

**OPENING STATEMENT OF
SENATOR BENJAMIN L. CARDIN
CHAIRMAN, TERRORISM AND HOMELAND
SECURITY SUBCOMMITTEE
OF THE SENATE JUDICIARY COMMITTEE
HEARING: THE PASSPORT ISSUANCE PROCESS: CLOSING
THE DOOR TO FRAUD, PART II
July 29, 2010**

I want to thank our witnesses for being here today. Before we begin, I also want to thank Senator Kyl, the Ranking Member of the Subcommittee, as well as Senator Feinstein, for their strong and continuing interest in ensuring the integrity and security of the passport issuance process.

On May 5, 2009, over 14 months ago, I chaired a Terrorism Subcommittee hearing entitled “The Passport Issuance Process: Closing the Door to Fraud.” Today we are holding Part II of that hearing.

During the hearing last year, we learned about a Government Accountability Office (GAO) undercover investigation that had been requested by Senators Kyl and Feinstein to test the effectiveness of the passport issuance process, and to determine whether malicious individuals, such as terrorists, spies or other criminals, could use counterfeit documents to obtain a genuine U.S. passport. What we learned at that time concerned me a great deal. GAO reported to the Subcommittee, and I am quoting from GAO's 2009 report, that:

“Terrorists or criminals could steal an American citizen's identity, use basic counterfeiting skills to create fraudulent documents for that identity, and obtain a genuine U.S. passport. . . . GAO conducted four tests simulating this approach and was successful in obtaining a genuine U.S. passport in each case. In all four tests, GAO used counterfeit and/or fraudulently obtained documents.”

The May 2009 GAO report went on to note that State Department and U.S. Postal employees “did not identify GAO’s documents as counterfeit,” and further noted that:

“GAO’s investigator later purchased an airline ticket under the name used on one of the four fraudulently obtained U.S. passports, and then used that passport as proof of identity to check in to his flight, get a boarding pass, and pass through the security checkpoint at a major metropolitan-area airport.”

But that 2009 GAO report was not the first report that identified problems with the passport issuance process. In 2005 and 2007, GAO brought these issues to light. As a result, GAO’s 2009 report stated, and again I am quoting from GAO’s report, that: “State [Department] officials have known about the vulnerabilities in the passport issuance process for many years, but have failed to effectively address these vulnerabilities.”

Those were very serious findings back in May of 2009 because the U.S. passport is the gold standard for identification. A U.S. passport can be used for many purposes in this country, and it gives an individual the ability to travel internationally, which is an important tool for someone who wants to do us harm, including terrorists, spies and other criminals. So the integrity and security of the passport issuance process is extremely important because it can have a profound impact on the national security of the United States.

More than 14 months have elapsed since that first GAO report, and today we will be learning about a new GAO undercover investigation that I requested, along with Senators Kyl, Feinstein, Lieberman and Collins. In this new investigation, GAO undercover investigators used fraudulent identity documents, including fake drivers' licenses and birth certificates to see if they could obtain genuine U.S. passports.

So what happened this time? Once again U.S. Postal and State Department employees failed to detect the use of fraudulent identity documents. GAO undercover investigators sought 7 passports, and most of them were approved by the State Department. Moreover, four of the passport applications that were submitted used a photograph of the same GAO undercover agent. And two passport applications that were initially approved used Social Security Numbers of deceased persons.

But it is not all bad news. There is some news that is a credit to the State Department, because the State Department detected two fraudulent passport applications before they were approved.

As the Subcommittee attempts to get to the bottom of this, we must not forget that dedicated people are working very hard to correct these problems, and they take their responsibilities seriously. But we must do better – much better!

Congress can help by giving the State Department all the tools it needs. In that regard, I am introducing, along with Senators Feinstein, and Lieberman, legislation that will help to close the door on passport fraud. Today, I am introducing the “Passport Identity Verification Act.” This legislation is a common-sense solution that will give the State Department the legal authorities that it needs to access information contained in federal, state and other databases that can be used to verify the identity of every passport applicant, and to detect passport fraud, without extending the time that the State Department takes to approve passports.

I will also be submitting for the record a letter from the National Federation of Federal Employees, which has previously made a number of recommendations to the State Department about how to improve the passport issuance process.

And from my perspective, management in the State Department needs to partner with its employees to ensure that their helpful and constructive ideas are implemented. I understand that there is pressure on passport examiners to act quickly. And I understand that the American people can become concerned when their travel plans, whether for leisure or business, are linked to their ability to obtain a passport in a timely fashion. But we have got to get this right, and it is not simply a question of process, techniques and training. We need to make sure that the agencies that are responsible for processing passport application documents are concerned about national security as well as customer service, and we need to make sure that they have the legal authorities, the resources and the technology to verify the identity of a passport applicant and to detect passport fraud.

We simply cannot issue U.S. passports in this country on the basis of fraudulent documents. There is too much at stake. We have the technology and the information to prevent such issuance.

Today, we will be hearing from Greg Kutz, Managing Director of GAO's Forensic Audits and Special Investigations Unit, and Brenda Sprague, Deputy Assistant Secretary for Passport Services, Bureau of Consular Affairs at the U.S. State Department.

Finally, I would now like to recognize the Ranking Member of this Subcommittee, Senator Kyl, who joined with me in making this latest request to GAO, for any comments he would like to make at this time.