Social Security Administration's No-Match Letter Program: Implications for Immigration Enforcement and Workers' Rights

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EXECUTIVE SUMMARY

The U.S. Social Security Administration (SSA) began its employer "no-match letter" program to help properly allocate the billions of dollars of contributions collected from workers with incorrectly filed Social Security numbers (SSNs). Under the no-match letter program, SSA sends letters to employers every year that identify the Social Security numbers of employees who do not match names or numbers in SSA's records. The goal of the no-match letter program is to reduce the size of the Earnings Suspense File (ESF), which holds unallocated funds collected from workers whose Social Security number filed on their W-2s does not match names in SSA's database. However, employer no-match letters inadvertently have become *de facto* immigration enforcement tools. These no-match letters arguably have had more impact than sanctioned immigration enforcement efforts on the employment opportunities of undocumented workers.

While SSA emphasizes the no-match program is not part of an immigration enforcement effort, employers have fired thousands of workers identified in no-match letters, assuming that they are undocumented immigrants. In addition, many workers identified in the letters have quit their jobs out of concern that immigration authorities may raid their workplace. Further evidence indicates that many employers have used the letters to undermine workers' right to organize, and to cut pay and benefits.

This study, conducted by the Center for Urban Economic Development at the University of Illinois at Chicago and immigrant rights organizations, assesses the wide-ranging impacts of SSA's no-match letter program on local labor markets and immigration enforcement efforts. The findings are primarily based on the results of the No-Match Letter Survey (NMLS), a survey of 921 workers who were identified in no-match letters sent to 342 employers in 18 states. The survey was conducted between June 1 and September 15, 2003. Among the major findings of this study are the following:

1. No-match letters are ill-suited as immigration enforcement tools

The no-match letter program has failed to substantially deter employers from retaining or hiring undocumented immigrants. Twenty-three percent of employers retained workers with unmatched SSNs who failed to correct their information with the SSA. Furthermore, rather than removing undocumented immigrants from labor markets, the no-match letter program has catalyzed a policy-induced churning in local labor markets; as workers either are fired or quit their jobs only to join the overcrowded pool of workers vying for positions in traditional immigrant occupations.

2. No-match letters have been ineffective in reducing the size of the ESF

The fact that most workers with unmatched SSNs are undocumented immigrants has confounded SSA's efforts to mitigate growth of the ESF through the no-match letter program.

- When compared to other tools SSA uses to correct unmatched names and SSNs, audits by SSA's Office of Inspector General (OIG) indicate that no-match letters account for 2% or less of total corrections.
- A substantial number of workers with wage items in the ESF are undocumented immigrants who, because they are unable to obtain a legitimate SSN, will be unable to provide corrected information.

3. No-match letters have inadvertently encouraged employers to fire workers with unmatched SSNs

Even with clear guidance from SSA stating that employers should not take adverse actions against any employee who is identified in a no-match letter, employers mistakenly perceive the no-match letters to be a matter of immigration enforcement. Left to interpret the letters without a clear understanding of immigration laws, employers frequently take adverse actions against identified workers without actual or constructive knowledge of their immigration status.

- Thirty-four percent of workers who were fired reported that their employer failed to grant them an opportunity to correct their SSN.
- No-match letters frequently list authorized workers, placing them at risk of wrongful termination.

4. The no-match letter program has encouraged some employers to take advantage of workers with unmatched SSNs

Employers often use the information in no-match letters to take advantage of workers by undermining their right to organize, or by cutting wages and benefits.

- Twenty-five percent of workers reported their employers fired them in retaliation for complaining about inadequate worksite conditions.
- Twenty-one percent of workers listed in no-match letters reported their employer permanently fired them in retaliation for union activity.
- Many workers reported that while their employers retained them despite incorrect SSNs, their wages were reduced or their benefits were cut.

5. Policy recommendations

Given the fruitless performance and negative consequences of the no-match letter program, SSA should end the program and consider alternative tools for reducing the size of the ESF. Furthermore, the findings call into question efforts that rely on employers to verify or correct workers' SSNs including SSA's pilot electronic SSN verification system.

Comprehensive immigration reform is necessary to halt growth in the ESF, and more importantly, to reconcile employers' demand for workers, immigrants' needs for employment, and U.S. immigration policy. Comprehensive immigration reform must include a plan for how to provide legal status to current and future immigrants who will, despite border-enforcement measures and employer sanctions, find a job with or without a valid Social Security number.

INTRODUCTION

We come here to work and these companies have grown on our cheap labor…. They always knew that we didn't have documents, I don't understand why they are doing this to us.

> Comments by a worker after being fired for having an unmatched Social Security number (Interview #1 2003).

This problem is not caused by Target. The federal government has put Target and many other employers in a very uncomfortable situation.

> Representative of Target Corporation commenting on the company's dilemma in responding to the Social Security Administration's no-match letter (quoted in Hamill 2003).

Each year, the Social Security Administration (SSA) posts billions of dollars to the Earnings Suspense File (ESF) because employee names and Social Security numbers (SSNs) on wage filings do not match records in SSA databases. The ESF, which contains Social Security contributions made by workers, grew dramatically during the 1990s, and by July 2002, stood at $374 billion (SSA OIG 2003). There are several reasons why workers' SSNs may not match records in SSA's databases. In some cases, a clerical error, such as the misspelling of a person's name or the transposition of numbers in the SSN, results in a mismatch on an employee's record. In other cases, workers have submitted an invalid SSN because they are undocumented immigrants who do not have proper employment authorization.

In its effort to reduce the size of the ESF and to properly allocate contributions to workers' accounts, SSA sends "no-match" letters to employers as part of its Educational Correspondence program. Under this program, when SSA detects a mismatched name and SSN on a filed wage report, a letter is mailed to notify the employer of the problem (see Appendix A for a copy of a no-match letter sent to employers in 2003). SSA assumes that most of the earnings in the ESF belong to workers with valid SSNs, and therefore simple notification would allow employers and workers to quickly correct the problem.

However, no-match letters erroneously have come to be seen as a tool of immigration enforcement. The widespread perception that the employer no-match letter program[1] is a component of an integrated immigration control effort has caused the program to have a series of harmful labor market effects. Anecdotal evidence suggests that employers, after receiving no-match letters, have fired thousands of workers assuming they are undocumented immigrants who have used false SSNs to obtain employment. Employers fear that retaining these workers might place them in violation of federal immigration laws. Firings have become commonplace and are indicative of the way in which many employers respond to the letters when workers with unmatched SSNs are on their payroll. For example, in 2003, Peco Foods Inc. of Canton, Mississippi fired 200 workers who were identified in a no-match letter (Matthews 2003); Suncast Inc., a Chicago-area outdoor garden product manufacturer, dismissed more than 100 workers because they did not correct their information before the expiration of a company-imposed 30-day deadline (Bolzen 2003); and PartyLite Gifts, a candle manufacturer near Chicago, fired 25 workers who were identified in a no-match letter (Bolzen 2003).

Many workers also assume that the letter has been sent as a matter of immigration enforcement. Employers have complained that when they notify employees of the need to correct their SSN, workers often quit rather than risk being caught by immigration authorities and deported. Employers find this unexpected turnover disruptive to their staffing and workflow. Many employers, averse to such disruptions, may choose to retain workers with unmatched SSNs despite the risk.

Workers' rights advocates and business organizations have requested that SSA discontinue sending no-match letters to employers on the grounds that the letters confuse employers and have resulted in thousands of unnecessary job separations. For its part, SSA contends that it must continue the program to meet its

[1] SSA also sends no-match letters to workers to their places of residence. In this study, all references to SSA's no-match letter program relate only to letters SSA sends to employers.

congressionally mandated obligation to slow the growth of the ESF. To its credit, SSA has taken concrete steps to make it clear to employers that the no-match letter is not being sent as part of an immigration enforcement effort. SSA recently included the following language in the 2003 letter to further clarify this issue for employers:

> IMPORTANT: This letter does not imply that you or your employee intentionally gave the government wrong information about the employee's name or Social Security Number. Nor does it make any statement about the employee's immigration status.

However, despite these efforts, there is scant evidence that employers' misconceptions about the connection between no-match letters and immigration enforcement have improved.

Employer no-match letters inescapably have become *de facto* immigration enforcement tools. While Immigration and Customs Enforcement (ICE) (formerly part of the enforcement division of the Immigration and Naturalization Service) receives headlines for highly publicized raids on employers, as they did when approximately 300 workers in 16 states were detained for allegedly working without legal status for Wal-Mart Inc. and its subcontractors, the no-match letter program has quietly resulted in the removal of perhaps *tens of thousands* of workers from their jobs. A crucial difference between these efforts is that when ICE raids workplaces, there is a policy and legal framework that directs those actions. The no-match letter program, on the other hand, is not a sanctioned immigration enforcement program, a point that is almost entirely lost on employers. Upon receipt of a letter, employers unilaterally determine whether workers are undocumented immigrants. The actions employers take against these workers vary based on their workforce needs and their (often faulty) understanding both of complex immigration laws and of the no-match letter program.

This report examines the wide-ranging impacts of employer no-match letters on the ESF, local labor markets, and immigration enforcement using a survey of 921 workers employed by 342 companies in 18 states who were identified in no-match

letters sent to their employers (hereafter referred to as the No-Match Letter Survey). These data are supplemented by in-depth interviews with 26 workers, discussions with a small group of employers, and publicly available data.

In this report, case studies and quotes are drawn from interviews with workers and employers. To protect their privacy, the names used to identify these individuals are not their own. However, names of workers and employers drawn from media sources and other publications are reproduced here as published.

THE SSA NO-MATCH LETTER PROGRAM AND ITS IMPACT ON THE ESF

Under Title II of the Social Security Act, SSA is required to maintain records of the wages paid by employers. At the end of each tax year (TY), employers report employees' earnings to SSA and the Internal Revenue Service (IRS) through the Wage and Tax Statement (IRS Form W-2). SSA then posts reported earnings for every employee to an earnings record in the Master Earnings File which is used to determine an individual's eligibility for, as well as the amount of, their retirement, disability, or survivor benefits. In instances where SSA cannot match an employee's SSN and name as reported on the W-2, the worker's earnings are posted to the ESF.

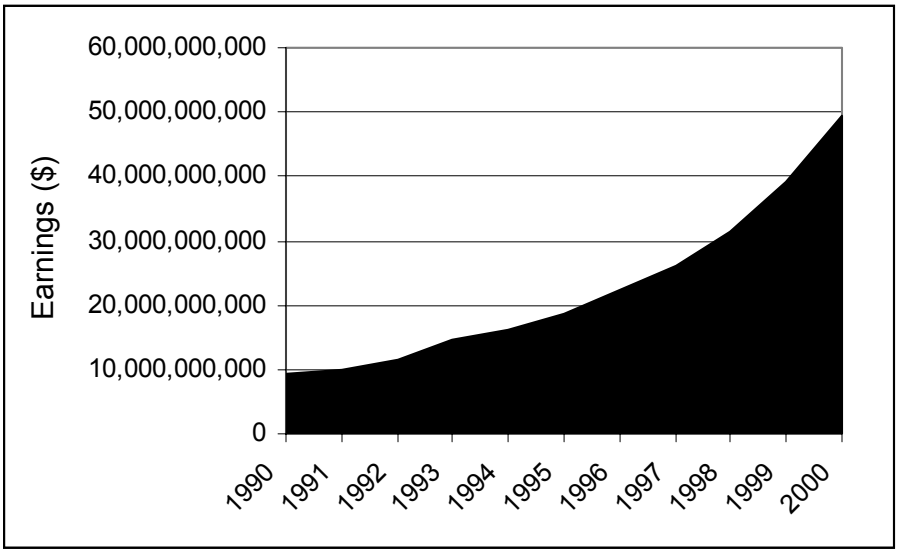
SSA's campaign to reduce the size of the ESF is a response to its staggering growth in recent years. As of July 2002, the ESF contained some 236 million wage items totaling approximately $374 billion, representing unaccounted for wages reported for TY 1937 through TY 2000 (SSA OIG 2002). In TY 2000 alone, SSA posted 9.6 million items and $49 billion in wages to the ESF, a nearly seven-fold increase during the decade (SSA OIG 2003).

Table 1: Growth in the Earnings Suspense File

Tax year	Total items in suspense as of July 2002	Total wages in suspense as of July 2002
1990	3,497,285	$ 9,286,663,303
1991	3,360,453	$ 9,819,241,451
1992	3,932,560	$ 11,426,894,284
1993	4,791,851	$ 14,757,140,537
1994	5,095,635	$ 16,260,016,741
1995	5,529,921	$ 18,657,123,092
1996	6,118,639	$ 22,295,985,657
1997	6,506,174	$ 26,222,918,498
1998	7,136,668	$ 31,280,270,975
1999	8,332,253	$ 39,026,283,645
2000	9,596,161	$ 49,398,030,726

Source: SSA OIG 2002.

Figure 1: Growth of ESF, 1990 - 2000



Source: SSA OIG 2002.

Employer no-match letters

Prior to 2002, SSA sent letters only to employers if they submitted 10 or more unmatched SSNs and the wages earned by workers with unmatched SSNs represented more than 10 percent of payroll (SSA OIG 2002). Under these criteria, SSA sent between 40,000 and 110,000 letters annually to employers. SSA dramatically increased its use of no-match letters in 2002 by sending notices to all employers filing wage reports resulting in one or more unmatched SSNs. In 2002, SSA mailed letters to approximately 950,000 employers, each listing up to 500 unmatched SSNs (SSA OIG 2002).

There are a number of reasons an employee's SSN as reported on their W-2 might trigger a no-match letter. Among workers who have authorization to work, the most common reasons include: (1) an error in the spelling of an employee's name or in the SSN; (2) an unreported name change following a marriage or divorce; and (3) an incomplete or missing name on the W-2. Immigrants are more likely to be identified in no-match letters because they often use compound, maternal or paternal last names; have commonly misspelled names; and often inconsistently spell their

names on various legal documents. Finally, workers who once worked without authorization but have since obtained legal status and a valid SSN, yet continue working under the old SSN for fear of losing their job, might also trigger a no-match letter.

Citing cost factors and the relative ineffectiveness of no-match letters in correcting erroneous information, SSA curtailed the number of letters sent in 2003.[2] SSA sent no-match letters only to those employers with 10 or more unmatched SSNs that accounted for at least one-half of 1 percent of the total number of wage items the employer reported in TY 2002. With these thresholds in place, SSA estimates it will mail 130,000 no-match letters in 2003.[3]

No-match letters are unlikely to generate corrections in SSN information

Data from the No-Match Letter Survey and other evidence suggest that, for several reasons, the no-match letter program will not produce a substantial number of corrections to wage items in the ESF. First, when compared to other tools SSA uses to correct unmatched names and SSNs, SSA's own audits indicate that employer no-match letters account for only a minimal percentage of total corrections (Table 2). Of the various mechanisms used, the most effective method of correcting mismatches is the Single Select Process (see Appendix C for a description of each program). In TY 1998, for example, this process was responsible for 61 percent of all corrections. The Educational Correspondence (EDCOR) program that primarily involves the mailing of no-match letters to employers, on the other hand, was responsible for just 2 percent or less of all corrections.

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[2] SSA estimates that administrative costs incurred in TY 2001 in attempting to correct no-matches and reduce the ESF include (SSA OIG 2000): $5.4 million to send notices to every individual whose name and SSN do not match SSA's records; $600,000 to send 944,000 notices to all employers who submitted wage reports with at least one item posted to the ESF; more than $200,000 for system maintenance and cyclical changes; and an average of $9.00 for each call to SSA's national toll free telephone number generated by the notices. SSA estimates the agency received about 100,000 inquiries throughout 2002 regarding the TY 2001 letter.

[3] As of September 26, 2003, SSA had mailed 98.5 percent (124,000) of the letters slated to be mailed in TY 2002.

Table 2: SSA Processes for Addressing the ESF

SSA process	% of total corrections attributed to process
Single Select Process	61%
Prior Reinstate Process	17%
Decentralized Correspondence (DECOR) Process	8%
IRS Reinstatement Process	8%
Item Correction	2%
Operation 30	2%
Other (including the no-match letter program)	2%

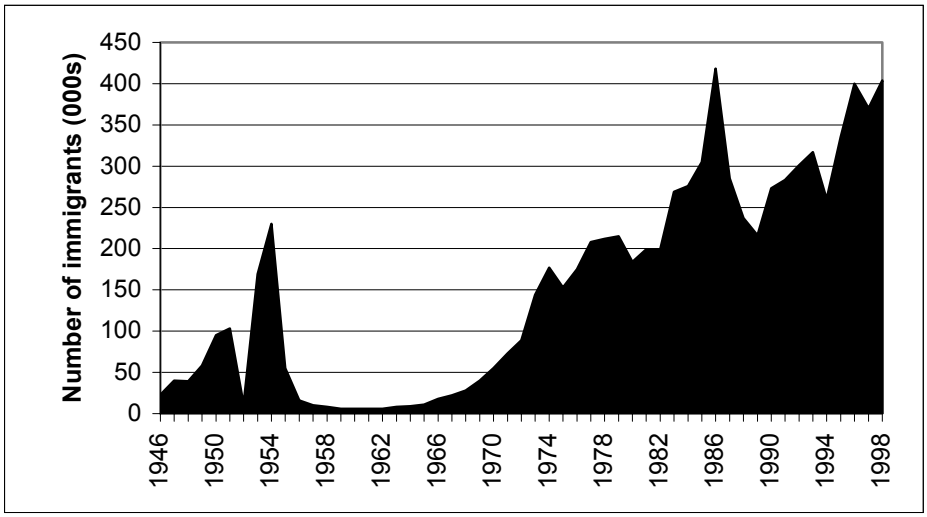
Source: SSA OIG 2002.

Second, a substantial number of workers with wage items in the ESF are undocumented immigrants who, because they are unable to obtain a legitimate SSN, will be unable to provide corrected information.[4] SSA cannot credit undocumented immigrants with wages earned under false SSNs until workers obtain a valid SSN, at which time the worker must file to have his or her earnings record amended. To many workers whose employers have received a no-match letter, this point is obvious. One undocumented immigrant interviewed for this study remarked, "Don't they [SSA] know that most of us are undocumented? They must know that the information will never be corrected until they give us valid Social Security numbers" (Interview #2 2003).

There appears to be a relationship between increases in undocumented immigration and increases in the ESF. The dramatic growth of the ESF has coincided with rising levels of undocumented immigration (Figures 2 and 3). Because undocumented immigrants are barred from drawing on the Social Security contributions they make, earnings levels in the ESF continue to climb.

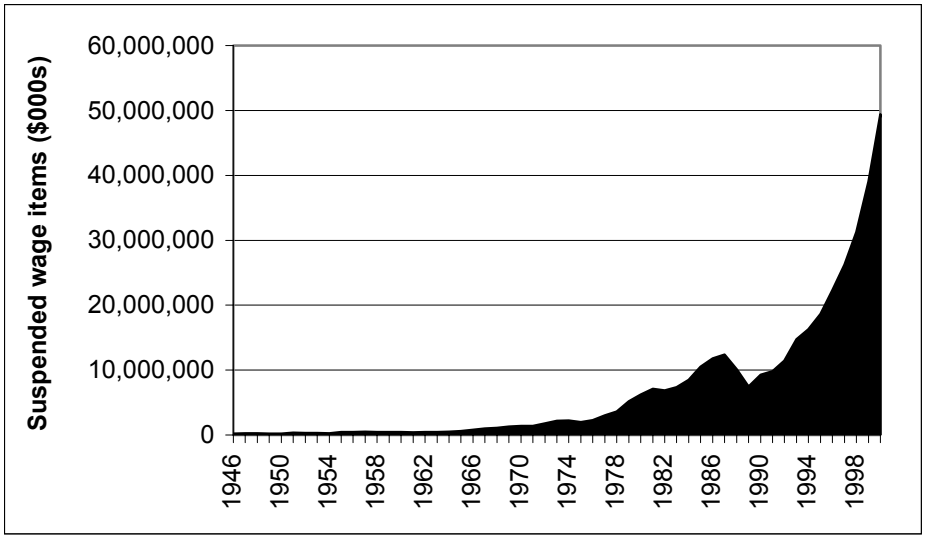
[4] A recent evaluation of the SSA's Tactical Plan for addressing the growth of the ESF indicates that SSA is aware that "industries hiring transient employees who may not have work authorization from the Immigration and Naturalization Service may account for a major portion of ESF wage items" (SSA OIG 2000).

Figure 2: Flow of undocumented Mexican immigrants to the U.S., 1946-1998



Source: NAID 2003.

Figure 3: Annual suspended earnings, 1946-2000



Source: SSA OIG 2003.

Providing further evidence of the relationship between growth of the ESF and growth in the undocumented population, Table 3 demonstrates that the distribution of no-match letters across states closely matches the distribution of undocumented immigrants by state.

Table 3: Distribution of employer no-match letters in 2003 across states versus distribution of undocumented immigrants

State	# of employer no-match letters mailed as of 7/12/03	# of undocumented persons residing in state (in thousands)
California	28,935	2,209
Texas	10,853	1,041
Florida	6,123	337
Illinois	5,612	432
New York	5,091	489
New Jersey	4,154	221
Washington	4,043	136
North Carolina	3,956	206
Arizona	3,675	283
Georgia	3,654	228
Colorado	3,102	144
Oregon	2,459	90
Massachusetts	2,141	87
Virginia	1,901	103
Michigan	1,742	70
Nevada	1,541	101
Maryland	1,525	56
Tennessee	1,486	46
Utah	1,409	65
South Carolina	1,333	36
Indiana	1,278	45
Wisconsin	1,268	41
Pennsylvania	1,247	49
Oklahoma	1,216	46
Ohio	1,212	40
Minnesota	1,180	60
Connecticut	1,097	39

Sources: SSA 2003 and U.S. INS 2003.

SSA officials are aware that no-match letters are not generating a substantial number of corrections to wage items in the ESF. SSA's own figures indicate that throughout the 1990s, the number of wage items in the ESF increased markedly – despite stepped up efforts to improve the no-match letter program's effectiveness. Commenting on the inability of the program to substantially reduce the size of the ESF, an SSA spokesperson explained that the agency scaled back the scope of the program in 2003 because the expanded program in 2002 "yielded a substantially low

number" of corrected records (quoted in Malone 2003). SSA also concedes rising contributions from unauthorized workers prevent the agency from slowing the growth of the ESF. A recent evaluation conducted by SSA's Office of the Inspector General reported that agency officials believe that "illegal aliens" account for a large part of the growth of the ESF: "SSA suspects that employers in certain high turnover industries compound the problem because they may knowingly hire illegal aliens with fraudulent identification …" (SSA OIG 2000).

Although no-match letters have failed to generate a substantial number of corrected wage items in the ESF, there is an on-going debate over whether to use employer no-match letters to achieve immigration enforcement goals. Some policymakers and special interest groups contend that the letters have had the unintended, though desirable, effect of removing undocumented immigrants from their jobs. They insist that this is reason enough to continue sending no-match letters to employers.

For all intents and purposes, employer no-match letters have assumed a prominent role as *de facto immigration enforcement instruments*, raising several concerns for policymakers. The primary concern is that these letters are not part of a coherent immigration enforcement effort and, therefore, employers by default set their own standards for compliance based on their understanding of complex immigration rules. Even with clear guidance from SSA stating that employers should not take adverse actions against any employee who is identified in a no-match letter, employers inconsistently apply their own standards for compliance and frequently take adverse actions against identified workers whom they assume are undocumented immigrants.

A related concern is that, while perhaps sharing general standards of compliance, employers may only selectively comply with those standards. In many cases, employers knowingly hire undocumented immigrants and therefore knowingly are out of compliance with immigration laws. Despite receiving no-match letters,

which they too perceive as being part of an immigration enforcement effort, these employers decide to retain workers identified in the letters, despite the perceived risks of doing so. In still other cases, employers use the information provided in the letters to take advantage of undocumented immigrants by lowering their wages, cutting their benefits, and undermining their right to organize.

The next section explores whether SSA's no-match letter program has served as a successful immigration enforcement tool by examining both the program's track record in deterring employers from hiring undocumented immigrants and its impact on workers' rights.

EMPLOYER NO-MATCH LETTER PROGRAM AND IMMIGRATION ENFORCEMENT

The previous section showed that the no-match letter program has been ineffective in lowering the number of unmatched wage items in the ESF. This section demonstrates that the no-match letter program is an inappropriate and ineffective immigration enforcement tool because:

- it operates outside the parameters of immigration enforcement – SSA's mandate is to administer the benefits under its purview, not to engage in immigration enforcement – leading to unlawful and indiscriminate firing of workers identified in no-match letters;
- the program exerts little influence over a broad segment of employers that will continue to employ workers with unmatched SSNs to meet their workforce needs;
- it places excessive leverage in the hands of employers that choose to use the no-match letters to extract wage concessions from workers, cut workers' benefits, and undermine workers' rights.

This section presents findings from the No-Match Letter Survey, a survey of a non-random sample of 921 workers representing the actions of 342 employers in 18 states. Additional data were obtained through in-depth interviews with 26 workers in seven states. While the evidence presented here is substantial and the findings are indicative of the experiences of workers affected by employer no-match letters, because the survey is based on a non-random sample, summary statistics should be treated as illustrative rather than statistically representative (see Appendix B for a description of the survey methodology).

Employers often indiscriminately fire workers with unmatched SSNs

Responses to the No-Match Letter Survey indicate that in many, and perhaps most, cases (53.6 percent) employers responded to the receipt of a no-match letter by discharging the listed workers (Table 3). A small share of these employers re-hired the dismissed workers at a later date. Given that over half of employers identified in the survey discharged workers with unmatched SSNs, the 950,000 letters sent to

employers in 2002 have likely resulted in the termination of employment for tens of thousands of workers.

Table 3: Frequency of employers' responses to receipt of SSA no-match letter

Action	% of employers taking such action against at least one worker (n=315)
fired workers without expectation of re-hiring	41.3%
fired workers with expectations of re-hiring	6.3%
fired workers and re-hired workers later	3.8%
fired workers and re-hired them later without benefits	2.2%
employer did not fire workers, but they lost seniority	0.6%
no action and employer did not threaten to take action	22.9%
workers quit before employer took action	14.6%
other action	5.1%
none of the above	6.7%

Percentages exceed 100 percent because some employers with multiple workers with unmatched SSNs took more than one course of action.

Employers have discharged workers despite SSA's guidance that such action may be unwarranted and, in some cases, unlawful.[5] SSA's clearly stated position is that an employer should not take actions against any employee because of a no-match letter. In the 2003 letter, for example, the agency advises employers that, because the letters in many cases do not signal unlawful employment, "[y]ou should not use this letter to take any adverse action against an employee just because his or her Social Security number appears on the list, such as laying off, suspending, firing or discriminating against that individual. Doing so could, in fact, violate state or federal law and subject you to legal consequences."[6]

[5] There is evidence that suggests not all regional offices of SSA are properly guiding employers on the relationship between issues raised by no-match letters and issues related to immigration enforcement. One employer in New Mexico shared with advocates a letter he received from an SSA regional office in Colorado notifying the employer that the agency discovered one employee had a fraudulent SSN. The letter instructed the employer that it "cannot legally employ him/her until he/she received the proper work authorization from Immigration and Naturalization Service." See Appendix D for a copy of the letter.

[6] Employers may be subject to liability under a range of employment and labor laws including, but not limited to, Title VII of the Civil Rights Act, Americans with Disabilities Act, Fair Labor Standards Act, Occupational Safety and Health Act, and the National Labor Relations Act.

In many instances, despite clear instructions in the letter, employers either indiscriminately fire workers with unmatched SSNs or they give them unreasonably short deadlines to correct their information. It appears most of the employers that decide to fire workers do so without first re-verifying their immigration status. Of the employers that discharged workers and did not re-hire them, 58 percent (n=108) never requested that workers provide proof of authorization (e.g., green card, work permit) to re-verify their immigration status. It is reasonable to assume that in most of these cases, employers do not have constructive knowledge about workers' immigration status and fire them based on the assumption that they are undocumented immigrants. Additionally, 34 percent of workers (weighted n=139) who were fired reported that their employer failed to grant them an opportunity to correct their SSN. Of those who reported they were allowed to make corrections, workers were only given a median of 15 days (weighted n=166) to make the necessary changes – an insufficient period of time for workers to communicate with SSA and receive corrected information.[7]

Additional support for the conclusion that a substantial number of employers do not provide workers sufficient opportunities to correct discrepancies in their Social Security information comes from an outside evaluation of the Basic Pilot, an employment eligibility verification pilot program operated by SSA and Citizenship and Immigration Services (CIS), conducted by the Institute for Survey Research at Temple University and Westat, Inc. (U.S. DOJ INS 2002). The Basic Pilot allows employers to electronically verify the employment authorization of newly hired workers.[8] The evaluation found that participating employers did not inform 73

[7] For workers who are indeed authorized to work, correcting their information (such as the spelling of their name) might mean they will also have to go to the Citizenship and Immigration Services (CIS) (formerly part of the service division of the Immigration and Naturalization Service) to correct the source documents before being able to correct their records with SSA, which will undoubtedly take more than 15 days.

[8] The Basic Pilot was authorized under the Illegal Immigration Reform and Individual Responsibility Act of 1996 (IIRIRA) (Pub. L. No. 104-208), which also required that this independent evaluation of the pilot program be conducted.

percent of employees who had problems with their work authorization, thus precluding them from correcting their information.

Employers use letters to undermine workers' rights

Rather than a sincere effort to comply with immigration laws, some employers have used no-match letters to justify the firing of workers in retaliation for supporting union organizing campaigns or for complaining about poor working conditions. The No-Match Letter Survey found that 21 percent (weighted n=135) of workers reported their employer permanently fired them in retaliation for their union activity. Additionally, 25 percent (weighted n=132) of workers reported that employers fired them in retaliation for complaining about inadequate worksite conditions.

Dan McMahon, Field Director of Organizing for the Chicago and Northeast Illinois District Council of Carpenters, explained how some employers in the residential construction industry hypocritically use the no-match letter to their advantage: "The contractors that are hiring undocumented workers, they get the no-match letter and they ignore it, that's unless the workers try to organize and then [the no-match letter] magically appears" (Interview McMahon 2003).

Employers use no-match letters to undermine workers' right to organize

The following is a transcript of testimony presented by a supermarket worker from Los Angeles, California in 2003 at a hearing on the impact of the SSA's no-match letters (UCLA Center for Labor Research and Education 2003).

I'm a market worker and member of the worker's union. I'm moved by everything that's happening here. It's really sad what's happening to our communities, to all these people.

We were organizing an independent union in the market, in our workplace. We had small resources, so we decided to start organizing ourselves. It was really good because we were overworked, underpaid, abused; so we decided to organize ourselves into a union. We went to election, actually, and we were unsuccessful, but that doesn't discourage workers. We continued to organize and, last year, October 1st, the market fired sixty workers, all immigrants. All these workers were really brave workers. After that, we all believed that this was something that was unjust, for all of us.

The management used these letters only against those workers who were pro-union workers and not those workers who were pro-company workers. But after the suspension of 60 workers, we decided to continue organizing, and we have been organizing ourselves since then. This program doesn't discourage other workers or myself, and we know that we have to continue fighting because this is just an injustice that we face and that many others face around the country. I just think it is really sad. But even though these situations are really sad, I believe they are really good. These situations are motivating people, creating new leaders, and this situation is a favor to the labor movement in the United States.

A case referred to the National Labor Relations Board's (NLRB) General Counsel for advice illustrates how employers that might otherwise ignore a no-match letter might be tempted to use it punitively to undermine union organizing drives. In *Personal Optics a/k/a Style Eyes of California* (Case 21-CA-34087 2001), the employer allegedly used information provided in the 2000 no-match letter to fire 45 workers who had invalid SSNs, most of whom were supporting a union organizing drive. While the NLRB General Counsel advised that the union's case for charging the employer with unfair labor practices was weak and recommended dismissing the charge, the General Counsel suggested that the employer's anti-union animus may have been a motivating factor in its decision to fire the workers with unmatched SSNs:

> The timing of the terminations, and the Employer's inconsistent responses to the 2000 and 1998 no-match letters, are suspicious. It took the Employer three months after receiving the 2000 no-match letter to conduct its audit, and the Employer terminated employees with SSN discrepancies soon after employees began visibly supporting the Union and only about a week after the Union filed the representation petition. In contrast, the Employer's 1998 investigation, which occurred in the absence of union activity, took only two weeks and the Employer failed to terminate all employees who actually had invalid SSNs (NLRB 2001).

The case of *Tuv Taam Corp* demonstrates how some employers inappropriately use the implication that workers identified in no-match letters are undocumented immigrants to justify illegal behavior. The employer argued that firing workers striking against unfair labor practices (ULP) was not itself a ULP because the workers were undocumented immigrants (340 NLRB No. 86). The employer based its determination of the workers' immigration status on a no-match letter it received months after firing the workers. Finding no merit in this defense, the NLRB ruled that immigration status has "no bearing on whether [the company] did, in fact, commit the unfair labor practices of which it has been accused" (340 NLRB No. 86). It ruled that the employer committed a ULP by firing the workers and it indicated that it did not consider a no-match letter to be, on its own, "legally cognizable evidence regarding the immigration status of [the fired workers]" (340 NLRB No. 86).

Firings do not remove undocumented immigrants from the labor market

Further demonstrating that the no-match letter program has little potential as a viable immigration enforcement tool, even when employers discharge workers who have unmatched SSNs, many workers find their way back into the labor market, sometimes returning to the same employer. This is not to imply that the labor market effects of no-match letters are inconsequential or benign. The no-match letter program has catalyzed a policy-induced churning in local labor markets as workers either are fired or quit their jobs only to join the overcrowded pool of workers vying for positions in traditional immigrant occupations. The demand for undocumented immigrants, which seems to have taken on the characteristic of a structural demand for unauthorized workers to fill jobs at below-market wage rates, remains strong. This means that displaced workers can be re-employed quickly, particularly if they are willing to tolerate low pay and inferior working conditions. The no-match letter program is unable to deter the re-employment of undocumented immigrants, at least until the next round of letters is mailed to employers and the process of churning starts anew.

Fueling the growth of the contingent labor market, employers often replace workers with unmatched SSNs with workers supplied by temp agencies because staffing agencies, as the employer of record, bear the legal responsibility for ensuring that workers dispatched to job sites have authorization to work. One factory worker who was fired because of an unmatched SSN explained that his employer explicitly instructed he and other workers who lost their jobs to go to a particular temp agency where they would be assigned to their original jobs, but at half the hourly wage and without the fringe benefits they received when they were employed directly by the company (Interview #4 2003).

Perhaps more destructive to the wages and working conditions in local labor markets is that, in the search for alternative employment, many workers with unmatched SSNs will be driven deeper into the underground economy where

employer preferences for hiring undocumented workers on a no-questions-asked basis is strongest. This has the effect of swelling the ranks of the underground economy where cash payments are common and wage and hour as well as health and safety violations are the norm. Moreover, this segment of the economy lies beyond the reach of government regulatory institutions and, therefore, predatory employment practices largely go unchecked. These ramifications of no-match letters are serious and represent highly damaging distortions to the operations of local labor markets.

Employers retain undocumented immigrants

The experience of discharged workers suggests that employers' desires to comply with immigration laws are not the principal factor influencing decisions regarding how to handle the problem of unmatched SSNs. Rather, employers' decisions are based on how they weigh the costs and benefits of compliance with federal immigration laws. Scrupulous employers that are risk averse may be quick to fire employees identified in a no-match letter, especially if they have large numbers of workers with unmatched SSNs on their payroll and if they have ready access to a pool of replacement workers. Unscrupulous employers also may attempt to realize benefits from firing workers who are attempting to organize collective bargaining units. On the other hand, some employers, while concerned about employing undocumented immigrants, may also incur significant lost revenues if discharging workers seriously disrupts the operation of their businesses. In such cases, employers often decide to run the risks associated with retaining workers they assume are unauthorized.

Employers hesitate to fire skilled workers

Carlos first received notice from his employer, a large Chicago-area beverage distributor, that he was named in a no-match letter in the summer of 2003 (Interview #9 2003). His employer explained that Carlos and 12 other workers would have 30 days to correct their SSN information or else they would lose their jobs.

On the day of the deadline, the workers decided to go to work as if the deadline did not exist because they did not believe the employer would actually fire them. After all, the employer had already extended the deadline once before.

The workers were correct. Their supervisors did not protest when the workers punched in and went to work. According to Carlos, most of the supervisors welcomed their return. Many supervisors and managers indicated that they needed the workers because they could not find replacements. One supervisor said, "We really need you anyway… If you guys want to keep your job, I don't care." Carlos has five years with the company working as a forklift driver. He explains that you cannot hire a guy off the street to do his job. Carlos drove a forklift and earned $11 per hour. Most of the 13 workers named in the no-match letter were skilled workers like Carlos.

Many employers retain workers with unmatched SSNs, sometimes with knowledge that the workers do not have proper work authorization. Data from the No-Match Letter Survey indicate that 23 percent of employers (n=315) did not fire or threaten to fire workers with unmatched SSNs (Table 3). Furthermore, among the subset of workers whose employers never threatened to fire them (all of whom are undocumented immigrants), approximately one-third (weighted n=46) were asked for a green card to re-verify their immigration status. In these cases, employers likely knew their workers with unmatched SSNs were undocumented immigrants, but chose to continue employing them anyway. The evaluation of the Basic Pilot by Temple University and Westat offers additional evidence that a large percentage of employers continue employing workers even if their SSN or immigration documents are incorrect. Forty-four percent of the employees whose authorization to work could not be confirmed were still working for the same employer six months after receiving a final non-confirmation from the Basic Pilot program (U.S. DOJ INS 2002).

Employers are likely to retain workers with unmatched SSNs when the costs associated with firing employees outweigh their assessment of the risk of being penalized for retaining unauthorized workers. Workers interviewed for this study who were able to keep their jobs despite being identified in a no-match letter believe their employers chose not to fire them because doing so would unnecessarily disrupt the operation of the business. One worker, a skilled shipping clerk who operates a forklift and other machinery, said his employer extended the deadline for correcting his information twice for a total of two months because his supervisor was on leave at the time the no-match letter arrived and the identified worker was the only one who could do the job (Interview #4 2003). Another skilled worker employed at a small family-owned business making custom furniture reported that her employer reluctantly fired her only to re-hire her later, even though it knew she was an undocumented immigrant, because the company could not find anyone to replace her (Interview #5 2003).

While undocumented immigrants are popularly perceived as unskilled workers who are easily replaceable, the fact that many employers retain unauthorized workers suggests that many companies depend on these workers. Mike Flynn, Executive Director of Su Casa, a community organization in Cincinnati, has been working with employers to devise strategies to address the disruptions created by no-match letters. He says "there are many employers that say they are willing to pay to sponsor their employees to get them legal," because they need these workers and the skills they bring to the job. Flynn continues:

> There will always be unscrupulous employers that will take advantage of undocumented [immigrant] workers. But there are many decent employers that are caught in between their economic reality and what they think is the law. Employers see a talented workforce in the area and what they want is to stabilize this workforce. They want to be able to use all of their skills (Interview Flynn 2003).

The economic reality for many employers is that they rely on undocumented immigrants and cannot easily replace these workers without disrupting operations. This is a prime motivating factor that guides employers' decisions regarding how to respond to employer no-match letters. An attorney representing construction firms in North Carolina explained the situation confronting his clients this way:

No-match letters put employers between a "rock and hard-place"

Mike is an owner of a small business that runs a packaging company in Ohio (Interview #10 2003). When he received the no-match letter from SSA, he didn't know what to do. At first, he told the workers to get the information corrected and that they shouldn't come back to work until they had it corrected. At first, he thought that this was simply a clerical error that had to be fixed. Indeed, some of the unmatched SSNs were the result of clerical errors. But after some workers quit because they couldn't fix their information, Mike came to the conclusion that many were receiving the "no-match" letter because they were undocumented immigrants.

Mike's new concern was that he might have violated the law by hiring undocumented immigrants. The company followed the I-9 process as required by law, but he says that it is impossible to know in 100 percent of all cases whether the workers are undocumented.

He didn't want to fire workers partly because he couldn't afford to lose his skilled workforce. His clients are mainly blue chip companies with specialized needs. Because his company packages food and medical products, it has to meet FDA regulations. Therefore, workers receive comprehensive training and it is important that they keep their workers to avoid additional training costs and gaps in production. But Mike was also worried about violating IRCA's anti-discrimination laws. In his words, he was "between a rock and a hard-place."

This entire experience has led Mike to believe that the real solution is legalization. He knows that there are thousands of new immigrants in Ohio who are willing to work hard and they have skills. In his opinion, it's in the best interest of employers and workers that they be legalized.

> I've had clients get no-match letters with as many as 99 employees listed out of a couple hundred total …. But even if it's just 25 percent, that could be devastating. It might not cause the company to close, but with respect to completing a project, it could be disastrous (quoted in Parker 2002).

Sometimes employers, in their attempt to continue employing workers with unmatched SSNs while at the same time demonstrating compliance with immigration laws, will go so far as to ask workers to obtain new (fraudulent) SSNs and return to work. One factory worker explained that his employer was flush with work at the time it received a no-match letter (Interview #6 2003). The factory was operating seven days a week and some employees were working 12-hour days. When the letter arrived, company officials asked workers to obtain new documents so they could keep working. Despite the fact that workers did not provide the employer with new documents, the company decided to continue their employment.

Employers rely on skilled workers, regardless of their status

Patricia was working for a small family-owned business for four years doing specialized work making designer furniture by hand when her employer notified her that it had received a no-match letter indicating her SSN was incorrect (Interview #5 2003). The owner asked her if she was working legally and Patricia told them that she was working with an SSN that was not her own. Initially, the employer told her not to worry and that they would help her get a new SSN. She and her employer had a strong working relationship and they needed her expertise, and so they were willing to help her, Patricia believes. At the time, she was earning $13 per hour. She started at $10 per hour and learned the job fast. The person that she replaced just didn't know how to do the job, so her employer was happy to have her and was serious about trying to keep her.

A short while after her talk with the owner about her SSN, she was told that she couldn't stay on the job because her number was incorrect. She thinks that the owners' accountants or lawyers advised them to terminate her employment.

Patricia spent the next month unemployed. The bills went unpaid and it put a lot of stress on her husband and two small children. Eventually, she found minimum-wage work, but that didn't last for more than a week.

A short while later, the employer that fired her called her back to the job because they couldn't find anyone to replace her. They told her not to worry about her social security number and that she should just come back to work.

Employers are obliged to notify workers of problems with their SSN, yet some do little else to ensure that workers correct their information if the companies consider them essential employees. One worker who is employed at a plastics company in Chicago, explained that she and 30 other workers were recently notified by the company that they were listed on a no-match letter (Interview #7 2003). All of the workers are skilled supervisors, quality control experts, and machine operators who earn more than $11 per hour. The company has experienced very little turnover and

the workforce is quite established. After a company-imposed deadline passed, the employer declined to take action, and all of the workers remain on the job.

Some employers use no-match letters to take advantage of workers

There are employers that, despite the risk of retaining potentially unauthorized workers, use no-match letters to take advantage of undocumented immigrants by reducing their pay or cutting their benefits. Several cases illustrate the problem associated with providing no-match information to unscrupulous employers.

An employer in Wisconsin asked workers named in a no-match letter to provide a new SSN if they wished to retain their jobs. Indeed, workers who presented new, fraudulent documents were allowed to continue working for the company. However, their hourly wages were reduced from $9.72 to the starting wage of $7.35 and they lost their healthcare benefits and vacation time (Interview #8 2003). In Chicago, a worker with an unmatched SSN working for medium-sized manufacturer found herself in a similar situation. She explained, "I was told by the human resource manager that if I quit before I was laid off, I could come back to work three weeks later without a problem, but at six dollars per hour, not the twelve that I am making now" (quoted in Jacobo 2003). In some cases, employers go so far as to supply workers with fraudulent identification—for a price. In Indiana, local police are currently investigating a supervisor at one company for allegedly having provided

Employers retaliate against workers for seeking information about their rights

When Cristina's employer received a no-match letter in the summer of 2003, it gave her until the end of the month to correct her Social Security number or else she would be discharged (Interview #11, 2003). Cristina worked as a machine operator at a Chicago-based mailing service earning $8 per hour. She was one of 64 workers with unmatched SSNs identified in the letter.

But before the deadline, the company abruptly fired 17 of the workers, including Cristina. Cristina believes that the employer singled out these 17 workers because they collectively sought assistance from a legal assistance organization. They had received advice from the organization and presented the company with a letter from informing the employer of their obligations and of the workers' rights. In her opinion, the firing was a form of retaliation for going to an outside organization for assistance and for standing up for their rights.

Cristina finds the whole issue unfair. "All of these immigrants are paying taxes. Also, many of these immigrants are doing work that native-born workers won't do. Many have kids that were born here. But the workers don't have any rights."

fraudulent identification to employees with unmatched SSNs. In exchange for the identification, the supervisor kept workers' first 10 paychecks (Toth 2003).

Authorized workers also are not immune to employers seeking advantage over workers identified in no-match letters. Juan Morales, a baker working for a supermarket in California, was on medical leave when he was fired from his job because he had an unmatched SSN. Despite the fact he is legally authorized to work, the company fired him while he was on medical leave recovering from injuries sustained when a 300 pound rack of ice cream fell on him. While difficult to prove, Juan is certain that the company fired him because of his injuries. "I am a risk. I am injured. If they take me back and I get injured again, I will be more expensive to them than I already am," explains Morales (Interview 2003). Another authorized worker from North Carolina, also on medical leave, was fired from her hotel job because she had an unmatched SSN. In this instance, according to an advocate working on her case, the employer attempted to deny her workers' compensation benefits by arguing before North Carolina's Industrial Commission that she was not entitled to benefits because she was an unauthorized worker (Interview Duberstein 2003). The Commission, however, turned down the request and she later was reinstated.

Michael Wilson, a U.S.-born citizen from Virginia and a union steward in his employers' vehicle maintenance division for nine years, was fired in 2003 because his employer believed he committed document fraud when it was discovered his SSN was incorrect (Interview Wilson 2003). Despite the fact that Michael received corrected documents from SSA within three weeks of being notified by his employer that his SSN did not match, his employer still maintained that Michael committed document fraud and he was terminated. After being out of work and without pay for four months, a panel reviewing his grievance found the employer's case to be without merit and reinstated Michael with full back pay. Michael is still uncertain why his employer was so earnest about firing him even though it was obvious that the problem with his SSN was SSA's mistake and it was easily resolved. When

asked what can be done to prevent employers from using no-match letters to take advantage of workers, he explains, "There needs to be more accountability built into the system; impose penalties against employers that take [unnecessary] adverse action against employees that are identified in these letters" (Interview Wilson 2003).

Indiscriminate firings impact authorized workers

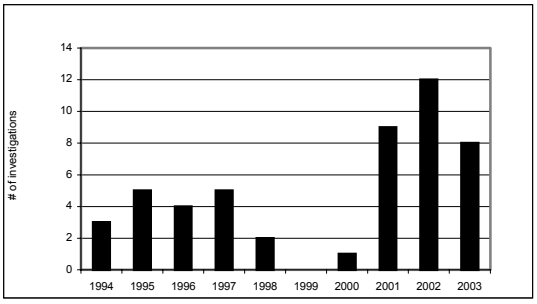
When employers indiscriminately fire workers with unmatched SSNs—34 percent (weighted n=139) of fired workers reported that they were never given an opportunity to correct their information – it raises concerns that workers who are authorized to work may be unfairly terminated if they are listed in no-match letters. Authorized workers who are Latin American immigrants are particularly vulnerable because employers may assume they are undocumented because of their national origin. Results from the No-Match Letter Survey suggest that the no-match letter program has led to the firing of authorized workers – possibly an unavoidable outcome of the program given that employers often assume workers identified in the letters are not authorized to work. The survey found that of the 28 workers reporting they had authorization to work, nine were fired (of which only one was reinstated).

Employment-related national-origin discrimination cases on the rise

An indicator that employer no-match letters might be contributing to an increase in national-origin discrimination is the rise in number of immigration-related unfair employment referrals and investigations fielded by the U.S. Department of Justice Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC).

For example, the number of OSC investigations into terminations stemming from SSN verification matters is on the rise. From 1994 to 2000, OSC conducted just 20 investigations into matters related to employers that fired workers upon verifying their SSNs. From 2001 through 2003, OSC opened 29 investigations. Three of the investigations opened after 2001 resulted in out-of-court settlements in favor of the charging parties and 10 investigations remain open. It is important to note that OSC only has jurisdiction to take complaints of citizenship or national origin discrimination, and therefore investigate, from "protected individuals" which includes U.S. citizens, certain lawful permanent residents, refugees, and individuals granted asylum. OSC can also take complaints alleging document discrimination (document abuse) from any person who is authorized to work.

Figure: Number of OSC Investigations into Employee Terminations Resulting from SSN Verification, March 1994 to August 2003



Source: U.S. DOJ OSC 2003

The evaluation of the Basic Pilot provides further insights into the problems that authorized workers face as a result of the no-match letter program. The Basic Pilot operates much like employer no-match letters except that the intent of Basic Pilot is to confirm at the point of hire whether new employees are authorized to work in the U.S. When employers submit (electronically or telephonically) SSNs of newly hired employees into the Basic Pilot and SSNs do not match records in SSA's database, employers are notified that SSA cannot confirm the validity or correctness of the employee's SSN. When the Basic Pilot issues this "tentative non-confirmation" of a worker's SSN, it is analogous to SSA sending employers a no-match letter. The Basic Pilot is problematic because it frequently is unable to confirm SSNs belonging to a substantial number of authorized workers. The Temple University and Westat study indicates that the Basic Pilot failed to initially confirm the work authorization status of 22 percent of employees who were in fact authorized to work, in part because SSA's database contains inaccurate information (authors' calculation based on U.S. DOJ, INS 2002).

Many newly hired employees whose work authorization status was tentatively unconfirmed by the Basic Pilot experienced some form of adverse action by their employer (U.S. DOJ, INS 2002). For example, among workers whose SSNs were initially unconfirmed:

- 28 percent reported that the pilot employer withdrew the job offer (implying that they were not even given an opportunity to resolve the problem and possibly that the employer used the Basic Pilot as a pre-employment screening tool which is prohibited); and
- 45 percent reported they were not allowed to continue working while correcting their records, had their pay cut, or had their job training delayed despite the prohibition that employers take adverse action against employees who are contesting the tentative non-confirmation or who are attempting to correct their information.

The inability of the SSA's no-match letter program and the Basic Pilot to consistently confirm the SSNs of authorized workers should be anticipated. Reporting errors on the part of employers or workers and errors in SSA's own

databases are to be expected and when these errors occur, SSA may be unable to confirm that authorized workers have a valid SSN. However, the negative consequences for these human errors can be substantial, particularly for authorized workers who are Latin American. Employers have come to see the no-match letter as a signal that workers identified in the letter are undocumented, especially if they are of Latin American origin. This employer attitude is perhaps irreversible given the public prominence the no-match letter program has achieved. In this environment the impact of errors on authorized workers becomes magnified.

Using SSA no-match letters as immigration enforcement tools replicates ineffectiveness of IRCA's employer sanctions provisions

The ineffectiveness of no-match letters as immigration enforcement tools is predictable given what is known about employers' behavior in the context of employer sanctions under the Immigration Reform and Control Act of 1986 (IRCA).[9] Employer sanctions and the I-9 process established under IRCA were intended to prevent employers from *knowingly* hiring undocumented immigrants under the assumption that penalties would substantially reduce employer demand for unauthorized workers. The I-9 process was instituted to help employers discern at the point of hire whether workers are authorized to work. However, the I-9 process and employer sanctions have decisively failed to diminish the flow of undocumented immigrants into U.S. labor markets. Furthermore, there is evidence that these policies have generated their own labor market imperfections, such as reducing earnings for all Latin American immigrants and other workers who "appear" to be undocumented immigrants, as well as the significant narrowing of job opportunities for these workers (Dávila et al. 1998; Massey et al. 2002).

Most accounts of the failure of IRCA to reduce the demand for unauthorized immigrants cite the minimal risks associated with violating the Act and the lack of enforcement of employer sanctions for hiring unauthorized workers. Since the passage of IRCA, the emphasis has been on removing undocumented immigrants

[9] Pub. L. No. 99-603.

from the labor market, rather than punishing the employers that hire them. As Alexander Aleinikoff (2000),[10] senior associate at the International Migration Policy Program at the Carnegie Endowment for International Peace, explained:

> In its early years enforcing the law, the INS focused on educating employers about their new responsibilities to check documents. In the 1990s, the agency shifted its emphasis to removing undocumented workers found through "audits" of employer records. In some local offices, novel arrangements with employers permitted them to terminate undocumented employees over time while they recruited lawful replacement workers. …[F]or the most part, the agency was satisfied when the employer fired the unauthorized immigrant—leaving the employee free to seek work elsewhere.

Massey, Durand, and Malone (2002) contend that the federal government's commitment to enforcing employer sanctions has been, at best, weak.

> After IRCA's initial authorization of new funds for the Department of Labor to undertake work-site inspections, internal enforcement of U.S. immigration laws was quietly but steadily reduced. In 1999, only 2 percent of the INS budget was devoted to the enforcement of employer sanctions, only one-fifth of their time was devoted to work-site enforcement, yielding only 340 full-time person-equivalents to monitor all jobs in the United States.

The lax enforcement of employer sanctions also is responsible for encouraging unscrupulous employers to continue hiring undocumented immigrants, but at lower rates of compensation and in poorer working conditions as a way to compensate for the risks associated with employer sanctions (Massey et al. 2002). Even Latino immigrants with legal status experience wage penalties that some studies suggest are the basis of wage discrimination against "at-risk" workers, or workers who appear to be undocumented immigrants (Cobb-Clark et al. 1995; Bansak and Raphael 1998; Mehta et al. 2002). Prior to IRCA and the advent of employer sanctions, studies found little if any wage penalty for working without legal status (Phillips and Massey 1999). IRCA-initiated employer sanctions established penalties against employers for knowingly hiring undocumented immigrants thereby creating a financial risk for

[10] Mr. Aleinikoff served as General Counsel for the Immigration and Naturalization Service (INS) from 1994 to mid-1995, and then as Executive Associate Commissioner for Program until January 1997.

hiring these workers. Subsequently, employers paid at-risk workers less than workers who either had legal documents or were assumed to have legal status.

On the other hand, some employers simply ceased hiring or were overly cautious in hiring workers who they thought might be undocumented immigrants because they were "foreign sounding" or "foreign looking." The U.S. General Accounting Office found that nearly one in five employers admitted to some form of discriminatory treatment on the basis of national origin or citizenship following the passage of IRCA (U.S. GAO 1990). The outcome was an increased crowding of at-risk workers—or in other words, Latin American immigrant workers—into a narrow band of mostly low-wage occupations and industries.

These characterizations of the approach to enforcing employer sanctions and their effect on employer behavior and workers' employment prospects is strikingly similar to what has been observed under the no-match letter program. As is the case with IRCA's employer sanctions, the risk of IRS penalties[11] has encouraged many employers to close the door on workers with unmatched SSNs. Moreover, just as employers disregard penalties under IRCA and continue to employ undocumented immigrants, employers continue to retain workers with unmatched SSNs, even when they are aware the workers are undocumented. For these employers, the benefits – which include hiring at below-market wages and employing a flexible workforce – outweigh the risk of penalties. Some employers go further, using the leverage created by the no-match letter to undermine workers' rights and to suppress wages and other forms of compensation.

[11] Although employers have been concerned about the potential of IRS fines that were referenced in previous versions of the employer no-match letter, the IRS has recently issued guidance stating that an SSA no-match letter will not trigger such a penalty. The IRS went on to explain that only the IRS could notify an employer of its intent to fine the employer based on having filed an incorrect taxpayer identification number (which is an SSN for employees), but that employers can claim that it relied in good faith on the information provided by the employee. Such a "safe harbor" provision would allow an employer to have any potential fine waived (Dobbins 2003).

No-match letters are inappropriate as an immigration enforcement tool

Despite employers' troubling conflict of interest in responding to SSA's no-match letters, some immigration control advocates continue to argue that the letters ought to be used as a tool for enforcing immigration laws that prohibit employers from employing undocumented workers. The no-match letter program, they argue, has had the desired, albeit unintended, effect of weeding out undocumented immigrants from the labor market. Dan Stein, Executive Director of the Federation for American Immigration Reform (FAIR), one of the leading national organizations calling for reducing immigration, offered this complaint after SSA scaled back its no-match letter program in 2003: "It's aggravating beyond belief that the Social Security Administration isn't waking up to its responsibility to be part of the federal government's immigration enforcement arm" (quoted in Sheridan 2003). David Ray, another spokesperson for FAIR, added, "These letters serve as a huge deterrent. … If people think they can live the good life as illegal immigrants, there is no incentive to play by the rules" (quoted in Avila and Franklin 2002).

However, this investigation has revealed that there are several reasons why immigration authorities and policymakers should view with skepticism the use of employer no-match letters as immigration enforcement tools. First, employers have a conflict of interest in fairly meeting their obligations to SSA. This investigation has found that employers' decisions regarding how to respond to no-match letters are driven more by the perception of the costs and benefits associated with firing or retaining workers with unmatched SSNs than with their legal obligations (which, in any event, seem to be poorly understood). Therefore, a substantial number of employers will continue to hire and retain undocumented immigrants, even when they are fully aware workers lack legal status. Furthermore, unscrupulous employers may use no-match letters to take advantage of workers' vulnerable position, undermining their rights and reducing their compensation.

Second, any immigration enforcement tool must ensure that employers do not violate workers' rights in their efforts to comply with the law. In the process of

responding to no-match letters, many employers have undermined workers' employment rights. Firing workers without constructive knowledge of their lack of immigration status, which must be arrived at on a case-by-case basis, is the most discernible violation of these rights. However, in their haste to remove undocumented immigrants from their worksites, employers have systematically undermined other aspects of the employment eligibility rights of workers such as re-verifying their legal status. The violation of these rights not only is detrimental to undocumented immigrants but also to authorized workers who are discharged when employers assume everyone listed in the no-match letter is undocumented.

Third, it is highly unlikely that the no-match letter program could be more successful than IRCA and its employer sanctions provisions in limiting the employment of undocumented immigrants. Workers with unmatched SSNs who were fired or quit in response to being identified in a no-match letter likely have found employment elsewhere. Many workers interviewed for this study reported that they found new employment in a matter of days or weeks, either with another "mainstream" employer, in the underground economy, or through a temporary staffing agency. The no-match letter program, although responsible for disrupting local labor markets, has not prevented employers from hiring undocumented immigrants. A partnership with ICE to use SSA's database of names and addresses of persons with unmatched SSNs as an immigration enforcement tool would likely produce similar outcomes.

Given the dismal performance and harmful consequences of the no-match letter program, SSA should consider alternative tools for meeting its objectives. Furthermore, the outcomes of this program indicate that solutions to issues related to immigration enforcement should be addressed by the relevant agencies, namely the U.S. Immigration and Customs Enforcement, not the Social Security Administration.

POLICY RECOMMENDATIONS

This investigation has shown that SSA's no-match letter program has been futile at accomplishing its stated goal of generating substantial numbers of corrections of unmatched wage items and thereby reducing the ESF. In addition, the program has proven ineffective and inappropriate as an immigration enforcement tool and has generated a host of negative labor market outcomes for workers with unmatched SSNs, including:

- the termination of employment without the opportunity to correct SSN information;
- retaliation by employers for labor organizing or raising complaints about worksite conditions; and
- reduction of wage and non-wage compensation.

The remainder of this study provides policy recommendations to eliminate some of the negative consequences associated with no-match letters.

The no-match letter program

SSA should focus its efforts on mailing no-match letters only to workers at their home address, and suspend correspondence to employers. SSA should address the growth of the ESF using the other mechanisms that have proven

SSA no-match letter program puts workers at risk, and their families under stress

Isabel has worked for five years at the factory where she is presently employed as a janitor (Interview #2 2003). During the summer of 2002, her employer notified her and 100 other workers that they had SSNs that were unmatched. All 100 workers decided they wanted to address this problem together. They sought help from their union that is trying to get them work permits. Isabel also approached a local immigrant rights organization for help. With help from their union and community organizations, the workers have been able to prevent the company, at least in the short term from firing any workers.

Isabel thinks that despite their success in delaying any action, she is afraid for her job. The whole experience, she says, has taken a psychological toll on her and the other workers. Everyone works in fear. There are rumors that ICE is going to come in and raid the factory. Twenty workers have already quit because they feared being caught by immigration authorities.

Isabel's family also feels the effects of this problem because they depend on Isabel's income for survival. Before her current job, she worked two to three jobs at once just to make ends meet. She also has health benefits through the company, life insurance and vacation that she most certainly will not be able to find elsewhere.

When asked whether these troubles make her feel like going back to Mexico, Isabel responds and says, "I am here as a matter of necessity. I must stay and face these challenges. This isn't half of what I've suffered. Nobody wanted to rent me a home when I first immigrated. I was living in garages."

to be considerably more effective in crediting earnings in the ESF to workers with valid SSNs.

On-line verification system

Implementation of the Social Security Number Verification Service (SSNVS) may exacerbate the problems workers are experiencing because of no-match letters. The SSNVS currently operates as a pilot Internet-based system that enables a select group of 100 registered employers to determine the veracity of employees' SSNs. Although SSA may view SSNVS merely as an extension of the no-match letter program, the accessibility of electronic SSN information creates additional, unique problems. The impact of the Basic Pilot on newly hired employees provides the best insights into how an expanded SSNVS would operate. Without fixing errors in SSA's databases, the SSNVS most likely will replicate the failure of the Basic Pilot to accurately and consistently provide initial confirmation of SSNs belonging to authorized workers. SSA should treat such errors as unacceptable because, as this study and the evaluation of the Basic Pilot have demonstrated, employers frequently take adverse actions against workers with SSNs that SSA suggests may be invalid—even when explicitly advised by the agency not to do so.

Second, without the proper safeguards and penalties on employers for improper use of the system, the SSNVS likely will reproduce discriminatory problems encountered by workers as a result of the Basic Pilot and the no-match letter program. The Basic Pilot has encouraged employers to pre-screen employees who are more frequently foreign born (U.S. DOJ INS 2002). Employer no-match letters have led employers to assume that workers with unmatched SSNs are undocumented immigrants resulting in thousands of indiscriminate firings. SSA does not have mechanisms in place to ensure that employers do not use the SSNVS to selectively scrutinize workers' information based on their national origin.

Auditors correctly recommend that the Basic Pilot should not be expanded without making several enhancements. The same recommendation should apply to

the SSNVS. SSA should not expand the SSNVS until it has improved the accuracy of data in the system and has developed mechanisms to prevent employers from:

- abusing the system to retaliate against workers;
- selectively pre-screening workers based on their national origin;
- invading workers' privacy; and
- taking adverse actions against workers without giving them sufficient opportunities to correct their SSN information.

Comprehensive immigration reform

The operation of the no-match letter program reveals many of the contradictory and destructive impacts of current U.S. immigration policy. Although SSA did not design the program to be an immigration control effort, it nonetheless has thrust the agency into the arena of immigration enforcement. It is not surprising that the no-match letter program has failed here. Complex push and pull factors fuel the growth of undocumented immigration, factors with which the program cannot contend. Even 17 years of employer sanctions under IRCA have been unable to deter employers from hiring undocumented immigrants.

Halting the growth of the ESF requires comprehensive immigration policy reform. Millions of undocumented immigrants are working in the U.S. and many more will emigrate because there are employers that will hire them, despite the risks. Immigration policy has to face up to this reality. Removing undocumented immigrants from U.S. labor markets is impossible and undesirable. The Urban Institute estimates that there currently are 5.2 million undocumented immigrants in the U.S. (Capps et al. 2003). Most studies on undocumented immigrants suggest that a narrow band of occupations in the service and manufacturing sectors are highly dependent on the labor of undocumented immigrants.

Given these realities, immigration reform should include legalization of the current workforce. Legalization accomplishes at least two objectives. First, for SSA's purposes, legalization would allow SSA to post wage items in the ESF to accounts of presently undocumented immigrants. If an undocumented immigrant

has worked in the U.S. using an invalid SSN (that is, if SSN never issued a valid SSN), the worker may request that their earnings from prior work performed under an invalid SSN be redirected from the ESF into their valid earnings record (SSA OIG 2003). However, if undocumented workers are not given valid SSNs, their earnings may permanently sit in the ESF.

Second, legalization helps achieve the more important objective of reconciling employers' demand for workers, immigrants' needs for employment, and U.S. immigration policy. Comprehensive immigration reform must include a plan for how to provide legal status to current and future immigrants who will, despite stepped up border-enforcement measures and employer sanctions, find a job with or without a valid Social Security number.

Social Security Administration
Retirement, Survivors and Disability Insurance
Employer Correction Request CODE V

Office of Central Operations
300 N. Greene Street
Baltimore, MD 21290-0300

Date: July 17, 2003
EIN: 13-1084740

.....

Establishment Number: HART MRN: 21898500028 WFID: 402015-01

Why You Are Getting This Letter

Some employee names and Social Security numbers that you reported on the Wage and Tax Statements (Forms W-2) for tax year 2002 do not agree with our records. We need corrected information from you so that we can credit your employees' earnings to their Social Security record. It's important because these records can determine if someone is entitled to Social Security retirement, disability and survivors benefits, and how much he or she can receive. If the information you report to us is incorrect, your employee may not get benefits he or she is due.

There are several reasons why the information reported to us doesn't agree with our records, including:

- Errors were made in spelling an employee's name or listing the Social Security number
- An employee did not report a name change following a marriage or divorce
- The name or Social Security number information were incomplete or left blank on the W-2 report sent to the Social Security Administration

IMPORTANT: This letter does not imply that you or your employee intentionally gave the government wrong information about the employee's name or Social Security number. Nor does it make any statement about an employee's immigration status.

See Next Page

Visit our website at http:..www.ssa.gov

You should not use this letter to take any adverse action against an employee just because his or her Social Security number appears on the list, such as laying off, suspending, firing, or discriminating against that individual. Doing so could, in fact, violate state or federal law and subject you to legal consequences.

For Spanish-speaking individuals: Esta carta y los documentos adjuntos proveen información sobre las acciones que debe tomar para corregir algunos de los nombres y números de Seguro Social que usted informó en la Declaración de Retención de Salarios (formulario W-2, "Wage and Tax Statement", en inglés) de sus empleados. Si usted necesita una traducción de esta carta, por favor, llámenos al número de teléfono gratis, 1-800-772-1213, de 7:00 a.m. a 7:00 p.m. hora del este.

Esta carta no implica que usted ni su empleado intencionadamente proveyó información incorrecta sobre el nombre o número de Seguro Social del empleado. Esto no es una razón, de por sí, para que usted tome ninguna acción adversa en contra del empleado, tal como supensión, despedida o discriminación del individuo que aparece en la lista. Cualquier empleador que usa la información en esta carta para justificar una acción adversa en contra de un empleado puede violar la ley estatal o federal y estar sujeto a consecuencias legales. Además, esta carta no hace ninguna declaración sobre el estado de inmigración de su empleado.

What You Should Do

It would be a great help to us if you could respond within 60 days with the information that you are able to correct so that the Social Security Administration can maintain an accurate earnings record for each employee and make sure your employees get the benefits they are due.

We have attached some materials to help you:

- A list of the Social Security numbers that do not match our records. (If the list shows you have "MORE" Social Security numbers to correct than listed, please call us at 1-800-772-6270 for assistance.)
- Instructions on "How To Correct Social Security Numbers".
- Tips on "Annual Wage Report Filing" for the future.

If You Have Any Questions

If you have any questions, please call us toll-free at 1-800-772-6270 between 7:00 a.m. and 7:00 p.m., Eastern time, Monday through Friday. We can answer most questions over the phone. You can also write us at the address shown on the first page of this letter. If you do call, please have this letter with you. It will help us answer your questions. Also, general program information is available from our website at http://www.ssa.gov/employer.

W. Burnell Hurt
Associate Commissioner for
Central Operations

SOCIAL SECURITY NUMBERS THAT DO NOT MATCH OUR RECORDS

542-40-7801	542-40-7901	542-40-8001	542-40-8101
542-40-8201	542-40-8301	542-40-8401	542-40-8501
542-40-8601	542-40-8701	542-40-8801	

How To Correct SSNs

Complete Forms W-2c (Corrected Wage and Tax Statement) for each of the SSNs listed that you are able to correct. You also need to file a Form W-3c (Transmittal of Corrected Wage and Tax Statements) whenever you file Forms W-2c. You don't need to prepare Forms W-2c for all the SSNs that you reported. If an employee does not provide corrected information or no longer works for you and you are unable to contact him/her, document your records with the information you relied on in completing the W-2 or the efforts you made to contact your former employee. Retain this information in your files; do not send it to SSA. You should provide all corrections as soon as possible. Please follow the guidelines below before preparing Forms W-2c.

You also need to file a Form W-3c (Transmittal of Corrected Wage and Tax Statements) whenever you file Forms W-2c.

- Compare your employment records to the Forms W-2 you reported for the SSNs included on the attached list.
- If your employment records and Forms W-2 do not match, prepare Forms W-2c with the corrected information from your employment records. (Do not send copies of proofs of identity or other documents in addition to, or in place of, the Forms W-2c.)
- If your employment records and Forms W-2 match, ask your employee to check his/her Social Security card and to inform you of any name or SSN difference between your records and his/her card. If your employment records are incorrect, correct your records.
- If your records match the information on the employee's Social Security card, have the employee contact any Social Security office to resolve the issue. Tell the employee that once he/she has visited the Social Security office he/she should inform you of any changes and correct your records accordingly.
- SSA may also send the employee a notice regarding this issue. You should discuss with the employee any changes you make to your employment records.
- If you wish to file your Form W-2c corrections electronically or on magnetic media, call SSA at 1-800-772-6270 to request a copy of the "Magnetic Media Reporting and Electronic Filing of W-2c Information (MMREF-2)".
- We suggest using AccuW2C to identify possible "Magnetic Media Reporting and Electronic Filing of W-2c Information (MMREF-2)" formatting errors. You can download AccuW2C from the Internet at:

  http://www.ssa.gov/employer/accuwage

Visit our website at http://www.ssa.gov

- If you wish to file paper Forms W-2c, you can get them from the Internal Revenue Service. Paper Forms W-2c should be sent to the following address:

  Social Security Administration
  Data Operations Center
  Attention: W-2c Process
  P.O. Box 3333
  Wilkes-Barre, Pennsylvania 18767-3333

APPENDIX B: METHODOLOGY

1. Worker survey

The sampling methodology used for this study was designed to maximize the response rate within the population of workers identified in employer no-match letters. Given the sensitive nature of this study, the survey was implemented through community-based organizations, community colleges, social service providers, and churches that have established relationships with undocumented immigrants and other low-wage earning workers who are characteristic of workers identified in no-match letters.

The University of Illinois at Chicago Center for Urban Economic Development (UIC-CUED) recruited organizations identified through the partners in this study—Center for Community Change/National Campaign for Jobs and Income Support, National Immigration Law Center, National Interfaith Committee for Worker Justice, and Jobs with Justice. A letter requesting participation was sent to all member organizations. To augment the list of organizations volunteering to participate in response to the recruitment letter, UIC-CUED recruited additional organizations based on the demographic make-up of their constituents and their geographical location. The intent here was to ensure that workers were recruited through a wide range of sources so as to minimize bias associated with geography and surveying through organizations. In total, 41 organizations in 18 states participated in the survey. Participating organizations are located in the following states: California, Connecticut, Illinois, Indiana, Kansas, Massachusetts, Michigan, Mississippi, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Texas, Washington, and Wisconsin.

Once organizations were selected as survey sites, UIC-CUED trained staff from local organizations to recruit their members, constituents, and clients for participation in the survey. Trained interviewers approached all of their members, clients, or constituents from June 1st through September 15th, 2003 to request voluntary participation in the survey. Potential respondents were read a description

of the project and then given the opportunity to stop or to continue with the survey. Only volunteers whose employers had notified them that they were identified in a no-match letter after January 1st 2001 were allowed to participate. The survey was designed in English and translated into Spanish, Polish, and Portuguese.

Statistical implications of non-random sampling

The sample produced for this study is a non-random sample. One potential implication of the sampling technique is that workers who have experienced an adverse action by their employer might be more likely to respond to the survey than workers who were unaffected. To limit the self-selection bias in the sample to the greatest extent possible, organizations recruited participants in neutral locations such as churches, classrooms, and social service agencies where workers congregate for reasons other than to seek assistance for employment-related problems. No substantial variation in the frequency of adverse action taken by employers and the method of recruitment of research subjects was found. Moreover, variation in union status, occupation and industry generated no substantial variation in the frequency of reports of adverse action taken by employers against workers with unmatched SSNs.

Weighting respondents

Respondents employed by the same company almost always will experience the same action by the employer (known as cluster bias). Cluster bias affects the outcome of several statistics including the frequency of employers' actions against workers identified in no-match letters. For example, if one company employed all 921 respondents and the company fired all 921 respondents for being identified in the no-match letter, it would be meaningless to report that out of 921 respondents, 100 percent were fired because they all worked for the same company. To account for employer cluster bias, each respondent was assigned a weight. The weight equals *1/total number of workers working for the same employer*. Weighting statistics influenced by employer cluster bias in this way to minimize cluster bias means, for example, that the responses of 20 workers employed by the same company are given the same weight as the response of 1 worker who is the sole respondent from a given

company. Frequency distributions and averages were weighted for the following statistics:

- Share of workers given an opportunity to correct their information;
- Median number of days workers were given to correct their information;
- Share of workers indicating employers used the letters to retaliate against them for union activity or for complaining about worksite conditions.

The following tables summarize the demographic characteristics of the sample generated from the No-Match Letter Survey.

Table B1: Sample Characteristics – Gender

Gender	Percent of sample (n=804)
Male	53.4
Female	46.6

Table B2: Sample Characteristics – State distribution of workers

State	Frequency	Percent
Illinois	456	49.5
Texas	127	13.8
California	88	9.6
Wisconsin	61	6.6
Massachusetts	58	6.3
Indiana	32	3.5
Kansas	27	2.9
Ohio	21	2.3
Nebraska	17	1.8
North Carolina	10	1.1
New Mexico	6	0.7
Mississippi	5	0.5
New York	5	0.5
Other	3	0.3
Connecticut	1	0.1
Michigan	1	0.1
Missouri	1	0.1
New Jersey	1	0.1
Washington	1	0.1

Table B3: Sample Characteristics – State distribution of employers

State	Number of employers	Percent of total employers
California	62	17.6%
Connecticut	1	0.3%
Illinois	53	15.0%
Indiana	29	8.2%
Kansas	26	7.4%
Massachusetts	48	13.6%
Michigan	1	0.3%
Missouri	1	0.3%
Mississippi	2	0.6%
North Carolina	3	0.8%
Nebraska	15	4.2%
New Jersey	1	0.3%
New Mexico	3	0.8%
New York	5	1.4%
Ohio	17	4.8%
Texas	54	15.3%
Washington	1	0.3%
Wisconsin	29	8.2%
Unknown	2	0.6%

Table B4: Sample Characteristics – Industry distribution

Industry	Frequency	Percent (weighted n=312)
manufacturing	62	19.8
restaurant and/or bar	41	13.2
retail store	35	11.3
other	30	9.5
warehouse/distribution	28	9
janitorial	22	7
temp agency	18	5.9
hotel	18	5.8
construction	17	5.6
health care	11	3.6
transportation	10	3
farming/agriculture	6	2.1
private home cleaning	3	1
child care	3	1
school/educational institution	3	1
don't know	3	1
security	1	0.2

Table B5: Sample Characteristics – Occupational distribution

Occupation	Frequency	Percent (weighted n=207)
production occupations	59	28.4
transportation and material moving occupations	40	19.6
building and grounds cleaning and maintenance occupations	40	19.1
food preparation and serving related occupations	25	11.9
sales and related occupations	16	7.7
construction and extraction occupations	13	6.3
office and administrative support occupations	5	2.4
healthcare support occupations	3	1.4
personal care and service occupations	3	1.4
farming, fishing and forestry occupations	1	0.6
education, training, and library occupations	1	0.5
installation, maintenance, and repair occupations	1	0.5
healthcare practitioners and technical occupations	0	0.1

Table B6: Sample Characteristics – National origin

Country/Region	Frequency	Percent (n=736)
Mexico	622	84.5
Brazil	31	4.2
Guatemala	25	3.4
Central America	16	2.2
Peru	11	1.5
El Salvador	10	1.4
Colombia	5	0.7
Ecuador	4	0.5
Honduras	4	0.5
South America	3	0.4
Bolivia	2	0.3
Argentina	1	0.1
Dominican Republic	1	0.1
Fiji	1	0.1

2. Worker and employer interviews

Organizations participating in this study also recruited respondents for in-depth interviews. The goal of the interviews was to gain a more nuanced understanding of the circumstances influencing employers' actions against workers identified in no-match letters. Organizations in one state also recruited employers to be interviewed for this study. Interviews were conducted with the guarantee of confidentiality for all who volunteered.

APPENDIX C: SUMMARY OF SSA ESF CORRECTION PROGRAMS

SSA primarily attempts to correct wage items in the ESF through four methods. The following is a description of each method and the extent to which that method leads to corrections (SSA OIG 2002a).

The Single Select process accounted for 61 percent of corrections. This process assumes the worker's name is correct and that the SSN is incorrect. SSA then compares the worker's name against records in its Numident database, which contains all valid SSNs. If Numident shows only one SSN that matches the name, then SSA corrects the SSN and posts the worker's earnings appropriately.

The IRS Reinstatement process accounted for 8 percent of corrections. The IRS conducts a similar process to correct mismatches and provides SSA with a file containing items it has resolved so that SSA can locate the workers to whom the suspended items should be credited.

The DECOR process accounted for 8 percent of corrections. Once items are placed in the ESF, SSA generates letters, which are sent to employees at their home address. However, if SSA does not have an address for the worker or if it is incomplete on the W-2, the notice is sent to the employer. In TY 2000, SSA sent approximately 9.5 million DECOR notices (also known as "employee no-match letters"). Of the letters sent to employees, 40 percent are returned as undeliverable. The letters sent to employees with earnings recorded in the ESF include a response form the employee can use to report corrected information to the agency. Similarly, the letters sent to employers are regard an individual employee with earnings recorded in the ESF and includes a response form the employer can use to report corrected information to the SSA.

SSA reviews responses to the DECOR letter and, if the information matches its records, the earnings are properly posted to the individual's earnings record. If an individual does not respond, his or her information then goes through an additional

process called FERRET, through which an address file for this person is created. Then the worker's name or parts of it are compared against IRS data.

The EDCOR process accounted for at most 2 percent of corrections. EDCOR includes the employer no-match letter program that SSA began in 1994 to notify businesses that the reports they filed contained information that did not match the agency's records. The stated purpose for sending these no-match letters to employers is to ensure that employers and employees have an opportunity to correct the information in order for workers to receive proper credit for their earnings.

APPENDIX D: SSA NO-MATCH LETTER SENT TO NEW MEXICO EMPLOYER

SOCIAL SECURITY ADMINISTRATION
201 W. 8th St Suite 700
Pueblo, CO 81003
Phone: (719) 545-9248
Fax: (719) 542-2948
August 6, 2003

[redacted]
[redacted] NM [redacted]

Dear Sir/Madam:

We have been advised that your company has reported wages for [redacted] under the Social Security number of [redacted] You are hereby advised that this number does not belong to your employee and any documentation received from him/her that indicates otherwise is fraudulent. You are requested to immediately stop submitting wage reports for this person under above Social Security number. You should also correct all of your payroll and tax records.

According to our records, your employee does not have a valid SSN as we believe him/her to be an undocumented alien. Due to this fact, your company and any other company cannot legally employ him/her until he/she receives the proper work authorization from Immigration and Naturalization Service (INS). Any questions regarding this matter should be directed to _Leslie Montoya at (719) 545-3052 ext. _213.

Thank you,

Leslie Montoya

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#2 (2003). Texas, August.

#3 (2003). Chicago, September.

#4 (2003). Chicago, July.

#5 (2003). Chicago, August.

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Morales, Juan (2003). Worker, October.

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