

Service has determined that an imminent threat is posed against the life of the President of the United States, and he has to certify the same to the Secretary of the Treasury. And the Attorney General has the same kind of power in child exploitation cases. Both are Cabinet-level officials.

I offered an amendment to remove the provisions extending this type of judicial authority to the U.S. Marshals Service. Upon the failure of that amendment, I then offered an amendment to continue limiting the authority to issue administrative subpoenas to Cabinet officials to ensure that this extraordinary judicial power is used discreetly and only in circumstances where it is absolutely warranted. Those amendments were defeated; and, therefore, this bill gives more power to the Marshals Service in cases where there is no proven need for the power, more power than the Secret Service has when faced with an imminent threat to the President of the United States.

Despite serious constitutional issues and these other problems, this bill was introduced on June 29 and was marked up in committee 12 days later, on July 10, which was the very next day that Congress was in session. Clearly these provisions need more consideration. For these reasons, I urge that we defeat H.R. 6063.

I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time on this side and reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I yield such time as she may consume to the gentlelady from Florida (Ms. WASSERMAN SCHULTZ), a cosponsor of the bill.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I rise today in support of the Child Protection Act of 2012, which I am honored to cosponsor with my good friend from Texas, Chairman LAMAR SMITH. Chairman SMITH and I are proof-positive of what bipartisan working relationships can accomplish, especially because we both agree that protecting the safety and well-being of our Nation's children is our highest priority. That's why I am so pleased that this bill, which was reported favorably out of committee on voice vote, is before us today. This is an opportunity to make a real difference in the lives of children nationwide, thousands of whom are plagued by abuse, terror, and assaults that we cannot even imagine.

In 2008, I was honored to sponsor the PROTECT Our Children Act of 2008, which provides the safety net and resources the law enforcement agents who fight child sexual predators so desperately need. This commonsense bill builds on the progress that we started in PROTECT to ensure that law enforcement can combat one of the fastest-growing crimes in the United States, child pornography.

We must ensure that investigators have every available resource to track down predators and protect our chil-

dren. This bill ensures that paperwork does not stand in the way of protecting our kids.

Mr. Speaker, I have learned far too much about the world of child pornography since I first took on this cause 4 years ago. There are many aspects of it that are disturbing beyond words to describe, like the fact that in a survey of convicted offenders, more than 83 percent of them had images of children younger than 12 years old, and almost 20 percent of them had images of babies and toddlers who were less than 3 years old. And let's remember that these aren't just images of naked children. These are crime scene photographs and videos taken of children being beaten, raped, and abused beyond our worst nightmares for the sexual pleasure of the person looking at the photo or video.

Let's also remember that these are children who are often being victimized by someone in their circle of trust, someone who was supposed to protect them, and someone who, instead, chose to do them harm. These children only have the law to protect them because their protectors failed them and caused them harm.

While it's not often that we have an opportunity to pass a bill here that quite literally means the difference between life or death, this is one of those times. That's why, as a Member of Congress, I know that I, as well as Chairman SMITH and the Members of Congress here today fighting to protect the children of this country, will stand strong and continue to press forward on their behalf.

I am proud and honored to be the lead Democratic sponsor of this bill, and I am thankful to my friend Chairman SMITH for his continued leadership and support on this crucial cause.

While the chairman listed some of the organizations that are supporting this bill, I will add some others. This bill is supported by the Rape, Abuse, and Incest National Network; the National Council of Jewish Women; Men Can Stop Rape; and the Florida Council Against Sexual Violence, among the other worthy and proud organizations that Chairman SMITH listed.

We are grateful to all of these organizations for their endorsement of this bill and for their continued support for all victims of sexual assault and abuse. I urge all of my colleagues to join us in supporting this critical legislation.

Mr. SCOTT of Virginia. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield back the balance of my time as well.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 6063.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SMITH of Texas. Mr. Speaker, I object to the vote on the ground that a

quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

## STOPPING TAX OFFENDERS AND PROSECUTING IDENTITY THEFT ACT OF 2012

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4362) to provide effective criminal prosecutions for certain identity thefts, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4362

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Stopping Tax Offenders and Prosecuting Identity Theft Act of 2012" or the "STOP Identity Theft Act of 2012".

### SEC. 2. USE OF DEPARTMENT OF JUSTICE RESOURCES WITH REGARD TO TAX RETURN IDENTITY THEFT.

(a) IN GENERAL.—The Attorney General should make use of all existing resources of the Department of Justice, including any appropriate task forces, to bring more perpetrators of tax return identity theft to justice.

(b) CONSIDERATIONS TO BE TAKEN INTO ACCOUNT.—In carrying out this section, the Attorney General should take into account the following:

(1) The need to concentrate efforts in those areas of the country where the crime is most frequently reported.

(2) The need to coordinate with State and local authorities for the most efficient use of their laws and resources to prosecute and prevent the crime.

(3) The need to protect vulnerable groups, such as veterans, seniors, and minors (especially foster children) from becoming victims or otherwise used in the offense.

### SEC. 3. VICTIMS OF IDENTITY THEFT MAY INCLUDE ORGANIZATIONS.

Section 1028(d)(7) of title 18, United States Code, is amended by striking "specific individual" and inserting "specific person".

### SEC. 4. TAX FRAUD AS A PREDICATE FOR AGGRAVATED IDENTITY THEFT.

Section 1028A(c) of title 18, United States Code, is amended—

(1) in paragraph (10), by striking "or";

(2) in paragraph (11), by striking the period at the end and inserting "or"; and

(3) by adding at the end the following:

"(12) section 7206 or 7207 of the Internal Revenue Code of 1986."

### SEC. 5. REPORTING REQUIREMENT.

(a) GENERALLY.—Beginning with the first report made more than 9 months after the date of the enactment of this Act under section 1116 of title 31, United States Code, the Attorney General shall include in such report the information described in subsection (b) of this section as to progress in implementing this Act and the amendments made by this Act.

(b) CONTENTS.—The information referred to in subsection (a) is as follows:

(1) Information readily available to the Department of Justice about trends in the incidence of tax return identity theft.

(2) The effectiveness of statutory tools, including those provided by this Act, in aiding the Department of Justice in the prosecution of tax return identity theft.

(3) Recommendations on additional statutory tools that would aid in removing barriers to effective prosecution of tax return identity theft.

(4) The status on implementing the recommendations of the Department's March 2010 Audit Report 10-21 entitled "The Department of Justice's Efforts to Combat Identity Theft".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

#### GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 4362 currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

I am pleased to be an original cosponsor of H.R. 4362, the Stopping Tax Offenders and Prosecuting Identity Theft Act of 2012, with my good friend and colleague, the distinguished gentleman from Florida, DEBBIE WASSERMAN SCHULTZ. This is a bipartisan bill that strengthens criminal penalties for tax return identity thieves.

Tax fraud is a very real problem, and Congress should do all it can to protect citizens from this costly crime. Tax fraud through identity theft is a rapidly growing criminal enterprise in the United States. Criminals use stolen identities to steal income tax refunds from unsuspecting victims and from the Federal Government.

With nothing more than stolen identity information—Social Security numbers and their corresponding names and birth dates—criminals have electronically filed thousands of false tax returns and have received hundreds of millions of dollars in wrongful refunds.

The thieves deceive the Internal Revenue Service and file a return before the legitimate taxpayer files. The criminals then receive the refund, sometimes by check but often through a convenient but hard-to-trace prepaid debit card. The criminals then wait for the mail to deliver the cards and checks at abandoned addresses. According to reports in the media, postal workers have been harassed, robbed, and, in one case, murdered as they have made their rounds with their mail truck full of debit cards and master keys to mailboxes.

Tax thieves victimize innocent taxpayers in a number of ways. These

thieves will file fake returns under a false name or claim someone who is no longer living as a dependent on their own forms. Often, the fraud is not detected until an individual files a tax return that is rejected by the IRS because someone else has already falsely filed and claimed their return.

The IRS has detected 940,000 fake returns for 2010 alone, from which identity thieves would have received \$6.5 billion in refunds. And those are just the ones they caught early. It is estimated by the IRS that they missed an additional 1.5 million returns with possibly fraudulent refunds worth more than \$5.2 billion. The number of these cases has increased by approximately 300 percent every year since 2008.

H.R. 4362 is a bipartisan bill that strengthens criminal penalties for tax return identity thieves. It adds tax return fraud to the list of predicate offenses for aggravated identity theft and expands the definition of an "identity theft victim" to include businesses and charitable organizations.

H.R. 4362 also improves coordination between the Justice Department and State and local law enforcement officials in order to better protect groups that are most vulnerable to tax fraud from becoming future victims. The changes to Federal law proposed by H.R. 4362 are important to keep pace with this ever-increasing crime.

Tax identity theft costs American families and taxpayers millions of dollars each year. It also results in confusion and needless worry, as taxpayers must work to correct the ID problem created by the false filers. It is critical that we take further steps to reduce the number of people who are victimized by this crime.

Again, I want to thank Congresswoman DEBBIE WASSERMAN SCHULTZ for her great work on this issue, and I urge my colleagues to join me in support of H.R. 4362.

I reserve the balance of my time.

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Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume. I rise in opposition to H.R. 4362. It amends the Federal aggravated identity theft statute to add tax fraud to the list of predicate offenses. The penalty for aggravated identity theft is a mandatory term of imprisonment of 2 years or, for a terrorism offense, 5 years. This bill would, therefore, subject more people to mandatory minimum sentences and, therefore, to all of the problems that have been repeatedly shown to be associated with mandatory minimum sentences.

Fraud and identity theft are a serious and growing problem. But what we do to address the problems of fraud and identity theft should be measured and effective. While I appreciate the sentiments and efforts behind H.R. 4362, I cannot support an effort that seeks to stop one injustice by applying another. Because of the mandatory minimum sentences included in H.R. 4362, this

bill is not an appropriate or effective solution to the problem of identity theft.

I'm not saying someone who commits these crimes should not be sentenced to 2 or 5 years, or even more. But it is inappropriate and unjust for Congress to sentence an offender based solely on the name of the crime, years before any of the facts or circumstances of the case, or their role in the particular case and the character of the defendant, are known and taken into account.

Mandatory minimum sentences have been studied extensively, and have been found to distort rational sentencing systems, to discriminate against minorities, to waste the taxpayers' money, and often to violate common sense. Even if everyone involved in the case, from the arresting officer, the prosecutor, the judge, and even the victim, after all of the facts and circumstances of the case are presented at trial by the prosecution and defense, if they all conclude that the mandatory minimum sentence would be an unjust sentence for a particular defendant in a particular case, it must still be imposed. Mandatory minimum sentences, based merely on the name of the crime, remove the sentencing discretion and rationality from the judge, and often require him to impose sentences that violate common sense. This is what brings about the result such as girlfriends who end up with much more time than their crack-dealing boyfriends, and often have to serve terms of 10–20 years or more, teenagers having consensual sex with their girlfriends getting 10 years, or a recent case of Marissa Alexander in Florida, a mother of three and a graduate student, who was sentenced to a mandatory minimum of 20 years for discharging a gun to warn off an abusive husband during a dispute. A warning shot. Ironically, if she had intentionally shot and killed him under those circumstances, the maximum penalty for voluntary manslaughter in that State is 15 years. If you want to know how those mandatory minimums pass, just watch this bill.

I offered an amendment at the committee markup of the bill which would have provided a maximum sentence of 4 years and 10 years instead of the 2 or 5, respectively. That way, offenders whose conduct warranted it could be sentenced to higher amounts of time, if it was appropriate, but for those whose conduct did not, such as bit players and those who play a minor role in a minor offense, the judge could arrive at a proper sentence. It is the height of legislative arrogance, in my view, for Congress to conclude that it has a better perspective to arrive at an appropriate sentence in advance, knowing nothing about the facts and circumstances of the case, than a judge charged with that responsibility who has heard all of the facts and circumstances of the case.

In addition, Mr. Speaker, the Department of Justice has recently expressed

concerns with the bill which indicate that we should have had a legislative hearing on the bill to hear from stakeholders and those who have concerns about the legislation. Even though I support the intent of the sponsors to do more to address identity theft, for the reasons stated, the 2 and 5 year mandatory minimum sentences make this bill indefensible, and I cannot support it.

I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I continue to reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I yield such time as she may consume to the gentlelady from Florida (Ms. WASSERMAN SCHULTZ), the sponsor of the legislation.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I rise today to urge my colleagues to support H.R. 4362, the Stopping Tax Offenders and Prosecuting Identity Theft Act of 2012, or simply the STOP Identity Theft Act.

Many of you have seen the recent headlines calling attention to the escalating nationwide epidemic of tax return identity theft. An unsuspecting taxpayer goes to file their tax return only to be told by the Internal Revenue Service that someone else has already filed and claimed their hard-earned tax refund.

This happened to one of my constituents, Joan Rubenstein, who was a 64-year-old teacher. When her accountant filed her 2010 tax return in April of last year, he was told by the IRS that she had already filed. Joan followed advice and filed a police report and reached out to the IRS. But after 10 months, she still had not received her refund. Only after working with my district office were we able secure her refund, which she desperately needed to assist her daughter with her student loan payments.

For her 2011 tax return, Joan was informed by the IRS taxpayer advocates office that she was okay to proceed with filing her return this year. Yet, shockingly, Joan's accountant filed only to learn that she was once again a victim of tax return identity theft for a second year in a row.

No one should have to go through the trauma of having their hard-earned tax refund stolen, and certainly not 2 years in a row. And Joan is not alone. This case, unfortunately, is not an anomaly. My office has been inundated with constituents who have also had their tax refunds stolen, and I know this is a rampant problem in Chairman SMITH's district, and his home State of Texas as well. The amount of theft that goes on with this type of case is really astronomical.

It's stories like Joan's that prompted me to file this legislation that is before us on the floor today. The crime of tax return identity theft has quickly emerged over the last few years, and Congress must act to quickly address this epidemic. Tax return identity theft wreaks emotional and financial havoc on hardworking taxpayers like

Joan and costs the Federal Government billions of dollars.

In 2011 alone, Mr. Speaker, the IRS reported that—listen to these numbers—851,602 tax returns and \$5.8 billion were associated with fraudulent tax returns involving identity theft. That's a 280 percent increase since just 2010.

These tax return identity thieves hide behind a veil of technology by stealing Social Security numbers and filing false electronic returns where the payoffs are almost instantaneous. Right now, more thieves and criminal organizations are turning to this lucrative, low-risk, high-reward crime because law enforcement lacks the kind of stiff criminal penalties afforded many other forms of identity theft. Essentially, because of the small likelihood of getting caught, and the very minimal current penalty, it makes sense for these thieves to roll the dice because the chances of getting caught and actually doing any time at all is very low.

In this instance, technology has simply outstripped the enforcement tools that are currently on the books. Basically, this crime is worth it for the criminals who are committing it, and we need to make sure that it is not worth it any more so they don't have incentive to continue and they move on to the next thing, and then we can go after them for that.

We must protect the thousands of taxpayers like Joan who fall victim to this crime, many of whom belong to vulnerable groups like seniors, veterans, and even minors. The STOP Identity Theft Act brings together several measures to strengthen criminal penalties and increase the prosecution rate of tax return identity thieves.

H.R. 4362 will add tax return fraud to the list of predicate offenses for aggravated identity theft. The aggravated identity theft statute was created in 2004 to fight identity theft crimes committed to facilitate other types of felonies. However, at the time, the problem of tax return identity theft was very new, and it wasn't included as part of the predicate offenses under aggravated identity theft.

Today, it has become an urgent nationwide problem, and we must give law enforcement the additional tools needed to combat this crime. Each of the last two administrations have called for adding tax fraud to the predicate offenses under aggravated identity theft. With this change, the STOP Identity Theft Act will toughen sentencing for tax return identity thieves, which will help deter this kind of crime.

Importantly, the legislation also expands the definition of an identity theft victim to include businesses and charitable organizations. Often these organizations have their identities stolen and used in phishing schemes to extract the sensitive information from unsuspecting taxpayers used in tax return thefts. Essentially what happens, and we've all been warned about this,

you get an email from what you think is your bank or the charitable organization that you are used to giving donations to, but it's really not because these thieves have stolen that organization's identity, and they are asking for your personal information, and unsuspecting victims give them that information.

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By the way, you should never do that because your bank and charitable organization won't ask you for personal information.

These thieves then use the harvested information to file thousands of fraudulent tax returns. In fact, on the IRS Web site, it is noted that this type of phishing scheme is the most common one seen by the IRS. This amendment to the identity theft statutes will ensure that thieves who misappropriate the identities of any business, be it a small business or a nonprofit organization, can be prosecuted.

The STOP Identity Theft Act also calls for better coordination between the Department of Justice and State and local law enforcement to make the most efficient use of the law and resources. My own local law enforcement agencies in south Florida have been flooded with crime reports of tax return identity theft, and they need all the help they can get.

Finally, the legislation also calls for the Department of Justice to report back on trends, progress on prosecuting tax return identity theft, and recommendations for additional legal tools to combat it. Information and data about trends on tax return identity theft can be valuable tools to detect and prevent future fraud, and it will inform Congress of additional legislative actions that will help in the effort.

This legislation is just the strong beginning of the congressional effort to combat tax return identity theft. I know this issue is deeply concerning to many of my colleagues, and I look forward to working with them in their efforts.

This legislation is intended to provide targeted tools for law enforcement right away so that it is better prepared before next tax season rolls around and we have more victims who are really going to have months and months of problems and billions of dollars lost.

I want to thank Chairman SMITH for your support and your leadership on this issue. It really is a pleasure to work with you. And as to the various organizations that have supported and helped craft this legislation, in particular I would like to recognize the National Conference of CPA Practitioners and the American Coalition for Taxpayers Rights for their support and efforts with this bill.

We must ensure that Federal laws are keeping pace with emerging crimes such as tax return identity theft. It is time to make prosecution of tax return identity theft a greater priority. The

STOP Identity Theft Act is an important step toward this goal, and I urge my colleagues to support this legislation.

Once again, I thank Chairman SMITH for working with me on this legislation.

Mr. SCOTT of Virginia. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Texas. I yield back the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I rise in support of H.R. 4362, the Stopping Tax Offenders and Prosecuting Identity Theft Act of 2012.

Tax-related identity theft is a wide-spread problem that must be addressed. The Internal Revenue Service (IRS) has reported that 641,052 taxpayers were affected by identity theft last year, more than double the number from 2010. This year, all indications point to an even greater number of incidents of tax-related identity theft. In April, the IRS had already blocked more than \$1.3 billion in potentially fraudulent tax refunds.

While many taxpayers throughout the country have fallen victim to identity theft, the Tampa Bay area that I have the privilege to represent has unfortunately become a hotbed for this criminal activity. Local police have arrested street criminals with hundreds of Social Security Numbers, online tax preparation software, and prepaid debit cards containing tax refunds. Thieves are selling innocent people's identities for as little as \$10 per Social Security Number.

After these criminals have stolen an identity, they file a false tax return using the victim's name and information. The IRS will send the criminal a refund on a prepaid debit card that is virtually untraceable. The IRS says that these fraudulent refunds could cost the taxpayers \$26 billion over the next five years.

When the victim attempts to file his legal tax return, the IRS flags the account as having already received a refund and then begins an investigation to determine which return was actually filed by the valid taxpayer. Unfortunately, this process can take more than a year to complete and the victims are given no indication when they will receive their refund check. So now, not only has the victim's identity been stolen, the IRS will not give him the money that he or she is rightfully owed.

H.R. 4362 is good legislation in that it calls on the Department of Justice to do more to prosecute tax-related identity theft and strengthens criminal penalties on the thieves. However, I believe there is much more that can be done to combat this growing problem.

It is clear that the IRS needs to do a better job addressing this crime. There are steps that the IRS can and should take to prevent identity theft before it sends out fraudulent refunds. The IRS needs to do much better assisting the victims in getting their proper refunds. In May, the Treasury Inspector General for Tax Administration released a report titled, "Most Taxpayers Whose Identities Have Been Stolen to Commit Refund Fraud Do Not Receive Quality Customer Service." More than 40 of my constituents have contacted me to express their personal experiences with tax-related identity theft and frustrations in getting the refunds they are owed from the IRS.

In April, I wrote to IRS Commissioner Douglas Shulman, to call on him to address the growing problem of identity theft. I asked the

Commissioner to respond to me about the actions the IRS has taken to combat fraud, how the IRS can better utilize its resources to deal with identity theft, how we can ensure that victims receive their proper refunds in a timely manner, and how the IRS can better collaborate with law enforcement to identify and prosecute identity thieves. Despite the public's increasing concerns regarding this important issue, it took the IRS until the end of June to respond to my original inquiry. I would like to insert into the RECORD my letter to Commissioner Shulman as well as the response from the IRS.

The House Appropriations Committee, of which I am a senior member, has also indicated its strong concerns regarding the IRS's efforts to combat identity theft in the Fiscal Year 2013 Financial Services and General Government Appropriations bill. Section 103 of the legislation would require the IRS to "institute policies and procedures that will safeguard the confidentiality of taxpayer information and protect taxpayers against identity theft." Additionally, the Committee Report directs the IRS to report to the Congress regarding the number of cases of tax-related identity theft, the time it takes to resolve cases, and the agency's efforts to expedite resolution for these taxpayers.

The Stopping Tax Offenders and Prosecuting Identity Theft Act is a good start for addressing tax-related identity theft. But it is only a start. As our national debt approaches \$16 trillion, we cannot afford to send out billions in fraudulent refunds to criminals. At the same time, the victims of this crime should not have to wait more than a year to receive the money that is owed to them. There is much the IRS can do on its own to address these issues. However, if more legislative changes are needed, I stand ready to work with my colleagues in the House to combat this problem.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, April 12, 2012.

Hon. DOUGLAS H. SHULMAN,  
Commissioner, Internal Revenue Service, 1111  
Constitution Avenue NW, Washington, DC.

DEAR COMMISSIONER SHULMAN: As the deadline for individuals to file their tax returns approaches, I would like to take this opportunity to call on the IRS to address the issue of tax fraud by identity theft.

As you are well aware, this crime has been particularly prevalent in the Tampa Bay region that I have the privilege to represent. Several of my constituents have been victims of identity theft and I thank you and your staff for your efforts to help resolve their cases.

Tax season is stressful enough without the threat of identity theft. The taxpayers we work for should not have to worry that their identity has been stolen while they are complying with the law and simply filing their tax returns.

Victims of identity theft can also experience significant delays in receiving their refunds, depriving them of money that many were counting on to help in these difficult economic times. Often, these innocent citizens are left with no idea of when they will be able to get the refund that is rightly theirs.

At a time when the federal government is again projected to run a deficit of more than \$1 trillion, we should not be paying out fraudulent tax refunds to identity thieves. The IRS should do everything in its power to prevent this crime and quickly assist victims. If the IRS requires additional statu-

tory authority to take these steps, I would urge you to work with the Congress to find appropriate solutions.

To this end, I ask that you to respond to the following questions:

1. What actions has the IRS taken in this tax filing season to address the growing number of tax-related identity theft cases?

2. How can the IRS better focus its resources to deal with identity theft and assist victims?

3. What steps has the IRS taken to ensure the timely issuance of refunds to victims of identity theft?

4. How can the IRS better work with federal, state, and local law enforcement agencies to identify, investigate, and prosecute identity thieves while protecting the privacy of victims?

Again, thank you for your work to help the victims of tax-related identity theft and your prompt reply to these questions. With best wishes and personal regards, I am,

Very truly yours,  
C.W. BILL YOUNG,  
Member of Congress.

DEPARTMENT OF THE TREASURY,  
INTERNAL REVENUE SERVICE,  
Atlanta, GA, June 28, 2012.

Hon. C.W. BILL YOUNG,  
House of Representatives, Washington, DC.

DEAR MR. YOUNG: Thank you for your letter of April 12, 2012, on our policy and processes for identity theft. We appreciate your concern as this is an ongoing problem in the country and continues to worsen. We understand and sympathize with your constituents who have experienced identity theft problems.

Identity theft is a complex problem. The nature of the problem is constantly changing, as identity thieves continue to find new ways to steal personal information. Over the past few years, we have seen a significant increase in refund fraud schemes that involve identity theft. As a result, we have developed a comprehensive identity theft strategy that focuses on preventing, detecting, and resolving these cases.

What actions has the IRS taken in this tax filing season to address the growing number of tax-related identity theft cases?

We have taken a number of additional steps this tax filing season to prevent identity theft and detect refund fraud before it occurs. We designed new identity theft screening filters that improved our ability to identify false returns before we processed them and issued a refund. We also placed more identity theft indicators on taxpayer accounts to track and manage identity theft incidents.

How can the IRS better focus its resources to deal with identity theft and assist victims?

We continue to assess our needs and resources, and, as a result, we are currently undergoing training an additional 1,200 employees to assist with the processing of identity theft cases. We will train these employees to assist identity theft victims.

What steps has the IRS taken to ensure the timely issuance of refunds to victims of identity theft?

In identity theft situations, our employees work to resolve all the issues affecting both the taxpayer and the IRS. When we receive a fraudulent tax return, we conduct an in-depth review to identify the "valid" taxpayer, verify the amounts claimed on the tax return, and complete all tax account adjustments. Unfortunately, this process can be time consuming.

Once we verify the taxpayer is a victim of tax-related identity theft, we place an identity theft indicator on his or her account. This indicator triggers a review of any tax

return submitted with the taxpayer's social security number to confirm the validity of the return. We continue working to correct the taxpayer's account until we complete the correction.

How can the IRS better work with federal, state, and local law enforcement agencies to identify, investigate, and prosecute identity thieves while protecting the privacy of victims?

Recently, we, with the Justice Department, announced the results of a nationwide investigation of suspected identity theft perpetrators. Working with the Justice Department's Tax Division and local U.S. Attorneys' Offices, the nationwide effort targeted 105 people in 23 states. This coast-to-coast effort included indictments, arrests, and the execution of search warrants involving the potential theft of thousands of identities and taxpayer refunds. In all, the resulting indictments included 939 criminal charges.

Local law enforcement and other federal agencies play a critical role in combating identity theft. Thus, an important part of our effort to stop identity thieves involves collaborating with law enforcement agencies. Although the rules for protecting taxpayer privacy often make it difficult for us to share information that local law enforcement might find helpful, we are developing a procedure that would enable us to share falsified returns with local law enforcement after obtaining a privacy waiver from the innocent taxpayer. Also, proposed legislation H.R. 3482 (the Tax Crimes and Identity Theft Prevention Act) would expand section 6103 of the U.S. tax code to allow limited disclosure of returns and return information to law enforcement for the purpose of combating tax crimes.

We share your concerns about identity theft. We will continue to review our processes to ensure that we are doing everything possible to minimize the affect of identity theft to taxpayers and help those who are victims of this crime.

I hope this information is helpful. If you need further assistance, please call me at (559) 454-6004 or Mr. James Denning (Identification Number 1000160482) at (559) 454-6691 if we can assist you further.

Sincerely,

ROSALIND C. KOCHMANSKI,  
Field Director, Accounts Management.

The SPEAKER pro tempore (Mr. MEEHAN). The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4362.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SMITH of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

#### EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM REAUTHORIZATION ACT OF 2012

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the

bill (H.R. 6062) to reauthorize the Edward Byrne Memorial Justice Assistance Grant Program through fiscal year 2017.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6062

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Edward Byrne Memorial Justice Assistance Grant Program Reauthorization Act of 2012".

#### SEC. 2. REAUTHORIZATION OF BYRNE JAG GRANTS.

Section 508 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3758) is amended by inserting before the period the following: ", and \$800,000,000 for each of the fiscal years 2013 through 2017".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

#### GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 6062 currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my Judiciary Committee colleague Mr. MARINO for his leadership on this law enforcement priority.

The Edward Byrne Memorial Justice Assistance Grant Program is the centerpiece of the federal government's assistance for state and local criminal justice initiatives. It was created in 2005 when two existing federal grant programs were combined.

Byrne JAG is a streamlined block grant program that empowers states and localities to address specific law enforcement challenges.

Byrne JAG funding is distributed by the Justice Department based on a formula that considers the jurisdictions' population and crime rates.

Some of the money is kept at the state level but much of it is distributed to localities.

Jurisdictions can tailor their spending based on their own communities' needs. These include prosecution and court programs, drug treatment programs and crime victims programs.

In my district, Byrne JAG funds have been used by the City of Austin to hire additional 911-call operators, purchase protective gear for law enforcement officers and provide training on forensics technology. These are all important public safety initiatives that were prioritized by local leaders.

Byrne JAG is currently authorized at \$1.1 billion per year, although this authorization is set to expire at the end of September when the current fiscal year ends.

In fiscal year 2012, Congress appropriated \$470 million for the Byrne JAG program, al-

though \$100 million of this money was a one-time set aside for this year's presidential nomination conventions.

H.R. 6062 reauthorizes the Byrne JAG program for five years at \$800 million a year.

H.R. 6062 enjoys bipartisan support and is widely supported by the law enforcement community.

I thank my Judiciary Committee colleague, Mr. MARINO, for his work on this issue and I urge my colleagues to support the bill.

I would like to yield as much time as he may consume to the gentleman from Pennsylvania (Mr. MARINO), who is a member of the Judiciary Committee and the sponsor of this legislation.

Mr. MARINO. Mr. Speaker, Chairman SMITH, I rise today in strong support of legislation I introduced, H.R. 6062, the Edward Byrne Memorial Justice Assistance Grant Program Reauthorization Act of 2012.

The Edward Byrne Memorial JAG Program is the primary provider of Federal criminal justice funding to State and local jurisdictions, and it has been referred to as the "cornerstone Federal crime-fighting program."

The JAG program provides State and local governments with critically needed resources to support a wide range of law enforcement activities, including prosecution, prevention, education, planning, corrections, treatment, evaluation, and technology.

As a former district attorney and United States attorney, I understand the tremendous value of JAG-funded projects in fighting crime by improving the processes, procedures, and operations of criminal justice systems.

My legislation being considered today reauthorizes the JAG program for 5 years—I repeat, for 5 years—through fiscal year 2017.

This legislation is supported by the National Criminal Justice Association, the International Association of Chiefs of Police, the Major Cities Chiefs Association, the National Sheriffs' Association, the National District Attorneys Association, and many more law enforcement organizations.

H.R. 6062 enjoys bipartisan support, including Chairman SMITH and Ranking Member CONYERS of the House Judiciary Committee, who are cosponsors. The legislation was considered by the House Judiciary Committee and approved by a voice vote on July 18.

I would like to thank the chairman and the committee for their help in ensuring that the authorization for this critical program does not lapse. I urge all of my colleagues to join in the support of our State and local law enforcement agencies by voting in favor of H.R. 6062.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6062, the Edward Byrne Memorial Justice Assistance Grant Program Reauthorization Act of 2012.

The Federal justice grants reauthorized under this legislation provide critical funding to State and local jurisdictions in their efforts to combat crime.