



SAVE Inquiries Made Pursuant to Mandates in Federal Law

April 24, 2023

Fiscal Year 2023 Report to Congress



**Homeland
Security**

U.S. Citizenship and Immigration Services

Message from the Director

April 24, 2023

I am pleased to submit the following report, “SAVE Inquiries Made Pursuant to Mandates in Federal Law,” which has been prepared by U.S. Citizenship and Immigration Services (USCIS).

This report has been compiled pursuant to direction in House Report 117-396, which accompanies the Fiscal Year 2023 Department of Homeland Security Appropriations Act (P.L. 117-328).

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable Dave Joyce
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Henry Cuellar
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable Chris Murphy
Chair, Senate Appropriations Subcommittee on Homeland Security

The Honorable Katie Britt
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

If you have any questions, please do not hesitate to contact the USCIS Office of Legislative Affairs at (240) 721-3801.

Sincerely,



Ur M. Jaddou
Director
U.S. Citizenship and Immigration Services





SAVE Inquiries Made Pursuant to Mandates in Federal Law

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I. Legislative Language

This report responds to the direction set forth in House Report 117-396 accompanying the Fiscal Year (FY) 2023 Department of Homeland Security (DHS) Appropriations Act (P.L. 117-328), which states:

Systematic Alien Verification for Entitlements (SAVE) Program.—Not later than 120 days after the date of enactment of this Act, USCIS shall provide a report to the Committee that includes calculations for the prior three fiscal years of the percentage of all SAVE inquiries from user agencies made pursuant to mandates in federal law and the percentage related to benefits for which federal law does not require immigration status verification. In addition, the report shall provide an overview of the funding profile for the program, to include total operational costs, the program’s reimbursement model, and the extent to which program costs are not fully recovered by user fees. The Committee expects that this program will not rely on fees paid by applicants and petitioners for immigration benefits; accordingly, the report shall also include any plans to achieve full-cost recovery.

II. Background

SAVE provides a web-based service that registered federal, state, local, territorial, and tribal agencies use to verify the immigration status of applicants for public benefits, licenses, and other purposes authorized by law (hereinafter “benefits”).¹ SAVE also allows user agencies to verify the U.S. citizenship of naturalized citizens and in some cases, derived citizens.² SAVE only verifies the applicant’s citizenship or immigration status information and does not determine benefit eligibility.

In 1986, the Immigration Reform and Control Act (IRCA) (P.L. 99-603, 100 Stat. 3359 (Nov. 6, 1986)), instituted requirements for large entitlement programs to determine citizenship or immigration status for certain benefits, including: temporary assistance to needy families, Medicaid, food stamps, unemployment compensation, educational assistance, and certain housing assistance programs. IRCA further authorized the Attorney General to establish a system for electronic verification of citizenship and immigration status and, in 1987, SAVE, which previously had existed as a pilot program, began providing verification services for those benefits.

Nearly a decade later, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ((PRWORA) (P.L. 104-193, 110 Stat. 2105 (Aug. 22, 1996)):

- Expanded SAVE use by instituting citizenship and immigration status verification requirements related to eligibility for additional federal public benefits; and
- Restricted noncitizen eligibility for many benefits to “qualified” noncitizens (a subset of lawfully present noncitizens).

PRWORA also permitted citizenship and immigration status verification by state agencies that grant benefits and licenses.

In the same year, Congress also enacted, and the President signed into law, the Illegal Immigration Reform and Immigrant Responsibility Act (P.L. 104-208, 110 Stat. 3009-546 (Sept. 30, 1996)), which requires U.S. Citizenship and Immigration Services (USCIS) to respond to inquiries from federal, state, and local benefit-issuing agencies seeking to verify or determine, for any lawful purpose, the citizenship or immigration status of any individual within their jurisdictions. SAVE is the mechanism that USCIS generally uses for this purpose.

The Real ID Act of 2005 (P.L. 109-13, 119 Stat. 231, 302 (May 11, 2005)), expanded state use of SAVE by establishing minimum eligibility standards for state-issued driver’s licenses and

¹ The Federal Aviation Administration Extension, Safety and Security Act of 2016 (P.L. 114-190, 130 Stat. 615 (July 15, 2016)), also directs the Secretary of Homeland Security to authorize airport operators to have direct access to SAVE to determine the eligibility of individuals seeking unescorted access to any security identification display area of an airport. Some airport operators are private nongovernmental entities.

² This is provided that the derived citizen has applied for and has received a Certificate of Citizenship from USCIS or its predecessor, the Immigration and Naturalization Service.

identification (ID) cards to be acceptable for federal purposes, such as boarding federally regulated commercial aircraft or entering federal facilities. As part of these standards, DHS regulations require states to use SAVE to verify the immigration status of non-U.S. citizen applicants for REAL ID cards, and permit states to use SAVE to verify certain naturalized and derived U.S. citizen applicants for REAL ID cards.

The Patient Protection and Affordable Care Act (ACA) of 2010 (P.L. 111-148, 124 Stat. 119 (March 23, 2010)), is the most recent significant SAVE expansion. ACA established federal and state health insurance marketplaces, also known as exchanges, through which eligible U.S. citizens and noncitizens “lawfully present in the United States” can apply for ACA, Medicaid, and/or Children’s Health Insurance Program health insurance plans. Health insurance marketplaces and state health care exchanges are required to use SAVE to verify the immigration status and naturalized or derived citizenship of certain applicants for qualified health benefits and subsidies offered through the federal and state health insurance exchanges.

USCIS estimates that about 88.2 percent of FY 2022 SAVE user agency inquiries were made pursuant to mandates in federal law.³ The following chart provides examples of user agencies and benefits for which there is a federal mandate to use SAVE to verify immigration status:

User Agencies	Benefits
Social Security Administration	Social Security Numbers Supplemental Security Income
U.S. Department of Education	Title IV Educational Assistance Programs
U.S. Department of Housing and Urban Development U.S. Department of Agriculture, Rural Housing Service	Certain Federally Funded Housing Programs
U.S. Health and Human Services, Centers for Medicare and Medicaid Services State Health Care Agencies	ACA Health Care Plans Medicaid Children’s Health Insurance Program
State Social Services Agencies	Temporary Assistance for Needy Families Supplemental Nutrition Assistance Program
State Unemployment Compensation Agencies	Federally Funded Unemployment Compensation
State Departments of Motor Vehicles	REAL ID Driver’s Licenses and ID Cards
Defense Counterintelligence and Security Agency	Federal Background Investigations for Security Clearance/Suitability Determinations
Transportation Security Administration	Access to Restricted Areas in Federally Regulated Airports

³ Program registration and verification requests from agencies that *opt* to use SAVE to verify immigration status, rather than being mandated, have remained consistently low over time. For example, local Florida agencies that administer the Florida homestead exemption use SAVE to determine whether the applicant has a temporary visa only, but the use of SAVE is their choice rather than a federal legal or policy requirement. SAVE requires all user agencies, regardless of whether or not they are mandated to use SAVE, to complete a memorandum of agreement or other written agreement with SAVE prior to receiving access to SAVE.

When a user agency submits an initial verification inquiry to SAVE, SAVE electronically checks a range of DHS and DHS-accessed federal immigration databases and returns citizenship or immigration information within seconds in more than 87 percent of cases. For less than 13 percent of initial verification inquiries, SAVE is unable to return a response electronically and provides an Institute Additional Verification (IAV) response to prompt a secondary verification process.

A user agency can submit an additional verification inquiry if it receives an IAV response, suspects fraud, or needs additional information beyond the citizenship or immigration status information that SAVE provides in its initial verification response. A user agency also can submit an additional verification inquiry if the agency or applicant disagrees with the SAVE initial verification response. After a user agency submits an additional verification inquiry, SAVE personnel manually review the case and provide a response.

III. Data Report

Inquiries Made Pursuant to Mandates in Federal Law

SAVE user agencies submitted 18,914,862 inquiries in FY 2022, 17,889,058 inquiries in FY 2021, and 20,321,479 inquiries in FY 2020.⁴ USCIS estimates that the following percentages of inquiries were made pursuant to mandates in federal law, versus not federally mandated:⁵

- FY 2022 – 88.2 percent federally mandated, 11.8 percent not federally mandated
- FY 2021 – 88.2 percent federally mandated, 11.8 percent not federally mandated
- FY 2020 – 92.5 percent federally mandated, 7.5 percent not federally mandated

For the purposes of these estimates, USCIS considered an inquiry to be federally mandated if it was required by federal statute, regulation, or agency policy.⁶ For cases in which a user agency made a SAVE inquiry for multiple benefits, USCIS counted the inquiry as federally mandated if at least one of the benefits was due to a federal mandate.

Program Cost Recoupment

SAVE currently collects a transaction charge of \$0.50 for each initial verification inquiry and an additional \$0.50 when an agency submits an additional verification inquiry. USCIS estimates the per-inquiry overall cost and the amount not recouped through SAVE transaction charges as follows:

- FY 2022 – \$2.21 cost per inquiry, \$1.71 (77.4 percent) not recouped through SAVE transaction charge;
- FY 2021 – \$1.93 cost per inquiry, \$1.43 (74.1 percent) not recouped through SAVE transaction charge; and
- FY 2020 – \$1.62 cost per inquiry, \$1.12 (69.1 percent) not recouped through SAVE transaction charge.

⁴ The decreased inquiry volume for FY 2021, and to a lesser degree FY 2022, may have been a result of the Coronavirus Disease 2019 pandemic, for which many user agencies limited their in-person services and sometimes extended the validity period for existing benefits (e.g., some states extended driver's license validity).

⁵ Program registration and verification requests from agencies that opt to use SAVE to verify immigration status, rather than being mandated, have remained consistently low over time.

⁶ The main situations for which using SAVE is mandated by federal regulation or agency policy, rather than by federal statute, are verifying immigration status information for: (1) federal security clearance applications, or (2) individuals who apply for access to sensitive locations or items (e.g., airport restricted areas, commercial nuclear licenses, and hazardous materials certification). These federal regulatory and agency policy mandates are longstanding, and the percentage of SAVE inquiries submitted because of them was about 2.7 percent in FY 2020, approximately 3.2 percent in FY 2021, and approximately 3.4 percent in FY 2022.

USCIS estimates SAVE operational costs and the amount and percentage not recouped through SAVE transaction charges as follows:

- FY 2022 – \$41,666,583 operational cost, \$32.40 million (77.8 percent) not recouped through SAVE transaction charge;
- FY 2021 – \$34,504,406 operational cost, \$25.56 million (74.1 percent) not recouped through SAVE transaction charge; and
- FY 2020 – \$32,865,216 operational cost, \$22.77 million (69.3 percent) not recouped through SAVE transaction charge.⁷

These shortfalls are due primarily to case volume, case complexity, and overall cost increases since SAVE transaction charges last were increased in 2008. For example, in FY 2012, SAVE query volume was only 12.2 million cases, but USCIS expects it to reach or exceed its pre-pandemic high of more than 20 million in FY 2023. Other cost drivers include:

- System upgrades, security, and maintenance costs;
- Standard annual increases built into federal employee pay and contracts;
- New requirements related to immigration and federal benefit policy changes;
- Migration to new data sources and improved data matching capabilities;
- Providing additional case information to SAVE customers, such as immigration status grant date and employment authorization document history, in many SAVE responses; and
- Updated costs reflecting SAVE’s footprint for shared services (e.g., information technology infrastructure, facilities, and personnel).

⁷ The overall operational cost and percentage not recouped through SAVE transaction charges can be slightly different than the percentage recouped per query because of factors such as the time that it takes to collect user fees sometimes crossing into the next fiscal year.

Plan To Achieve Full-Cost Recovery⁸

SAVE plans to achieve full cost recovery by FY 2028. SAVE announced an upcoming increase in its transaction charges on August 5, 2022, from \$0.50 for each initial verification request and \$0.50 for each additional verification request, to \$3.10 for each verification case, regardless of additional verification requests. The increase will be phased in over three fiscal years for federal user agencies and five fiscal years for nonfederal user agencies, starting October 1, 2023, at the beginning of FY 2024. SAVE is providing a 5-year phase-in period for nonfederal agencies since many have smaller budgets and longer budget cycles than federal agencies. During the phase-in period, USCIS will recoup more SAVE program costs incrementally, ultimately reaching full recoupment in FY 2028.

Fiscal Year	Federal Agency User Fee	Nonfederal Agency User Fee	Federal Agency User Fee Revenue (\$ in 000s)	Nonfederal Agency User Fee Revenue (\$ in 000s)	USCIS IEFA and Premium Processing Fee Funding (\$ in 000s)
FY 2023	\$0.50	\$0.50	\$3,850	\$5,100	\$34,510
FY 2024	\$1.50	\$1.00	\$10,670	\$9,430	\$31,100
FY 2025	\$2.25	\$1.50	\$16,010	\$14,150	\$21,050
FY 2026	\$3.10	\$2.00	\$22,050	\$18,860	\$10,290
FY 2027	\$3.10	\$2.50	\$22,050	\$23,580	\$5,570
FY 2028	\$3.10	\$3.10	\$22,050	\$29,230	\$88 Surplus

⁸ The numbers in this section are projected estimates and are subject to change and refinement as USCIS implements the plan.

Appendix: Abbreviations

Abbreviation	Definition
ACA	Patient Protection and Affordable Care Act
Benefits	Public benefits, licenses, and other purposes authorized by law
DHS	Department of Homeland Security
FY	Fiscal Year
IAV	Institute Additional Verification
ID	Identification
IRCA	Immigration Reform and Control Act
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
SAVE	Systematic Alien Verification for Entitlements
USCIS	U.S. Citizenship and Immigration Services