

TESTIMONY OF

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BEFORE

U.S. Senate Committee on the Judiciary
Subcommittee on Border Security and Immigration

ON

“Somali Fraud in Minnesota – The Tip of the Iceberg”

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INTRODUCTION

Chairman Cornyn, Ranking Member Padilla and Members of the Subcommittee, it is a privilege to appear before you today and I thank you for the invitation. My name is Matthew J. O'Brien. I am a former Assistant Chief Immigration Judge, a former head of the National Security Division, within the Fraud Detection and National Security Directorate, at U.S. Citizenship and Immigration Services (USCIS) and a former Assistant Chief Counsel with U.S. Immigration and Customs Enforcement (ICE). I have also worked as a private bar immigration attorney, including several years at Boston's well-known Hale & Dorr (which is now Wilmer Hale). Altogether, I have three decades of experience working in immigration law and policy. And my perspective is somewhat unique, in that I have acted as counsel to aliens seeking immigration benefits, in addition to serving as counsel to the United States. In fact, I began my career in immigration with the old Immigration and Naturalization Service, as an Immigration Examiner working in the Naturalization Division, where my primary responsibility was detecting and investigating immigration fraud.

THE INCREASING PREVALENCE OF FRAUD CRIME IN THE UNITED STATES

Americans rely increasingly on electronic platforms to handle everyday transactions ranging from banking to drivers' license renewals. Unfortunately, the combination of rapidity and relative anonymity inherent in doing business this way has led to a staggering increase in identity theft and other fraud crimes. According to the Federal Trade Commission, financial losses associated with fraud increased by twenty-five percent from 2023 to 2024, with total financial losses over \$12.5 billion.¹ And the Federal Reserve Bank of Kansas City has found that Americans are increasingly becoming the victim of more and more sophisticated fraud crimes.²

FRAUD IN THE IMMIGRATION CONTEXT – IMMIGRATION BENEFIT FRAUD AND IMMIGRATION-RELATED FRAUD

Most Americans are all too familiar with banking fraud, investment fraud, mortgage fraud, etc. The vast majority of U.S. citizens, however, are wholly unaware of the stunning levels of fraud connected with immigration. Although, those who are paying attention have almost certainly had the wool pulled from their eyes, with the revelation of numerous multibillion dollar public benefit scams perpetrated by the Somali migrant community residing in the State of Minnesota.³

There are two types of fraud that are typically connected with migrants and migrant communities. "Immigration benefit fraud" is "the willful misrepresentation of a material fact on a petition or application to gain an immigration benefit."⁴ But both aliens who are lawfully present in the United States, as well as those here illegally, frequently engage in other acts of general fraud in order to work, open bank accounts, and engage in other transactions necessary for daily life in the United States. In other words, they regularly engage in fraud crimes that are repeatedly committed to overcome the problems associated with being an illegal alien, a nonimmigrant visa overstayer, or an alien who is refusing to abide by the terms of his or her lawful admission (*e.g.* international students who work without authorization). This latter type of fraud may be referred to as "immigration-related fraud." Immigration-related fraud includes, but is certainly not limited to the following crimes:

- False Personation of a U.S. Citizen pursuant to 18 U.S.C. § 911.
- Fraud and False Statements pursuant to 18 U.S.C. § 1001.
- Social Security Fraud pursuant to 42 U.S.C. § 408.
- Attempt to Evade or Defeat Tax pursuant to 26 U.S.C. § 7201.
- Fraud and False Statements (including tax perjury and signing false returns) pursuant to 26 U.S.C. § 7206.

Investigators regularly refer to the “Fraud Triangle,” the elements that lead individuals to commit fraud – pressure, opportunity and rationalization. Migrants are particularly susceptible to all three of these factors. Many would be immigrants are subject to societal, familial and economic pressures to leave home and seek greener pastures. The U.S. immigration system’s lack of effective checks on fraud are widely known to prospective migrants who see them as an opportunity that can be exploited to gain access to life in America. And the vast majority of current legal and illegal migrants hail from the developing “Global South.” Most of those nations see themselves as participating in a broad revolt against capitalism, Western morals, and alleged U.S. “imperialism.”⁵ Pursuant to this narrative, as “an oppressor,” the U.S. owes “reparations,” of one form or another to its developing world “victims.” Thus, migrants engaged in both immigration benefit fraud and immigration-related fraud often rationalize their crimes as simply “collecting what they are owed.”

Despite the prevalence of both immigration benefit fraud and immigration-related fraud, accurate data is remarkably difficult to find. The agencies responsible for deterring, detecting, investigating and prosecuting the fraud crimes associated with immigration tend to publish reports on fraud rates intermittently, focusing on specific programs. For example, USCIS published a report in July 2025, titled *Criminality, Gangs, and Program Integrity Concerns in Special Immigrant Juvenile Petitions*, which found that identity fraud was a growing concern in the Special Immigrant Juvenile program.⁶ In 2012, the Government Accountability Office (GAO) published a report finding that, ICE had “not developed a process to identify and analyze program risks since assuming responsibility for the Student and Exchange Visitor Program” and had failed to use “risk factors to inform its efforts to monitor Student and Exchange Visitor Program SEVP-certified schools.”⁷ In 2005, USCIS completed a Benefit Fraud and Compliance Assessment that found a twenty-one percent rate of fraud in the H-1B Specialty Worker program.⁸ ICE has a Document and Benefit Fraud Task Force, which has not published any statistical reports.⁹ And while U.S. Customs and Border Protection (CBP) maintains a fraud tip line, the agency does not appear to have published any statistics regarding immigration fraud it has encountered at the border or referrals it has made to the Department of Justice (DOJ) for prosecution.¹⁰

The most recent comprehensive data on immigration benefit fraud prosecutions appears to have been published by the Department of Homeland Security (DHS) Office of Immigration Statistics (OIS) in 2008. According to the *Immigration Statistics Yearbook 2007*, after declining for the previous decade, indictments for immigration fraud rose from 709 in FY2004 to 1,032 in FY2006; and immigration fraud convictions rose from 533 in FY2004 to 1,073 in FY2006.¹¹ OIS also reported that 75,532 aliens were removed for immigration fraud, making up 36% of all formal removals in FY2005.¹² And those figures represent only fraud that was detected and

addressed. There are likely *millions* of instances of immigration fraud that have gone undetected since DHS was created in 2002, along with *billions* of instances of immigration-related fraud.

LACK OF A COORDINATED STRATEGY FOR COUNTERING IMMIGRATION BENEFIT FRAUD AND IMMIGRATION-RELATED FRAUD

The *ad hoc* manner in which fraud data is generally compiled and analyzed clearly demonstrates that the U.S. lacks a coordinated strategy for discouraging, identifying, investigating and prosecuting immigration benefit fraud and immigration-related fraud. Moreover, responsibilities for detecting, investigating and prosecuting fraud are divided between multiple agencies including USCIS, ICE, CBP, the U.S. Department of State (DOS), the U.S. Department of Justice (DOJ), the Social Security Administration (SSA), and the Internal Revenue Service (IRS), as well as a plethora of state agencies – which often have overlapping remits. The relationships between these agencies are generally marked by poor communication and competition over resources. As a result, the driving principles behind our counter-immigration-fraud programs appear to be complexity and opacity.

The failure to take fraud seriously is perhaps most prevalent at USCIS. USCIS exists as a separate agency within DHS primarily due to claims from the American Immigration Lawyers Association (AILA) and other pro-alien, anti-borders pressure groups that a “fair” system must separate “enforcement” and adjudication” functions.¹³ Of course, that contention is absurd. Inherent in the concept of adjudication is the idea that the adjudicating agency possesses the authority to say “No” based on the application of the relevant law to the facts presented in the application being adjudicated. One adjudicates applications specifically for the purpose of detecting fraud and denying benefits to people who engage in it. Of course, AILA and its allies were not seeking to preserve the type of neutrality found in Article III courts. Rather, their aims were purely political. As a result of such pressures, USCIS did not form its Fraud Detection and National Security Directorate (FDNS) until May of 2004.¹⁴ And for an extended period thereafter, the work of FDNS was treated as an interference with USCIS’ real mission of rapidly approving applications for immigration benefits.

Furthermore, senior U.S. government officials have gone out of their way to suborn immigration fraud committed by their cronies. A 2015 report by the DHS Office of Inspector General (OIG) found that USCIS employees responsible for adjudicating applications for benefits under the EB5 Foreign Investor program were regularly pressured by USCIS Director Alejandro Mayorkas to approve questionable applications filed by “certain politically powerful EB-5 stakeholders.”¹⁵ Bear in mind that a subsequent GAO report, published in 2025, found that, “the [EB-5] program presents unique fraud and national security risks for USCIS to address.” One wonders why the Director of USCIS was pressuring adjudicators to approve questionable applications, when his agency should be weeding out such applications and subjecting them to additional scrutiny.

In reality, the first and foremost mission of USCIS and its senior leadership should be detecting immigration fraud in order to protect the American public from public safety and national security threats who should not be accorded the privilege of residing in the United States. And the work undertaken by FDNS should be the flagship activity performed by USCIS. As long as the United States remains a desirable destination for immigration, there will be migrants who are

willing to lie and cheat in order to secure their entry into this country and establish access to the many benefits that come with living in America.

THE COST OF IMMIGRATION BENEFIT FRAUD AND IMMIGRATION-RELATED FRAUD

There is no official, or even widely accepted, estimate of how much immigration benefit fraud and immigration-related fraud cost the American taxpayer. However, the Federation for American Immigration Reform (FAIR) periodically calculates an estimate of the net fiscal cost of illegal immigration to U.S. taxpayers – after accounting for taxes paid and other economic contributions. Our last update in 2023 estimated the total cost of illegal immigration – the vast majority of which results from fraudulent access to public entitlements and other taxpayer funded benefits – at \$150.7 billion annually.¹⁶ However, it is virtually impossible to calculate the massive drain on the U.S. economy attributable to the multitude of fraud crimes that immigration violators must commit daily in order to cover up their lack of lawful status, lack of work authorization, lack of eligibility for most welfare state benefits, etc.

One thing is certain, however, the costs associated with designing and implementing robust fraud deterrence programs would save taxpayers *billions* of dollars, when compared to the astronomical costs of turning a blind eye to fraud and simply tolerating it. In addition, every dollar invested in fraud prevention is a dollar spent on preserving the integrity of the systems that make America a safe and prosperous country. The cultural and societal costs of institutionalizing corruption are only too evident in places like Somalia, Nigeria, Sudan and the like.¹⁷

WE HAVE THE ABILITY TO REDUCE IMMIGRATION FRAUD AND IMMIGRATION BENEFIT FRAUD TO NEGLIGIBLE LEVELS

Immigration benefit fraud can be virtually eliminated by simply refusing to admit individuals whose applications cannot be properly vetted. Vetting is simply a fancy word for “background check.” But, the target of a background investigation must have a traceable history. In other words, he or she must have engaged in transactions that generate records. By looking at school registrations, real estate records, department of motor vehicle files, credit histories, etc., an investigator can substantiate an individual’s identity and determine whether he or she is a person of good moral character. However, that is only possible when a person being vetted comes from a society that keeps such records and is willing to share them with the United States.

Most of the foreign nationals currently entering the United States come from countries that either lack functioning record-keeping systems or refuse to share information with the United States, which means there is no reliable way to determine whether those individuals pose a threat to America’s national security or public safety. If American adjudicators are unable to verify the information contained in immigration benefit applications filed by these individuals, then we have absolutely no reliable way to determine whether they are engaged in fraud or not. And the only responsible policy to adopt is banning the entry of migrants who we cannot properly vet. Accordingly, if we wish to effectively deter immigration fraud, it is time to stop pretending that we can properly vet migrants from the developing world and acknowledge that the only way we

can protect our citizens and our way of life from foreign spies, grifters, terrorists and criminal cartels is to shut the door to them.

Immigration-related fraud is even easier to quash. Most of these criminal acts could be easily detected, thwarted, and prosecuted through the mandatory use of electronic systems like Systematic Alien Verification for Entitlements (a secure, online DHS system used by federal, state and local government agencies to verify the immigration or citizenship status of applicants for benefits, licenses, or, in some cases, voter registration)¹⁸ or E-Verify (a secure, web-based system that permits enrolled employers to confirm the eligibility of employees to work in the United States).¹⁹

But, even prior to implementing the mandatory use of such fraud deterrence systems, Congress must pass laws that prohibit (where possible) or disincentivize (where necessary) fraud facilitating practices, such as the issuance of drivers' licenses, commercial drivers' licenses, identity documents, etc. to any foreign national whose identity and background we are unable to verify. Anything less is simply government sanction of identity fraud and related crimes of deception.

CONCLUSION

Fraud rarely exists in isolation. While there is often a tendency to attribute immigration benefit fraud to individual aliens "seeking a better life" in the United States, the reality is that organized crime groups, terrorist organizations, and foreign intelligence services have long employed layered fraud models to cover up myriad illegal acts. What commences as a misrepresentation on an immigration benefit application often leads to identity theft, unlawful employment, the illicit transfer of funds, and fraudulent tax filings. Fraud crimes have ripple effects that resonate at the federal, state and local levels. And, because fraud tends to undermine trust in government and trust in one's fellow community members, it is also an effective tool that can be exploited by individuals who wish to destabilize the United States. Given that we have tolerated both immigration benefit fraud and immigration-related fraud for far too long, we now have no idea how many foreign agents of influence have fraudulently obtained entry to the United States and are actively trying to undermine our way of life from within, through the perpetration of additional acts of fraud.

¹ "New FTC Data Show a Big Jump in Reported Losses to Fraud to \$12.5 Billion in 2024," Federal Trade Commission, March 10, 2025, <https://www.ftc.gov/news-events/news/press-releases/2025/03/new-ftc-data-show-big-jump-reported-losses-fraud-125-billion-2024>.

² Annie Clinkenbeard, "The Future of Financial Fraud: The Sophistication of Common Scams," Ten Magazine, Federal Reserve Bank of Kansas City, November 21, 2025, <https://www.kansascityfed.org/ten/the-future-of-financial-fraud-the-sophistication-of-common-scams/>.

³ Ernesto Londoño, "How Fraud Swamped Minnesota's Social Services System on Tim Walz's Watch," U.S., *The New York Times*, November 29, 2025, <https://www.nytimes.com/2025/11/29/us/fraud-minnesota-somali.html>.

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- ⁴ Department of Homeland Security Office of Inspector General, *Review of the USCIS Benefit Fraud Referral Process*, OIG-08-09 (Department of Homeland Security, 2008).
- ⁵ Zineb Riboua, “Zohran Mamdani, Third-Worldism, and the Algerian Revolution,” March 29, 2025, <https://www.zinebriboua.com/p/zohran-mamdani-third-worldism-and>.
- ⁶ U.S. Citizenship and Immigration Services, *Criminality, Gangs, and Program Integrity Concerns In Special Immigrant Juvenile Petitions*, (Washington DC), July 2025.
- ⁷ Government Accountability Office, *Student and Exchange Visitor Program: DHS Needs to Assess Risks and Strengthen Oversight Functions*, GAO-12-572 (Government Accountability Office, 2012).
- ⁸ U.S. Citizenship and Immigration Services, *H-1B Benefit Fraud and Compliance Assessment* (Department of Homeland Security, 2005).
- ⁹ “Document and Benefit Fraud Task Force | ICE,” February 5, 2025, <https://www.ice.gov/about-ice/hsi/our-partners/dbftf>.
- ¹⁰ “Submit a Complaint or Concern,” U.S. Customs and Border Protection, Department of Homeland Security, accessed February 7, 2026, https://www.help.cbp.gov/s/complaints?language=en_US.
- ¹¹ Cited in Ruth Ellen Wasem, *Immigration Fraud: Policies, Investigations and Issues*, Congressional Research Service no. RL34007 (Washington, D.C., 2008).
- ¹² Cited in Wasem, *Immigration Fraud: Policies, Investigations and Issues*.
- ¹³ Stephen Yale-Loehr, *AILA Testimony on INS Reorganization*, AILA Testimony on INS Reorganization AILA Doc. No. 02050259 (American Immigration Lawyers Association, 2002), <https://www.aila.org/library/aila-testimony-on-ins-reorganization>.
- ¹⁴ “Fraud Detection and National Security Directorate | USCIS,” Department of Homeland Security, May 28, 2025, <https://www.uscis.gov/about-us/organization/directorates-and-program-offices/fraud-detection-and-national-security-directorate>.
- ¹⁵ John Roth, Department of Homeland Security Office of Inspector General, *Investigation into Employee Complaints about Management of U.S. Citizenship and Immigration Services’ EB-5 Program*, (Washington, D.C.), March 24, 2015.
- ¹⁶ Federation for American Immigration Reform, *The Fiscal Burden of Illegal Immigration on United States Taxpayers 2023* (Federation for American Immigration Reform, 2023).
- ¹⁷ “Corruption Perceptions Index 2024,” Transparency.Org, February 11, 2025, <https://www.transparency.org/en/cpi/2024>.
- ¹⁸ “SAVE | USCIS,” Department of Homeland Security, October 6, 2025, <https://www.uscis.gov/save>.
- ¹⁹ “Home | E-Verify,” Department of Homeland Security, January 14, 2026, <https://www.e-verify.gov/>.