

INTRODUCTION OF THE CRIMINAL
WELFARE PREVENTION ACT,
PART II AND THE CRIMINAL
WELFARE PREVENTION ACT,
PART III

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. HERGER. Mr. Speaker, today, I join with a bipartisan coalition of original cosponsors to re-introduce two important pieces of legislation—The Criminal Welfare Prevention Act, Part II and The Criminal Welfare Prevention Act, Part III—which will help prevent the needless waste of taxpayer dollars.

Because of the original Criminal Welfare Prevention Act—legislation I introduced during the 104th Congress which was enacted as part of welfare reform in 1996—an effective new incentive system is now in place that enables the Social Security Administration (SSA) to detect and cut off fraudulent Supplemental Security Income (SSI) and Social Security (OASDI) benefits that would otherwise be issued to prisoners. That provision established monetary incentives for state and local law enforcement authorities to enter into voluntary data-sharing contracts with SSA. Now, participating local authorities can elect to provide the Social Security numbers of their inmates to the Social Security Administration. If SSA identifies any “matches”—instances where inmates are fraudulently collecting SSI benefits—SSA now cuts off payment of as much as \$400. Participation in these data-sharing contracts is strictly voluntary; they do not involve any unfunded federal mandates. According to an estimate by SSA’s Inspector General, this initiative could help save taxpayers as much as \$3.46 billion through the year 2001.

While we should certainly be proud of this achievement Mr. Speaker, our work in this area is far from finished. During the 105th Congress, the House passed by follow-up legislation, The Criminal Welfare Prevention Act, Part II (H.R. 530), as part of The Ticket to Work and Self-Sufficiency Act (H.R. 3433). This proposal would encourage even more sheriffs to become involved in fraud-prevention by extending the \$400 incentive payments to intercepted Social Security (OASDI) checks as well. Regrettably, this proposal was not taken up by the Senate. For this reason, I am re-introducing The Criminal Welfare Prevention Act, Part II today, and will continue to push for the enactment of this important initiative.

At the same time, I will also be working to enact a somewhat broader proposal. The Criminal Welfare Prevention Act, Part III, which I first introduced during the 105th Congress as H.R. 4172. This legislation would simply require SSA to share its prisoner database with other federal departments and agencies—such as the Departments of Agriculture, Education, Labor, and Veterans’ Affairs—to help prevent the continued payment of other fraudulent benefits to prisoners. While we do not have reliable information about how many prisoners are receiving food stamps, education aid, and VA benefits for which they are ineligible, it is likely that many do. SSA’s prisoner database provides us with the perfect tool to help identify and terminate inappropriate benefits issued through other federal and federally-assisted spending programs.

While SSA already has the authority to share its prisoner database with other agencies under a provision of the original Criminal Welfare Prevention Act—and while President Clinton has issued an executive memorandum ordering the SSA to do so—I believe it is important for Congress to codify this requirement into law. Because fraud prevention has not historically been a top priority at SSA, Congress should act swiftly to ensure that we permanently stamp out inmate fraud in all its forms. After all, taxpayers already pay for inmates’ food, clothing, and shelter. It is simply outrageous that prisoners may be receiving fraudulent “bonus” checks each month as well.

Mr. Speaker, I would urge all of my colleagues—on both sides of the aisle—to cosponsor both of these important pieces of legislation. I hope that Congress will not promptly on these proposals to help remind inmates that crime isn’t supposed to pay.

THE MAILBOX PRIVACY
PROTECTION ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. PAUL. Mr. Speaker, I rise to introduce H.J. Res. 55, the Mailbox Privacy Protection Act, a joint resolution disapproving a Postal Service Regulation which tramples on the privacy of the two million Americans who rent mailboxes from Commercial Mail Receiving Agencies. Under this regulation, any American currently renting, or planning to rent, a commercial mailbox will have to provide the receiving agency with personal information, including two items of valid identification, one of which must contain a photograph of the applicant and one of which must contain a “serial number—traceable to the bearer.” Of course, in most cases that number will be today’s de facto national ID number—the Social Security number.

The receiving agency must then send the information to the Post Office, which will maintain the information in a database. Furthermore, the Post Office authorizes the Commercial Mail Receiving Agencies to collect and maintain photocopies of the forms of identification presented by the box renter. My colleagues might be interested to know that the Post Office is prohibited from doing this by the Privacy Act of 1974. I hope my colleagues are as outraged as I am by the Post Office’s mandating that their competitors do what Congress has forbidden the Post Office to do directly.

Thanks to the Post Office’s Federal Government-granted monopoly on first-class delivery service, Americans cannot receive mail without dealing with the Postal Service. Therefore, this regulation presents Americans who wish to receive mail at a Commercial Mail Receiving Agency with a choice: either provide the federal government with your name, address, photograph and social security number, or surrender the right to receive communications from one’s fellow citizens in one’s preferred manner.

This regulation, ironically, was issued at the same time the Post Office was issuing a stamp honoring Ayn Rand, one of the twentieth century’s greatest champions of liberty.

Another irony connected to this regulation is that it comes at a time when the Post Office is getting into an ever increasing number of enterprises not directly related to mail delivery. So, while the Postal Service uses its monopoly on first-class mail to compete with the private sector, it works to make life more difficult for its competitors in the field of mail delivery.

This regulation also provides the Post Office with a list of all those consumers who have opted out of the Post Office’s mailbox service. Mr. Speaker, what business in America would not leap at the chance to get a list of their competitor’s customer names, addresses, social security numbers, and photographs? The Post Office could even mail advertisements to those who use private mail boxes explaining how their privacy would not be invaded if they used a government box.

Coincidentally, this regulation will also raise the operating cost on the Post Office’s private competitors for private mailbox services. Some who have examined this bill estimate that it could impose costs as high as \$1 billion on these small businesses during the initial six-month compliance period. The long-term costs of this rule are incalculable, but could conceivably reach several billion dollars in the first few years. This may force some of these businesses into bankruptcy.

During the rule’s comment period, more than 8,000 people formally denounced the rule, while only 10 spoke generally favor of it. However, those supporting this rule will claim that the privacy of the majority of law-abiding citizens who use commercial mailboxes must be sacrificed in order to crack down on those using commercial mailboxes for criminal activities. However, I would once again remind my colleagues that the Federal role in crime, even if the crime is committed in “interstate commerce,” is a limited one. The fact that some people may use a mailbox to commit a crime does not give the Federal Government the right to treat every user of a commercial mailbox as a criminal. Moreover, my office has received a significant number of calls from battered women who use these boxes to maintain their geographic privacy.

I have introduced this joint resolution in hopes that it will be considered under the expedited procedures established in the Contract with America Advancement Act of 1996. This procedure allows Congress to overturn onerous regulations such as the subject of this bill. Mr. Speaker, the entire point of this procedure to provide Congress with a means to stop federal actions which pose an immediate threat to the rights of Americans. Thanks to these agency review provisions, Congress cannot hide and blame these actions on the bureaucracy. I challenge my colleagues to take full advantage of this process and use it to stop this outrageous rule.

In conclusion Mr. Speaker, I ask my colleagues to join me in cosponsoring the Mailbox Privacy Protection Act, which uses the Agency Review Procedures of the Contract with America Advancement Act to overturn Post Office’s regulations requiring customers of private mailboxes to give the Post Office their name, address, photographs and social security number. The Federal Government should not force any American citizen to divulge personal information as the price for receiving mail. I further call on all my colleagues to assist me in moving this bill under the expedited procure established under the Congressional Review Act.