

Individuals with Earnings Before Receiving Work-authorized Social Security Numbers

A-03-16-50132



July 2019

Office of Audit Report Summary

Objective

To determine whether noncitizen workers met the criteria of section 211 of the *Social Security Protection Act of 2004* (SSPA) when they received credit for wages earned before they received their Social Security numbers (SSN).

Background

The Social Security Administration (SSA) administers the Old-Age, Survivors and Disability Insurance program to provide monthly benefits to retired or disabled workers. Benefits are based on an individual's lifetime covered earnings. To be entitled to benefits, an individual must be insured according to SSA's guidelines, file an application, and meet the age or disability requirements.

The *Social Security Protection Act of 2004* amended the *Social Security Act* to require that noncitizens meet new requirements to be entitled to Social Security benefits. Specifically, they must be issued an SSN for work purposes on or after January 1, 2004, or be admitted to the United States at any time as a nonimmigrant visitor for business or as a noncitizen crewman.

Findings

All of our sampled 100 individuals to whom SSA issued work-authorized SSNs between January 2013 and November 2015, met the criteria of section 211. As a result, SSA posted to their earnings records about \$7.8 million in wages that were earned in Tax Years 1991 to 2014. Because these individuals met the criteria for SSPA, their wages could be used to determine whether they were fully insured and entitled to Social Security benefits. As of June 2017, 55 of the 100 sampled individuals had earned enough quarters of coverage to be insured for retirement or disability benefits because they received credits for wages they earned before the Agency issued their work-authorized SSNs. Had they not received credit for these wages, 52 would not have been insured for Social Security benefits. They would need to earn additional credits to reach insured status.

We also sampled 50 individuals with about \$2.3 million in wages for whom SSA manually added earnings to their records. For these 50 individuals, SSA staff generally followed established policy for identifying missing earnings and obtaining evidence for the periods in question. However, for five individuals with approximately \$148,000 in wages, SSA posted wages to their earnings record without also removing them from the Earnings Suspense File, used invalid employer identification numbers, or added wages from a questionable employer. As of March 2019, as a result of our review, SSA had taken corrective actions for the five cases.

Recommendation

We recommend SSA remind employees to follow proper procedures when they manually add wages to individuals' earning records. SSA agreed with our recommendation.