awaiting access code	Insufficient information on SAVE	No cost studies	Lack computers
UC	1	11	0	0	6
Food Stamp	25	15	16	7	4
AFDC	26	17	15	7	4
Medicaid	25	18	16	6	4
Adult assistance <sup>b</sup>	.	.	.	.	.
<b>Total</b>	<b>77</b>	<b>61</b>	<b>47</b>	<b>20</b>	<b>18</b>

<sup>a</sup>Some offices gave more than one reason.

<sup>b</sup>No office provided a reason.

## Most Progress Made by UC Program

The most progress had been made by the UC program. All of the 53 state program offices had taken action to either use SAVE or seek waivers from implementing it. Moreover, Labor was the only federal department that had (1) issued waiver guidance in addition to that provided in IRCA and (2) made decisions on program offices' waiver requests. (See app. I.)<sup>1</sup>

## Timely Labor Guidance

Labor provided timely operating guidance to the UC program offices. Between March 1987 and August 29, 1988, Labor provided operating guidance to its program offices describing the IRCA verification requirements, identifying reimbursable costs, and requiring that certain data be reported quarterly for use in monitoring SAVE and ensuring that alien verification for UC is done effectively and efficiently.

Labor also issued criteria in addition to that set forth in IRCA for requesting waivers from the new verification requirements. Specifically, Labor's criteria provide that waivers will not be granted for states with an alien UC claims workload of 3 percent or more. In addition, state UC program offices can be granted waivers only from the component of the SAVE system that provides for directly checking INS's automated data base. That is, program offices must continue to verify alien applicants' immigration status with INS—through mail or other verification—as required by federal law authorizing UC. Labor's guidance also noted that waiver decisions may be changed after fiscal year 1989 if a state's circumstances change or more definitive data become available. A state

<sup>1</sup>In GAO/HRD-88-7, we recommended that the responsible federal departments provide waiver guidance to state program offices.

may apply for a waiver decision change, or action may be taken on the secretary's own initiative.

Labor determined that new UC regulations were not necessary for implementing the IRCA provisions. Labor officials told us that 1976 changes to the Federal Unemployment Tax Act specified that aliens must have their immigration status verified with INS for the time wage credits were earned (which provide the basis for the amount of UC benefits to which aliens may be entitled) and for the alien's legal availability to perform work at the time of application for the UC benefits. Illegal status at either time precludes entitlement to benefits. Labor officials believe that, for UC, IRCA merely provides a new approach—use of SAVE—for carrying out status verification.

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## Waiver Decisions

At the time of our survey, nine UC program offices—Alaska, Delaware, Kentucky, Maryland, Montana, Nevada, Virginia, West Virginia, and Wyoming—reported that they had requested waivers. Three were based on the expectation that costs would exceed savings; one, on the existence of an equally effective alternative system; and five, on a combination of these factors. In addition, five offices mentioned low numbers of alien applicants or other reasons for not wanting to use SAVE.

Labor approved eight of these requests. It denied one—Maryland's—because information provided by the program office indicated that savings from using SAVE would exceed costs. In addition, earlier waiver requests by Connecticut and Massachusetts had been denied because information provided by the program offices indicated that their alien applicant workload exceeded 3 percent. Connecticut reported to us that it began using SAVE on October 24, 1988, and Massachusetts told us it planned to start using SAVE by the end of March 1989.

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## Progress by the Food Stamp Program

The Food Stamp program has made progress in implementing IRCA's verification requirements. At the time of our survey, of the 53 state program offices, 49 (92 percent) had taken steps to comply with IRCA—12 offices reported using SAVE, 31 reported plans to use it, and 6 had requested waivers, as shown in table 2.1. The remaining offices had neither requested a waiver nor taken such steps to begin using SAVE as requesting a SAVE access code from Martin Marietta. (See app. II.)

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State Food Stamp program officials told us that they experienced some delays in implementing IRCA. These delays were most frequently attributed to Agriculture's delay in issuing regulations. (See table 2.2.)

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## Delayed Regulations

Unlike Labor, Agriculture and HHS determined that they needed to publish formal regulations to implement IRCA's requirements. Agriculture began developing regulations for the Food Stamp program in 1987, but did not publish interim regulations<sup>2</sup> until October 7, 1988. An Agriculture official told us the delay was caused partly by the desire to minimize the policy and procedural inconsistencies among the Food Stamp, AFDC, Medicaid, and adult assistance programs. This official also told us that in most states the Food Stamp and AFDC programs are administered by the same program office. Thus, this official told us, the Office of Management and Budget (OMB) decided to defer reviewing a draft of Agriculture's proposed regulations until it received a draft of HHS's proposed regulations for these programs. Agriculture's draft regulations were sent to OMB on March 4, 1988, and an official told us they were not approved until late September 1988.

In May 1988, Agriculture instructed its regional offices to distribute to Food Stamp program offices INS's March 1988 draft procedural manual for using SAVE, which contained information on how SAVE works and costs of the different access methods. In July 1988, regions were told to distribute to state program offices (1) further guidance on reimbursable costs for SAVE implementation and operation and (2) a prototype of a memorandum of agreement that Agriculture required be signed by INS and the program offices when SAVE is used. On August 26, 1988, Agriculture instructed its regional offices to distribute to state offices a summary of the Department's proposed interim regulations and told them that despite the lack of published regulations, state program offices would be required to implement IRCA.

None of Agriculture's guidance, including the published interim regulations, provided specific waiver criteria other than those in IRCA. In commenting on a draft of this report, Agriculture noted that IRCA sets forth basic waiver criteria, which are discussed in the preamble to the implementing regulations. The Department said it had no plans to issue further guidance about waiver criteria, but also said it reserved the

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<sup>2</sup>These interim regulations became effective upon publication, but were subject to change based on comments received during the public comment period that followed publication.

opportunity to issue further guidelines should the experience of the state program offices demonstrate the need.

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### Waiver Requests

By October 1, 1988, Food Stamp program offices in five states—Massachusetts, Minnesota, Mississippi, Montana, and New York—had requested waivers. For the most part, these offices maintained that they had equally effective alternative systems and that costs were expected to exceed savings. As of January 1989, Agriculture had made no decisions on the requests.

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### Progress by AFDC, Medicaid, and Adult Assistance Programs

At the time of our survey, about 91 percent of the 111 AFDC, Medicaid, and adult assistance state program offices had taken steps to comply with the new verification requirements—cumulatively, 24 offices reported using SAVE, 67 had taken or planned to take steps to begin using it, and 10 had requested waivers. The remaining offices told us that they had neither requested waivers nor taken steps to begin using SAVE. (See apps. III, IV, and V.)

State AFDC and Medicaid officials also told us that they experienced some delays in implementing the IRCA requirements. None of the three adult assistance offices provided reasons for delay. Reasons for the delays are shown in table 2.2.

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### Delayed Regulations

HHS began developing regulations in 1987, but was unable to publish them by October 1, 1988. HHS officials told us the delay was caused primarily by a need for extensive internal and external coordination. Internally, the regulations were coordinated between Family Support Administration officials, responsible for the AFDC and adult assistance programs, and Health Care Financing Administration officials, responsible for Medicaid. Externally, HHS coordinated with Agriculture, directly and through OMB, to ensure compatibility between the HHS and Agriculture regulations. HHS plans to issue a Notice of Proposed Rule Making<sup>3</sup> in early 1989, and final regulations by about July 1989.

In the absence of regulations, HHS provided other written guidance to the state AFDC, Medicaid, and adult assistance program offices. By October 1, 1988, information was provided to program offices on IRCA

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<sup>3</sup>Through the issuance of a Notice of Proposed Rule Making, rules do not become effective until after comments from concerned parties are considered and final rules are published.

verification requirements and reimbursable costs. Also provided were a model state plan amendment, which program offices must get approved before using SAVE, and a model memorandum of agreement, which program offices are required to execute with INS. Moreover, the Family Support Administration advised AFDC and adult assistance program offices on August 30, 1988, that the IRCA verification requirements were to be implemented by October 1, 1988, regardless of whether regulations were published. The Health Care Financing Administration similarly advised Medicaid program offices on September 16, 1988. HHS provided no waiver guidance other than that in IRCA.

By October 1, 1988, the same five states that requested Food Stamp program waivers also requested waivers for the AFDC and Medicaid programs. The waiver requests were based on the same rationale used for the Food Stamp program requests. As of January 1989, HHS's decisions were still pending for all requests.

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## Verification Requirements Waived for Education Programs

On March 28, 1988, the Secretary of Education notified the House and Senate Judiciary Committees that the IRCA alien verification requirements for these programs were being waived. The secretary stated that the results of a national pilot test determined that the costs of providing direct automated SAVE access for 8,000 postsecondary institutions would outweigh the potential benefits. The secretary noted that the pilot test showed that Education's present system, whereby INS documents are required to be provided by alien applicants and examined by school financial aid officers, had been effective in preventing financial aid from going to ineligible applicants.

The secretary also stated that as an alternative to the IRCA direct-access system, Education was exploring use of centralized access to the INS data base that might accomplish IRCA's alien verification objectives in a more cost-effective manner. Essentially, the alternative entails a data-matching process between Education's Pell Grant application center in Iowa City, Iowa, and INS's SAVE data base. According to an Education official, most students that apply for higher education grants apply for Pell Grants. Recent federal legislation (P.L. 100-369, July 18, 1988) also requires that all applicants for Guaranteed Student Loans and Supplemental Loans for Students first be determined eligible or ineligible for Pell Grants and, if eligible, apply for the grant. In addition, Education changed its program application forms for the 1989-90 school year to begin collecting A-numbers for alien applicants.

In an August 1988 "Dear Colleague" letter to higher education institutions, Education advised them about the waiver decision. The letter reiterated that (1) as mandated by program regulations, most noncitizen students must provide documentation from INS of their permanent resident status or that they are in the United States for other than a temporary purpose with the intention of becoming citizens or permanent residents and (2) financial aid administrators must continue to document noncitizen eligibility based on applicant-provided INS documents and keep file copies of such documents. In addition, the letter noted that institutions may use the INS mail-in process to verify the authenticity of immigration documents, so long as INS continues to provide this service to organizations not participating in SAVE. The letter also stated that regardless of the institution's access to INS information, financial aid administrators must continue to require applicants to produce authentic documents to establish program aid eligibility.

In its comments on a draft of this report, Education advised us that procedures had been put in place to facilitate interface between Pell Grant and INS data bases and in January 1989, the Department began electronically transmitting alien applicants' records to INS for primary verification. Education also told us that postsecondary institutions now have the option of requesting INS to do secondary verification, when appropriate, but that proposed regulations are being developed to require the institutions' participation in secondary verification. Also, a users manual will be issued to provide guidance on SAVE implementation.

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## Implementation of Verification Requirements Postponed for Housing Programs

On May 23, 1988, the Secretary of HUD notified the Speaker of the House of Representatives, the President of the Senate, and the House and Senate Judiciary Committees that the agency expected to implement IRCA verification requirements, but that implementation would be delayed. HUD officials told us implementation of the IRCA requirements was delayed to coincide with implementation of the Housing and Community Development Act of 1987, enacted February 5, 1988, which affected aliens' housing assistance eligibility.

On October 19, 1988, HUD published proposed regulations, which HUD officials anticipate will be finalized in August 1989 and become effective by January 1990. The proposed regulations describe how the status of alien applicants for housing assistance must be verified, including discussions of primary and secondary verification, and note that HUD plans to be billed directly for costs associated with primary verification. However, the proposed regulations do not address reimbursable costs for

secondary verification or waiver criteria and procedures. HUD officials told us that guidance for organizations responsible for administering housing assistance programs would not be provided, and verification not required, until the regulations are finalized.

Regarding waivers, HUD officials told us it was premature for them to begin developing criteria for granting waivers because they believed at least 1 year's experience with SAVE would be needed to determine the feasibility of waivers. HUD officials also told us they questioned the need for waivers because (1) SAVE is the only way organizations responsible for administering housing programs can get access to INS's data base and (2) the anticipated low per-query cost through telephone access to the system should assure that even the smallest organizations would be able to use the system effectively, with little additional administrative burden or costs.

# Increasing Use of SAVE

IRCA required INS to make available by October 1, 1987, a system that program administrators could use to verify alien applicants' immigration status. To meet this requirement, INS made SAVE available, and in March 1988, INS published its SAVE procedural manual. Although one program office began using SAVE in April 1988, cumulatively, few alien applicants had their immigration status verified through it before October 1, 1988. At that time, however, use of SAVE began increasing rapidly.

## Availability of SAVE

According to INS officials, the current SAVE system was put in place by October 1, 1987, to meet the act's requirements. INS awarded a contract on September 22, 1987, to Martin Marietta Data Systems of Orlando, Florida, to operate and maintain the Alien Status Verification Index data base, which is used for primary verification. INS officials told us the data base was accessible on October 1, 1987. They also told us they were capable of performing secondary verifications at that time.

In March 1988, INS published a draft SAVE procedural manual containing cost and other operating information useful to federal departments and state and other program offices for making waiver decisions and implementing SAVE. The draft manual was distributed to the federal departments starting in April 1988. In turn, each department was responsible for distributing the manual to its program offices.

## Limited Verification Experience During Initial Year of Operation

Only 3 of the 62 state program offices that reported using SAVE at the time of our survey had begun routinely using it to verify alien applicants' immigration status by October 1, 1988. In April 1988, Louisiana's UC program office became the first to use SAVE routinely, followed by Iowa's UC office in July, and Florida's in September. By October 1, 1988, the three states had checked the immigration status of about 500 alien UC applicants using SAVE's primary verification procedures.

## SAVE Use Increasing Rapidly

State program offices' use of SAVE began increasing rapidly in October 1988. Of the 62 state UC, Food Stamp, AFDC, and Medicaid program offices that reported using SAVE (see table 2.1), 59 told us they began using it on or after October 1, 1988. Moreover, 97 (or 83 percent) of the 116 program offices that reported planning to use SAVE told us that they should begin using it by October 1, 1989, as shown in table 3.1.



**Table 3.1: Estimated Dates State Program Offices Anticipate Using SAVE**

Program	Dates			Total
	Dec. 31, 1988	Sept. 30, 1989	Unknown	
UC	8	6	4	18
Food Stamp	18	9	4	31
AFDC	19	10	4	33
Medicaid	19	8	6	33
Adult assistance	0	0	1	1
<b>Total</b>	<b>64</b>	<b>33</b>	<b>19</b>	<b>116</b>

At the time of our survey, only 14 of the 217 state program offices had taken no steps to comply with IRCA. Eight were in Guam and the Virgin Islands, where program officials told us they had not submitted waiver requests, but plan to use existing verification procedures for their Food Stamp, AFDC, Medicaid, and adult assistance programs. Similarly, Iowa officials told us they had not submitted waiver requests, but plan to use existing procedures for their Food Stamp and AFDC programs and new procedures for Medicaid.<sup>1</sup> Michigan officials told us they had made no decisions about using SAVE for the Food Stamp, AFDC, and Medicaid programs.

## Anticipated Results

Views of state program offices on the anticipated effects of SAVE on their verification processes varied by program, as shown in table 3.2. State UC program offices expected the greatest benefits from using SAVE; 29 of the 53 offices (nearly 55 percent) told us that SAVE would either greatly or somewhat improve their verification efforts, while 9 (17 percent) expected little or no improvement. For the Food Stamp, AFDC, Medicaid, and adult assistance programs, 37 of the 164 state offices (23 percent) expected somewhat or great improvement, while 81 (49 percent) expected little or no improvement.

<sup>1</sup>More recently, an HHS official told us that Iowa now plans to use existing procedures for all three programs.

**Table 3.2: Extent of Improvement State Program Offices Anticipate From Using SAVE, by Program**

Program	Extent of improvement						Number of responding offices
	Great	Somewhat	Little	None	Do not know	Not applicable <sup>a</sup>	
UC	12	17	6	3 <sup>b</sup>	7	8	53
Food Stamp	3	9	13	12	6	10	53
AFDC	4	8	17	10	6	9	54
Medicaid	4	8	19	10	4	9	54
Adult assistance	1	0	0	0	0	2	3
<b>Total</b>	<b>24</b>	<b>42</b>	<b>55</b>	<b>35</b>	<b>23</b>	<b>38</b>	<b>217</b>

<sup>a</sup>Includes offices that requested waivers, had no plans for SAVE's use, or were undecided.

<sup>b</sup>Includes one office that requested a waiver.

State program offices gave different, and often multiple reasons for anticipating somewhat or great improvement. As shown in table 3.3, 27 UC program offices expected SAVE to be faster, and 20 expected it to be less complicated. For the responding Food Stamp, AFDC, Medicaid, and adult assistance program offices, expected improvements were attributed to faster verification, less complicated processing, and efficiency in processing the many aliens expected to apply for assistance.

**Table 3.3: Reasons Given for Anticipated Improvement**

Program	Reasons <sup>a</sup>				Number of responding offices
	Faster verification	Less complicated	Greater efficiency	Other	
UC	27	20	14	10	29
Food Stamp	7	8	5	7	12
AFDC	7	8	4	7	12
Medicaid	6	7	6	7	12
Adult assistance	1	1	1	0	1
<b>Total</b>	<b>48</b>	<b>44</b>	<b>30</b>	<b>31</b>	<b>66</b>

<sup>a</sup>Some offices gave more than one reason.

Of the 90 state program offices that anticipate little or no improvement, 76 believed there were too few aliens to make SAVE cost effective, as shown in table 3.4. Also, many of the Food Stamp, AFDC, and Medicaid program offices expected SAVE to take longer and be more complicated than their existing systems.

**Table 3.4: Reasons Given for Little or No Anticipated Improvement**

Program	Reasons <sup>a</sup>				Number of responding offices
	Less cost-effective	Longer verification	Too complicated	Other	
UC	7	2	2	4	9
Food Stamp	22	15	14	14	25
AFDC	24	14	13	15	27
Medicaid	23	15	12	16	29
<b>Total</b>	<b>76</b>	<b>46</b>	<b>41</b>	<b>49</b>	<b>90</b>

<sup>a</sup>Some offices gave more than one reason.

## Access Methods

As shown in table 3.5, the most common access method that is being or will be used is the touch-tone telephone, followed by personal computers, states' mainframe computers, and point-of-sale equipment. UC program offices in six states and Food Stamp, AFDC, and Medicaid program offices in two states reported plans to use more than one access method. For example, Connecticut UC program officials told us they were using personal computers and point-of-sale devices. In addition, several states used different access methods for different programs. For example, the Illinois UC program office reported it was using personal computers to verify applicants, while the state's Food Stamp, AFDC, and Medicaid program offices told us they were using mainframe computers. Finally, some program offices said they would initially use touch-tone telephones to access the Alien Status Verification Index data base, but may change to other methods if their experience warrants it.

**Table 3.5: SAVE Access Methods State Program Offices Are Using and Plan to Use, by Program**

Program	Access methods <sup>a</sup>			
	Touch-tone telephone	Personal computer	Mainframe computer	Point-of-sale device <sup>b</sup>
UC	27	10	5	4
Food Stamp	34	7	2	1
AFDC	34	8	2	2
Medicaid	34	8	3	1
Adult assistance	0	0	0	1
<b>Total</b>	<b>129</b>	<b>33</b>	<b>12</b>	<b>9</b>

<sup>a</sup>Some program offices identified more than one method.

<sup>b</sup>See p. 11 for explanation.

Cost and ease of use were reasons most frequently given by state program offices for selecting particular access methods, as shown in table 3.6. Examples of other reasons for selecting different access methods

include the number of alien applicants and the desire for written documentation of verification.

**Table 3.6: Reasons State Program Offices Gave for Selecting Access Methods, by Program**

Program	Reasons <sup>a</sup>				
	Cost	Ease of use	Ability to quickly obtain equipment	Compatibility with existing equipment	Other
UC	37	35	15	6	37
Food Stamp	34	35	13	6	24
AFDC	36	36	16	8	28
Medicaid	37	36	16	8	30
Adult assistance <sup>b</sup>	•	•	•	•	•
<b>Total</b>	<b>144</b>	<b>142</b>	<b>60</b>	<b>28</b>	<b>119</b>

<sup>a</sup>Some offices gave more than one reason.

<sup>b</sup>No office provided a reason.

# GAO Observations and Agency Comments

Progress has been made in implementing IRCA's new verification requirements, although experience in verifying alien program applicants' immigration status with INS has been too limited to evaluate the requirements' overall effect. As of November 1988, about 94 percent of the 217 state UC, Food Stamp, AFDC, Medicaid, and adult assistance program offices had begun using SAVE, taken or planned to take steps to use it, or requested a waiver.

INS officials told us that, as IRCA required, by October 1, 1987, they had established an automated system—SAVE—through which the immigration status of alien applicants for UC, Food Stamp, AFDC, Medicaid, adult assistance, and certain education and housing assistance programs could be verified. Verification involves program offices conducting primary verification by directly checking aliens' status with INS's contractor-operated automated data base, using touch-tone telephone and other automatic access methods. If this primary verification does not indicate satisfactory immigration status, the program office sends photocopies of the applicants' documentation to INS for secondary verification, which involves searching other INS data.

The three federal departments responsible for the five programs currently using SAVE have issued guidance explaining the verification requirements and reimbursable costs. However, Labor is the only department that has issued waiver criteria other than those provided in IRCA. Although Agriculture and HHS have issued operating guidance, both have experienced delays in issuing regulations. Agriculture issued interim regulations in October 1988, which it plans to finalize in 1989. HHS had not issued regulations by February 1989. Delays in implementing the IRCA requirements by program offices were most frequently attributed to lack of regulations.

Anticipated effects of using SAVE varied by program. Most UC program offices anticipated that SAVE would improve their verification processes somewhat or greatly, primarily because they expected SAVE procedures would be faster or simpler. The majority of the state Food Stamp, AFDC, and Medicaid program offices anticipated that SAVE would result in little or no improvement to their verification systems, primarily because they expected that there were too few aliens to make SAVE cost effective. Most program offices were using or planned to use touch-tone telephones for primary verification, usually because of low cost or ease of use.

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## Agency Comments

Agriculture provided written comments on two areas. (See app. VI.) First, it said that SAVE provides a way to validate the verification process it already had in place, which required alien applicants to present immigration status information, such as INS documents. Agriculture noted that Food Stamp quality control reviews identified only a small fraction of errors attributable to ineligible aliens, which also was the finding of a SAVE study completed in March 1988, indicating that its verification process had been effective. According to Agriculture, this further explains why state Food Stamp program officials told us they expect little or no improvement from SAVE because of too few aliens and longer and more complicated verification procedures.

Our purpose was not to assess the effectiveness of verification procedures used before SAVE; thus, our report does not address the matter. The report points out, however, that each federal department historically has been responsible for ensuring program benefits are provided only to those meeting program requirements, including acceptable immigration status.

Agriculture also commented about the need for waiver guidance, pointing out that the waiver criteria IRCA sets forth are discussed in the preamble to its implementing regulations. Agriculture said it has no plans at this time to issue further waiver guidance, but reserved the opportunity to do so should states' experiences demonstrate the need.

Education suggested that we update our report to show that it had established procedures for interfacing between selected education and INS databases for purposes of primary verification, and in January 1989 had begun electronically transmitting alien applicants' records to INS for verification. Education also suggested that we note that its current regulations require alien students to provide immigration status documentation. Also, Education said it is developing regulations requiring that postsecondary institutions conduct secondary verification and will issue a users manual to explain the new procedures. Education also noted that its Office of Inspector General began using INS's SAVE system for investigative purposes in October 1988. Where appropriate, we made revisions to the report. (See app. VII.)

Labor agreed that it is premature to evaluate SAVE's overall effectiveness, noting that at least 1 year of data will be needed before meaningful evaluations can be made. Labor also suggested that the report clearly show that state UC program offices are required to do mail verification even if waived from directly accessing INS's automated databases

through SAVE. Labor also said that after fiscal year 1989, it may overturn certain of its waiver decisions should more definitive cost data become available or states' circumstances change. We made appropriate revisions to the report.

Labor also noted that the report does not address two matters that affected its implementation actions. First, Labor said that INS's decision to allow, under SAVE, the performance of secondary verification through mail inquiries positively influenced state program offices to participate in the program. We clarified the report to indicate that mail inquiries are allowable. Second, Labor pointed out that the report does not address problems stemming from the lack of information in INS's automated data base needed to determine whether alien applicants are entitled to UC benefits. This matter, as well as other data base problems, was discussed in our previous reports (GAO/HRD-88-7 and GAO/IMTEC-87-45BR). (See app. XI.)

HHS and HUD provided only technical and editorial comments, which we incorporated where appropriate. (See apps. VIII and IX.) Justice generally agreed that the report accurately portrays the status of SAVE implementation. (See app. X.)

# Status of UC Program Offices' Implementation of Alien Verification Requirements

State program offices	Implementation status	Effective date
AK	Waiver	09/15/88
AL	Using SAVE	11/01/88
AR	Using SAVE	-
AZ	Using SAVE	10/01/88
CA	Using SAVE	10/03/88
CO	Will Use SAVE	03/31/89
CT	Using SAVE <sup>b</sup>	10/24/88
DC	Will Use SAVE	12/31/88
DE	Waiver	08/23/88
FL	Using SAVE	10/07/85
GA	Using SAVE	10/17/88
HI	Using SAVE	10/28/88
IA	Using SAVE	07/15/88
ID	Using SAVE	10/20/88
IL	Using SAVE	11/15/88
IN	Will Use SAVE	12/31/88
KS	Using SAVE	10/04/88
KY	Waiver	08/01/88
LA	Using SAVE	04/08/88
MA	Will Use SAVE <sup>b</sup>	03/31/89
MD	Waiver	Unknown
ME	Will Use SAVE	12/31/88
MI	Will Use SAVE	Unknown
MN	Will Use SAVE	03/31/89
MO	Using SAVE	10/07/88
MS	Using SAVE	10/03/88
MT	Waiver	10/01/88
NC	Using SAVE	11/07/88
ND	Using SAVE	11/14/88
NE	Using SAVE	10/01/88
NH	Will Use SAVE	12/31/88
NJ	Will Use SAVE	03/31/89
NM	Will Use SAVE	12/31/88
NV	Waiver	-
NY	Using SAVE	10/03/88
OH	Will Use SAVE	12/31/88
OK	Using SAVE	10/15/88
OR	Will Use SAVE	12/31/88

(continued)



**Appendix I  
Status of UC Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of budget amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	Approved	-	-	-	-	-
-	-	09/27/88	09/27/88	08/05/88	Phone	Great
-	-	a	-	-	Phone	Great
-	-	09/15/88	10/01/88	09/22/88	Phone	Unknown
-	-	09/29/88	-	06/11/88	CentSys	Great
-	-	09/29/88	12/31/88	08/01/88	PCs	Great
-	-	10/04/88	-	09/15/88	PCs	Unknown
-	-	09/13/88	08/01/88	-	CentSys	Little
04/23/87	Approved	-	-	-	-	-
-	-	-	06/19/88	07/15/88	CentSys	Some
-	-	a	-	-	Phone	Some
-	-	10/20/88	-	-	Phone	Great
-	-	06/28/88	06/01/88	06/01/88	Phone	Great
-	-	09/15/88	-	-	Phone	Some
-	-	a	-	-	PCs	Great
-	-	09/16/88	-	09/16/88	Phone	None
-	-	09/15/88	-	-	Phone	Little
05/01/88	Approved	-	-	-	-	-
-	-	02/15/88	-	-	Phone	Some
-	-	-	12/31/88	-	CentSys	Some
09/15/88	Denied	-	Unknown	-	-	None
-	-	09/15/88	-	08/15/88	Phone	Great
-	-	a	Unknown	-	Phone	Unknown
-	-	09/25/88	09/15/88	-	Phone	Some
-	-	a	-	-	Phone	Some
-	-	a	-	-	PCs	Some
06/15/88	Approved	-	-	-	-	-
-	-	09/11/88	-	-	Phone	Some
-	-	09/01/88	10/03/88	-	Phone	Some
-	-	03/01/88	-	09/21/88	Other	Little
-	-	09/11/88	Unknown	08/03/88	P-O-S	Unknown
-	-	-	Unknown	06/15/88	Other	Some
-	-	09/20/88	-	-	Phone	Great
07/12/88	Waiting <sup>c</sup>	-	-	-	-	-
-	-	09/26/88	-	08/12/88	Other	Unknown
-	-	09/01/88	Unknown	09/01/88	Phone	Little
-	-	a	-	-	PCs	Some
-	-	09/28/88	-	-	PCs	Little

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**Appendix I  
Status of UC Program Offices'  
Implementation of Alien  
Verification Requirements**

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<b>State program offices</b>	<b>Implementation status</b>	<b>Effective date</b>
PA	Using SAVE	10/01/88
PR	Will Use SAVE	12/31/88
RI	Will Use SAVE	03/31/89
SC	Using SAVE	11/01/88
SD	Will Use SAVE	Unknown
TN	Will Use SAVE	Unknown
TX	Using SAVE	10/03/88
UT	Will Use SAVE	Unknown
VA	Waiver	09/01/88
VI	Will Use SAVE	03/31/89
VT	Using SAVE	11/22/88
WA	Using SAVE	10/03/88
WI	Using SAVE	10/03/88
WV	Waiver	10/01/88
WY	Waiver	10/03/88

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**Appendix I  
Status of UC Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of budget amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	08/24/88	-	08/09/88	Phone	Unknown
-	-	-	Unknown	08/23/88	P-O-S	Great
-	-	09/01/88	Unknown	07/15/88	PCs	Some
-	-	09/09/88	-	07/06/88	PCs	Great
-	-	09/05/88	Unknown	-	Phone	Little
-	-	10/27/88	Unknown	08/08/88	Phone	None
-	-	09/29/88	-	07/01/88	Other	Great
-	-	-	Unknown	08/01/88	PCs	Some
06/01/88	Approved	-	-	-	-	-
-	-	-	10/31/88	-	Phone	Some
-	-	10/05/88	-	08/25/88	Phone	Some
-	-	09/09/88	08/05/88	09/07/88	CentSys	Unknown
-	-	08/01/88	-	09/01/88	PCs	Some
05/27/88	Approved	-	-	-	-	-
08/01/88	Approved	-	-	-	-	-

Note: In the "Status of waiver" and various "date" columns, a dash (-) means that the subject status or date is not applicable to a particular state. "Unknown" means the date an action was taken was not known by the state official we contacted. In the "Primary access method" column, "Phone" refers to touch-tone telephone; "PCs" are personal computers with modems; "CentSys" refers to a state's or a program's central computer system; and "P-O-S" refers to point-of-sale devices.

<sup>a</sup>Although program officials did not provide date, INS records show access code requested.

<sup>b</sup>Labor records show earlier waiver request denied.

<sup>c</sup>Labor records show waiver approved October 13, 1988.

# Status of Food Stamp Program Offices' Implementation of Alien Verification Requirements

State program offices	Implementation status	Effective date
AK	Will Use SAVE	12/31/88
AL	Will Use SAVE	12/31/88
AR	Will Use SAVE	12/31/88
AZ	Will Use SAVE	12/31/88
CA	Using SAVE	10/01/88
CO	Will Use SAVE	12/31/88
CT	Will Use SAVE	12/31/88
DC	Will Use SAVE	12/31/88
DE	Will Use SAVE	12/31/88
FL	Using SAVE	10/03/88
GA	Will Use SAVE	12/31/88
GU	No Waiver-Use exist	-
HI	Using SAVE	10/24/88
IA	No Waiver-Use exist	-
ID	Using SAVE	10/25/88
IL	Will Use SAVE	12/31/88
IN	Will Use SAVE	12/31/88
KS	Using SAVE	10/03/88
KY	Using SAVE	10/03/88
LA	Will Use SAVE	12/31/88
MA	Waiver	-
MD	Will Use SAVE	03/31/89
ME	Will Use SAVE	12/31/88
MI	Other/Unknown	-
MN	Waiver	-
MO	Using SAVE	10/03/88
MS	Waiver	-
MT	Waiver	-
NC	Will Use SAVE	Unknown
ND	Using SAVE	11/07/88
NE	Will Use SAVE	12/31/88
NH	Will Use SAVE	12/31/88
NJ	Will Use SAVE	03/31/89
NM	Will Use SAVE	12/31/88
NV	Using SAVE	10/12/88
NY	Waiver	-
OH	Waiver	-
OK	Using SAVE	10/03/88
OR	Will Use SAVE	03/31/89

(continued)

**Appendix II  
Status of Food Stamp Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	10/24/88	09/19/88	09/19/88	Phone	Little
-	-	09/27/88	10/10/88	-	Phone	Little
-	-	10/20/88	10/15/87	-	Phone	None
-	-	-	12/31/88	-	Phone	Unknown
-	-	09/09/88	09/13/88	-	CentSys	Some
-	-	-	10/15/88	-	PCs	Some
-	-	10/12/88	12/31/88	-	Phone	Little
-	-	-	12/31/88	-	PCs	Little
-	-	10/17/88	10/17/88	-	Phone	Some
-	-	09/20/88	10/10/88	-	Phone	None
-	-	09/30/88	09/27/88	-	Phone	None
-	-	-	-	-	-	-
-	-	09/19/88	09/26/88	09/26/88	Phone	Unknown
-	-	-	-	-	-	-
-	-	09/04/88	-	-	Phone	Some
-	-	09/23/88	03/31/89	-	CentSys	Little
-	-	a	-	-	Phone	Some
-	-	09/06/88	03/04/88	-	Phone	Some
-	-	09/12/88	06/15/88	-	Phone	Little
-	-	-	12/31/88	-	Phone	Great
09/15/88	Waiting	-	-	-	-	-
-	-	-	12/31/88	-	Phone	Little
-	-	10/07/88	10/07/88	-	Phone	None
-	-	-	-	-	-	-
09/22/88	Waiting	-	-	-	-	-
-	-	a	-	-	Phone	Little
09/09/88	Waiting	-	-	-	-	-
09/15/88	Waiting	-	-	-	-	-
-	-	-	12/31/88	-	Phone	Little
-	-	09/29/88	09/29/88	-	Phone	Great
-	-	07/01/88	07/15/88	-	Phone	Some
-	-	10/12/88	10/01/88	10/14/88	PCs	Little
-	-	-	12/31/88	-	P-O-S	Some
-	-	09/22/88	09/29/88	09/29/88	Phone	Great
-	-	09/07/88	09/27/88	09/07/88	Phone	Unknown
09/01/88	Waiting	-	-	-	-	-
10/05/88	Waiting	-	-	-	-	-
-	-	08/24/88	08/12/88	09/30/88	Phone	None
-	-	09/29/88	09/29/88	-	PCs	Unknown

(continued)

**Appendix II  
 Status of Food Stamp Program Offices'  
 Implementation of Alien  
 Verification Requirements**

<b>State program offices</b>	<b>Implementation status</b>	<b>Effective date</b>
PA	Will Use SAVE	03/31/89
RI	Will Use SAVE	Unknown
SC	Will Use SAVE	03/31/89
SD	Will Use SAVE	Unknown
TN	Using SAVE	10/10/88
TX	Using SAVE	10/03/88
UT	Will Use SAVE	12/31/88
VA	Will Use SAVE	03/31/89
VI	No Waiver-Use exist	-
VT	Will Use SAVE	12/31/88
WA	Will Use SAVE	03/31/89
WI	Will Use SAVE	Unknown
WV	Will Use SAVE	03/31/89
WY	Will Use SAVE	03/31/89

**Appendix II  
Status of Food Stamp Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	-	12/31/88	-	PCs	Unknown
-	-	09/28/88	-	-	PCs	Unknown
-	-	-	12/31/88	-	Phone	None
-	-	-	09/01/88	10/25/88	Phone	None
-	-	08/10/88	10/12/88	08/18/88	Phone	None
-	-	09/14/88	09/14/88	09/07/87	Phone	None
-	-	10/05/88	10/15/88	-	Phone	Little
-	-	-	12/31/88	-	Phone	None
-	-	-	-	-	-	-
-	-	10/31/88	10/31/88	-	Phone	Some
-	-	09/23/88	06/10/88	-	Phone	None
-	-	10/01/88	12/31/88	-	Phone	Little
-	-	-	Unknown	-	PCs	Little
-	-	-	09/01/88	-	Phone	None

Note: In the "Status of waiver" and various "date" columns, a dash (-) means that the subject status or date is not applicable to a particular state. "Unknown" means the date an action was taken was not known by the state official we contacted. In the "Primary access method" column, "Phone" refers to touch-tone telephone; "PCs" are personal computers with modems; "CentSys" refers to a state's or a program's central computer system; and "P-O-S" refers to point-of-sale devices.

<sup>a</sup>Although program officials did not provide date, INS records show access code requested.

# Status of AFDC Program Offices' Implementation of Alien Verification Requirements

State program offices	Implementation status	Effective date
AK	Will Use SAVE	12/31/88
AL	Will Use SAVE	12/31/88
AR	Will Use SAVE	12/31/88
AZ	Will Use SAVE	12/31/88
CA	Using SAVE	10/01/88
CO	Will Use SAVE	12/31/88
CT	Will Use SAVE	12/31/88
DC	Will Use SAVE	12/31/88
DE	Will Use SAVE	12/31/88
FL	Using SAVE	10/03/88
GA	Will Use SAVE	12/31/88
GU	No Waiver-Use exist	-
HI	Using SAVE	10/24/88
IA	No Waiver-Use exist	-
ID	Using SAVE	10/01/88
IL	Will Use SAVE	03/31/89
IN	Will Use SAVE	12/31/88
KS	Using SAVE	10/03/88
KY	Using SAVE	10/03/88
LA	Will Use SAVE	12/31/88
MA	Waiver	-
MD	Will Use SAVE	03/31/89
ME	Will Use SAVE	12/31/88
Mi	Other/Unknown	-
MN	Waiver	-
MO	Using SAVE	10/03/88
MS	Waiver	-
MT	Waiver	-
NC	Will Use SAVE	Unknown
ND	Using SAVE	11/07/88
NE	Will Use SAVE	12/31/88
NH	Will Use SAVE	12/31/88
NJ	Will Use SAVE	12/31/88
NM	Will Use SAVE	12/31/88
NV	Using SAVE	10/12/88
NY	Waiver	-
OH	Will Use SAVE	09/30/89
OK	Using SAVE	10/03/88
OR	Will Use SAVE	03/31/89

(continued)



**Appendix III  
Status of AFDC Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	10/24/88	09/19/88	09/19/88	Phone	Little
-	-	09/27/88	09/27/88	09/27/88	Phone	Little
-	-	10/20/88	10/15/88	-	Phone	None
-	-	-	12/31/88	-	Phone	Unknown
-	-	09/09/88	09/25/88	-	CentSys	Some
-	-	-	10/15/88	-	PCs	Some
-	-	10/12/88	12/31/88	-	Phone	Little
-	-	-	12/31/88	-	PCs	Little
-	-	10/17/88	10/17/88	-	Phone	Some
-	-	09/20/88	10/10/88	10/10/88	Phone	None
-	-	09/30/88	09/28/88	-	Phone	None
-	-	-	-	-	-	-
-	-	09/19/88	09/26/88	-	Phone	Unknown
-	-	-	-	-	-	-
-	-	-	-	-	Phone	Little
-	-	09/23/88	03/31/89	-	CentSys	Little
-	-	a	-	-	Phone	Some
-	-	09/06/88	03/04/88	-	Phone	Some
-	-	09/12/88	06/15/88	-	Phone	Little
-	-	-	12/31/88	-	Phone	Great
09/15/88	Waiting	-	-	-	-	-
-	-	-	12/31/88	-	Phone	Little
-	-	10/07/88	10/08/88	-	Phone	None
-	-	-	-	-	-	-
09/22/88	Waiting	-	-	-	-	-
-	-	a	-	-	Phone	Little
09/09/88	Waiting	-	-	-	-	-
09/15/88	Waiting	-	-	-	-	-
-	-	-	12/31/88	-	Phone	Little
-	-	09/29/88	09/29/88	-	Phone	Great
-	-	07/01/88	07/15/88	-	Phone	Some
-	-	10/12/88	10/01/88	-	PCs	Little
-	-	-	12/31/88	-	P-O-S	Some
-	-	09/22/88	09/29/88	09/29/88	Phone	Great
-	-	09/07/88	09/27/88	-	Phone	Unknown
09/28/88	Waiting	-	-	-	-	-
-	-	09/21/88	10/21/88	-	Phone	Little
-	-	08/24/88	08/12/88	-	Phone	None
-	-	09/29/88	09/29/88	09/29/88	PCs	Unknown

(continued)

**Appendix III  
 Status of AFDC Program Offices'  
 Implementation of Alien  
 Verification Requirements**

<b>State program offices</b>	<b>Implementation status</b>	<b>Effective date</b>
PA	Will Use SAVE	03/31/89
PR	Will Use SAVE	Unknown
RI	Will Use SAVE	Unknown
SC	Will Use SAVE	03/31/89
SD	Will Use SAVE	12/31/88
TN	Using SAVE	10/10/88
TX	Using SAVE	10/03/88
UT	Will Use SAVE	12/31/88
VA	Will Use SAVE	09/30/89
VI	No Waiver-Use exist	-
VT	Will Use SAVE	12/31/88
WA	Will Use SAVE	03/31/89
WI	Will Use SAVE	Unknown
WV	Will Use SAVE	03/31/89
WY	Will Use SAVE	03/31/89

**Appendix III  
Status of AFDC Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	-	12/31/88	-	PCs	Unknown
-	-	-	02/08/88	-	P-O-S	Great
-	-	09/28/88	-	-	PCs	Unknown
-	-	-	12/31/88	-	Phone	None
-	-	09/30/88	09/12/88	-	Phone	Little
-	-	08/10/88	10/12/88	08/18/88	Phone	None
-	-	09/14/88	09/14/88	-	Phone	None
-	-	10/05/88	10/15/88	-	Phone	Little
-	-	-	12/31/88	-	PCs	Little
-	-	-	-	-	-	-
-	-	10/31/88	10/31/88	-	Phone	Some
-	-	09/23/88	06/10/88	-	Phone	None
-	-	10/01/88	12/31/88	-	Phone	Little
-	-	-	Unknown	-	PCs	Little
-	-	-	09/01/88	-	Phone	None

Note: In the "Status of waiver" and various "date" columns, a dash (-) means that the subject status or date is not applicable to a particular state. "Unknown" means the date an action was taken was not known by the state official we contacted. In the "Primary access method" column, "Phone" refers to touch-tone telephone; "PCs" are personal computers with modems; "CentSys" refers to a state's or a program's central computer system; and "P-O-S" refers to point-of-sale devices.

<sup>a</sup>Although program officials did not provide date, INS records show access code requested.

# Status of Medicaid Program Offices' Implementation of Alien Verification Requirements

State program offices	Implementation status	Effective date
AK	Will Use SAVE	12/31/88
AL	Will Use SAVE	Unknown
AR	Will Use SAVE	12/31/88
AZ	Will Use SAVE	12/31/88
CA	Using SAVE	10/01/88
CO	Will Use SAVE	12/31/88
CT	Will Use SAVE	12/31/88
DC	Will Use SAVE	12/31/88
DE	Will Use SAVE	12/31/88
FL	Using SAVE	10/03/88
GA	Will Use SAVE	12/31/88
GU	No Waiver-Use exist	-
HI	Using SAVE	10/24/88
IA	No Waiver-Use New	-
ID	Using SAVE	10/18/88
IL	Will Use SAVE	12/31/88
IN	Will Use SAVE	12/31/88
KS	Using SAVE	10/03/88
KY	Using SAVE	10/03/88
LA	Will Use SAVE	12/31/88
MA	Waiver	-
MD	Will Use SAVE	03/31/89
ME	Will Use SAVE	12/31/88
MI	Other/Unknown	-
MN	Waiver	-
MO	Using SAVE	10/03/88
MS	Waiver	-
MT	Waiver	-
NC	Will Use SAVE	Unknown
ND	Using SAVE	11/07/88
NE	Will Use SAVE	12/31/88
NH	Will Use SAVE	12/31/88
NJ	Will Use SAVE	12/31/88
NM	Will Use SAVE	12/31/88
NV	Using SAVE	10/17/88
NY	Waiver	-
OH	Will Use SAVE	09/30/89
OK	Using SAVE	10/03/88
OR	Will Use SAVE	03/31/89

(continued)

**Appendix IV  
Status of Medicaid Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	10/24/88	09/19/88	-	Phone	Little
-	-	06/29/88	12/31/88	-	Phone	Little
-	-	10/20/88	10/15/88	-	Phone	None
-	-	-	12/31/88	-	Phone	Unknown
-	-	09/09/88	09/13/88	-	CentSys	Some
-	-	-	10/15/88	-	PCs	Some
-	-	10/12/88	12/31/88	-	Phone	Little
-	-	-	12/31/88	-	PCs	Little
-	-	10/20/88	10/15/88	-	Phone	Little
-	-	09/20/88	10/10/88	-	Phone	None
-	-	09/30/88	10/07/88	-	Phone	Little
-	-	-	-	-	-	-
-	-	09/19/88	09/26/88	-	Phone	Unknown
-	-	-	-	-	-	-
-	-	09/16/88	09/16/88	-	Phone	Great
-	-	09/23/88	03/31/89	-	CentSys	Little
-	-	a	-	-	Phone	Some
-	-	09/06/88	03/04/88	-	Phone	Some
-	-	09/12/88	06/15/88	-	Phone	Little
-	-	-	12/31/88	-	Phone	Great
09/15/88	Waiting	-	-	-	-	-
-	-	-	12/31/88	-	Phone	Little
-	-	10/07/88	10/07/88	-	Phone	None
-	-	-	-	-	-	-
09/22/88	Waiting	-	-	-	-	-
-	-	a	-	-	Phone	Little
09/09/88	Waiting	-	-	-	-	-
09/15/88	Waiting	-	-	-	-	-
-	-	-	12/31/88	-	Phone	Little
-	-	09/29/88	09/29/88	-	Phone	Great
-	-	07/01/88	07/15/88	-	Phone	Some
-	-	10/12/88	10/01/88	-	PCs	Little
-	-	-	12/31/88	-	P-O-S	Some
-	-	09/22/88	09/29/88	09/28/88	Phone	Great
-	-	09/19/88	09/19/88	-	Phone	Little
09/29/88	Waiting	-	-	-	-	-
-	-	09/21/88	10/21/88	-	Phone	Little
-	-	08/24/88	08/12/88	-	Phone	None
-	-	09/29/88	09/29/88	-	PCs	Unknown

(continued)

**Appendix IV  
 Status of Medicaid Program Offices'  
 Implementation of Alien  
 Verification Requirements**

<b>State program offices</b>	<b>Implementation status</b>	<b>Effective date</b>
PA	Will Use SAVE	Unknown
PR	Will Use SAVE	Unknown
RI	Will Use SAVE	Unknown
SC	Will Use SAVE	03/31/89
SD	Will Use SAVE	12/31/88
TN	Using SAVE	10/10/88
TX	Using SAVE	10/03/88
UT	Will Use SAVE	12/31/88
VA	Will Use SAVE	09/30/89
VI	No Waiver-Use exist	-
VT	Will Use SAVE	12/31/88
WA	Will Use SAVE	03/31/89
WI	Will Use SAVE	Unknown
WV	Will Use SAVE	03/31/89
WY	Will Use SAVE	03/31/89

**Appendix IV  
Status of Medicaid Program Offices'  
Implementation of Alien  
Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	-	12/31/88	-	PCs	None
-	-	-	Unknown	-	CentSys	Some
-	-	09/28/88	-	-	PCs	Unknown
-	-	-	12/31/88	-	Phone	None
-	-	09/30/88	09/12/88	-	Phone	Little
-	-	08/10/88	10/12/88	08/18/88	Phone	None
-	-	09/14/88	09/14/88	-	Phone	None
-	-	10/05/88	10/15/88	-	Phone	Little
-	-	-	12/31/88	-	PCs	Little
-	-	-	-	-	-	-
-	-	10/31/88	10/31/88	-	Phone	Some
-	-	09/23/88	06/10/88	-	Phone	None
-	-	10/01/88	12/31/88	-	Phone	Little
-	-	-	Unknown	-	PCs	Little
-	-	-	09/01/88	-	Phone	None

Note: In the "Status of waiver" and various "date" columns, a dash (-) means that the subject status or date is not applicable to a particular state. "Unknown" means the date an action was taken was not known by the state official we contacted. In the "Primary access method" column, "Phone" refers to touch-tone telephone; "PCs" are personal computers with modems; "CentSys" refers to a state's or a program's central computer system; and "P-O-S" refers to point-of-sale devices.

<sup>a</sup>Although program officials did not provide date, INS records show access code requested.

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# Status of Adult Assistance Program Offices' Implementation of Alien Verification Requirements

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<b>State program offices</b>	<b>Implementation status</b>	<b>Effective date</b>
GU	No Waiver-Use exist	-
PR	Will Use SAVE	Unknown
VI	No Waiver-Use exist	-



**Appendix V  
 Status of Adult Assistance Program Offices'  
 Implementation of Alien  
 Verification Requirements**

<b>Date of waiver request</b>	<b>Status of waiver request</b>	<b>Date of access request</b>	<b>Date of memo of agreement</b>	<b>Date of state plan amendment</b>	<b>Primary access method</b>	<b>Views on SAVE effects</b>
-	-	-	-	-	-	-
-	-	-	02/08/88	-	P-O-S	Great
-	-	-	-	-	-	-

Note: In the "Status of waiver" and various "date" columns, a dash (-) means that the subject status or date is not applicable to a particular state. "Unknown" means the date an action was taken was not known by the state official we contacted. In the "Primary Access Method" column, "Phone" refers to touch-tone telephone; "PCs" are personal computers with modems; "CentSys" refers to a state's or a program's central computer system; and "P-O-S" refers to point-of-sale devices.

# Comments From the Department of Agriculture



United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

3101 Park Center Drive  
Alexandria, VA 22302

MAR 13 1989

Mr. Lawrence H. Thompson  
Assistant Comptroller General  
United States General Accounting Office  
441 G Street, N.W.  
Washington, D.C. 20548

Dear Mr. Thompson:

This letter provides our comments on the General Accounting Office (GAO) draft report "Immigration Reform: Federal Programs Show Progress Implementing Alien Verification Systems" (GAO/HRD-89-62). Those systems are referred to as the Systematic Alien Verification for Entitlements (SAVE) Systems required by the Immigration Reform and Control Act (IRCA) of 1986. The report is primarily a status report of implementation by State agencies for which information was gathered by means of a telephone survey of State agencies during October and November 1988. The report makes no recommendations for Departmental action.

We appreciate the information which GAO developed and the opportunity to review and comment on it. There are two areas about which we want to provide additional material.

First, the Food Stamp Program (FSP) operating environment into which IRCA requirements were introduced merits further description. The sections of the report titled "Background" and "Verification Procedures for Programs Covered by IRCA" describe the verification which IRCA required. Prior to IRCA the FSP required alien applicants to verify their status, generally by presenting documents issued by the Immigration and Naturalization Service (INS). Consequently, SAVE for the FSP is a means of validating the results of a process in place.

This current system has been effective. Our quality control (QC) review system has historically found no significant fraction of error rates attributable to ineligible aliens participating in the FSP. Also, in March 1988, we completed a study on the costs and effectiveness of SAVE for the FSP. Our study corroborated our QC findings: in the six States containing a majority (74 percent) of alien FSP recipients, 99.9 percent passed SAVE verification. We would also point out that QC indicates an alien participation rate of something less than 4 percent.

Further in this regard, in the sections discussing anticipated results and GAO observations, the report states that FSP State agencies generally expect little or no improvement from SAVE because of too few aliens, and an expectation that SAVE will take longer and be more complicated than existing systems. This perception on the part of FSP administrators is explained by their experience that the current FSP verification procedures have been effective in assuring that ineligible aliens do not participate.

Appendix VI  
Comments From the Department  
of Agriculture

Mr. Lawrence H. Thompson

2

We would also like to provide additional information concerning waiver guidelines. In the sections "Results in Brief" and "Principal Findings", the report states that the Department has not issued detailed guidelines on waivers. IRCA itself specifies the basic waiver criteria for SAVE, and in the preamble to our regulation we discuss these in connection with our decision to require implementation of SAVE for the FSP and to allow State agencies to apply for waivers. Specifically, States may request waivers of SAVE, if they have an alternate system or expected costs exceed benefits.

Additionally, regulations and guidance to Food and Nutrition Service (FNS) regional offices and State agencies by memorandum dated August 26, 1988, further provided for implementation by State agencies appropriate to their circumstances. For example, a State agency could implement SAVE for certain geographic areas by submitting an attachment to its Plan of Operation; a waiver would not be needed. FNS considered this guidance adequate based on our knowledge of the FSP operating environment, but reserved the opportunity to issue further guidelines should the experience of State agencies demonstrate the need. FNS is currently reviewing States' requests for waivers in the context of each particular State agency's circumstances. Those requests which involve Department of Health and Human Service programs are being coordinated with those program agencies to assure consistent interpretation and response. At this time we do not plan further guidance about waiver criteria.

We hope that the additional information we are providing contributes to a better understanding of implementation of IRCA requirements in the FSP.

Sincerely,



G. SCOTT DUNN  
Acting Administrator

# Comments From the Department of Education



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION

MAR 10 1989

Mr. Lawrence H. Thompson  
Assistant Comptroller General  
United States General Accounting Office  
Washington, D.C. 20548

Dear Mr. Thompson:

Thank you for the opportunity to review the draft report to Congress titled "Immigration Reform: Federal Programs Show Progress Implementing Alien Verification Systems," GAO/HRD 89-62.

Now on pp. 19 and 20.

The Department noted in its review that the information concerning ED's alien verification requirements, page 33, appears to have been written prior to the implementation of the ED/INS applicant data match. GAO, therefore, may wish to update this section to indicate that ED has already established procedures whereby the Application Processing System will interface with the INS database to achieve primary verification. As of January 1989, the Department began electronically transmitting all records containing an alien registration number to the INS database for matching. The corresponding information on page 8 of the Executive Summary should also be revised.

Now on p. 4.

Also with regard to page 33 of the Report, postsecondary institutions may now, at their option, request that INS perform secondary verification for applicants who do not successfully match using primary verification. The Department is currently drafting proposed regulations that, if adopted, would make institutional participation in secondary verification mandatory. The Department is also issuing a users' manual to institutions that gives practical guidance regarding implementation of the new verification system.

Now on p. 20.

With regard to the last paragraph on page 33 of the Report, reference is made to a "Dear Colleague" letter which reiterates requirements that non-citizen students must provide documentation of their immigration status. The paragraph should mention that these requirements are mandated by the program regulations (34 CFR 668.7(a) (4) (ii)).

Now on p. 20.

GAO may wish to include comments relative to the INS SAVE System used by ED's Office of Inspector General (OIG) for investigative purposes. Since October 1988, OIG has made approximately 800 requests through the INS SAVE System. A move is under way to install the system in five (5) OIG Investigative Regional Offices.

Sincerely,

Kenneth D. Whitehead  
Assistant Secretary

400 MARYLAND AVE., S.W. WASHINGTON, D.C. 20202

# Comments From the Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

MAR 10 1989

Mr. Lawrence H. Thompson  
Assistant Comptroller General  
United States General  
Accounting Office  
Washington, D.C. 20548

Dear *LH* Thompson:

The Secretary has asked me to respond to your draft report, "Immigration Reform: Federal Programs Show Progress Implementing Alien Verification Systems."

Department officials have reviewed this report with interest and have no comments to make, other than technical comments which have been separately provided to your staff.

Thank you for the opportunity to respond to your report before its publication.

Sincerely yours,

Richard P. Kusserow  
Inspector General

# Comments From the Department of Housing and Urban Development



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410

OFFICE OF THE ASSISTANT SECRETARY  
FOR PUBLIC AND INDIAN HOUSING

MAR 14 1989

Mr. Lawrence A. Thompson  
Assistant Comptroller General  
United States  
General Accounting Office  
Washington, D.C. 20548

Dear Mr. Thompson:


We have reviewed the proposed General Accounting Office report to the Congress on the implementation of alien verification requirements (GAO/HR0-89-62) which you sent to us on February 23, 1989.

We have some editorial comments which you may wish to consider in the production of the final report:

1. In the first paragraph of the draft letter transmitting the report to Congress, the word "assistance" could be substituted for "entitlement." The federally-assisted housing programs are not entitlement programs.
2. The first paragraph on page 6 of the draft report says that "... housing programs are usually administered... by local housing authorities..." In fact, a large portion of federally-assisted housing is administered by private owners.
3. HUD's current schedule for the final regulation anticipates publication of a final rule in August, 1989 which we expect to take effect by January 1, 1990. The last paragraph on page 34 of the draft report should be modified to be consistent with this schedule.

We appreciate having had the opportunity to review this report.

Sincerely,

  
Thomas Sherman  
Acting General Deputy  
Assistant Secretary

Now on p. 2.

Now on p. 20.

# Comments From the Department of Justice



U.S. Department of Justice

Washington, D.C. 20530

**MAR - 9 1989**

Mr. Lawrence H. Thompson  
Assistant Comptroller General  
Human Resources Division  
United States General Accounting Office  
Washington, D.C. 20548


Dear Mr. Thompson:

We are responding to your request for the comments of the Department of Justice on your draft report entitled "Immigration Reform: Federal Programs Show Progress Implementing Alien Verification Systems."

Based on our review of the report, we find the facts pertaining to INS activities to be generally accurate and note that there are no recommendations requiring comments. A number of the matters discussed in the report pertain to other Federal agencies, and responsibility for commenting on those matters falls under their purview. Accordingly, we defer to those agencies for comments pertinent to their programs.

We appreciate the opportunity given us to provide comments on your report while in draft form.

Sincerely,

*for*   
Harry H. Flickinger  
Assistant Attorney General  
for Administration

# Comments From the Department of Labor

U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR  
WASHINGTON, D.C.

March 20, 1989

Mr. Lawrence H. Thompson  
Assistant Comptroller General  
U.S. General Accounting Office  
Washington, D.C. 20548

Dear Mr. Thompson:

Thank you for the opportunity to comment on the General Accounting Office (GAO) draft report to Congress on the implementation of the alien verification requirements of the Immigration Reform and Control Act of 1986 (IRCA).

The report summarizes the efforts of five Federal agencies having jurisdiction over the entitlement programs cited in Section 121 of IRCA, including the Unemployment Insurance (UI) program, in implementing the Systematic Alien Verification for Entitlements (SAVE) program.

The State UI programs are required to verify through the Immigration and Naturalization Service's (INS) automated verification system (SAVE) the immigration status of all alien claimants applying for UI benefits, unless a waiver has been granted to the State. The report concludes that the UI program has made the most progress among the six entitlement programs in SAVE program implementation. We anticipate that all State UI programs not waived will be participating in the automated SAVE system by April 1, 1989.

The report also correctly indicates, and we agree, that it is still premature to evaluate the overall effectiveness of SAVE in reducing the instances of payments to ineligible aliens. At least a year's worth of data will be needed before an evaluation of SAVE program cost effectiveness can be meaningful. At that time, sufficient data would be available to measure the effects of volume, seasonality, and the geographical concentration of alien applicants for the entitlement programs cited in Section 121 of IRCA.

The report, however, does not recognize several key issues that affected Federal agency SAVE program implementing actions. These included INS' change of position to include secondary (mail) verification as a component of SAVE which positively influenced State UI agency participation. Another key issue, particular to the UI program, is the failure of the INS data base to include the date



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