

UNDERSTANDING **ALL** THE FACTS ABOUT A POTENTIAL U.S.-MEXICO TOTALIZATION AGREEMENT

Dear Colleague:

As you know, the totalization agreement that was signed by the Commissioner of the U.S. Social Security Administration and her Mexican counterpart on June 29 has generated quite a bit of discussion this week and is the subject of an amendment to be offered this afternoon by my friend Mr. Hayworth of Arizona. The Chairman and Ranking Member of the Social Security Subcommittee of Ways and Means correctly pointed out this morning that there is a great deal of confusion about the U.S.-Mexico Totalization Agreement.

To build on the points they highlighted:

- The U.S.-Mexico Agreement contains the same provisions as the totalization agreements we have with 20 other countries. However, Mexico is very different from the other countries with which we have agreements for a couple of critical reasons:
 1. Mexicans represent almost 70 percent, according to DHS, of the estimated 10 million illegal aliens currently residing in the United States. Among the other 20 countries, South Korea and Canada have the next largest percentages of nationals residing here illegally - 0.07 percent of the total illegal population.
 2. The economic disparity between the United States and Mexico, combined with the fact that our countries share a land border, has generated migration from Mexico to the United States at levels not comparable to any of the other 20 countries.
- It is true that Congress will have 60 legislative days following receipt of the agreement from the White House during which one Chamber may pass a resolution of disapproval to prevent the agreement from taking effect. As the Chairman of Ways and Means pointed out in a July 13, 2004, Fact Sheet on totalization, however, this prescribed method for preventing a totalization agreement from taking effect is almost certainly unconstitutional under a 1983 Supreme Court decision. Thus, the U.S.-Mexico Agreement would go into effect even if this body passed a resolution of disapproval.
- A full and fair vetting of all the issues related to this totalization agreement is, indeed, important. I therefore would urge my colleagues to read the transcript of the Sept. 11, 2003, hearing on the U.S.-Mexico Totalization Agreement before the Immigration, Border Security, and Claims Subcommittee of the House Judiciary Committee. The hearing explored in great detail the potentially devastating impact the agreement could have on the U.S. social security system. The Social

Security Subcommittee of Ways and Means also has discussed the potential impacts of the agreement at length, according to Members of that Subcommittee.

- The SSA has generated much of the confusion and misinformation about the agreement by refusing to address the serious questions raised in a Sept. 2003 GAO report. The Chairmen of the Social Security Subcommittee of Ways and Means and of the House Judiciary Committee, in requesting this report, specifically asked GAO to examine SSA's process for entering into the agreement with Mexico and to assess SSA's cost estimates. The GAO reported several disturbing findings:
 1. SSA's assessment of Mexico's social security system, including the reliability of its data and the potential for fraud, was cursory at best.
 2. The agreement would increase the number of illegal aliens and their family members who could qualify for U.S. social security benefits.
 - Current law permits aliens who obtain permanent resident status in the United States to claim social security coverage credit for work they performed while in here illegally. The U.S.-Mexico agreement does not change this law, but it permits such aliens to qualify for benefits with only six coverage quarters (1 ½ years) instead of the 40 quarters (10 years) that are currently required. It also waives certain restrictions on the payment of benefits to these aliens' dependents abroad.
 3. SSA's estimates of the cost of this agreement are "highly uncertain" and are based on unjustifiably low estimates of expected beneficiaries. In fact, SSA's cost estimate, according to GAO, does not take into account any of the millions of Mexicans currently working here without authorization.

A vote in support of Mr. Hayworth's amendment this afternoon will provide SSA time to address the critical concerns raised by the GAO and to provide us reliable estimates, based on realistic assumptions, of the effect of a totalization agreement with Mexico.

Sincerely,

Dana Rohrabacher
Member of Congress