

**Statement by Senator Charles E. Grassley**

Senate Judiciary Subcommittee on Immigration, Refugees and Border Security

*“Strengthening the Integrity of the Student Visa System by  
Preventing and Detecting Sham Educational Institutions”*

July 24, 2012

In 1993, the American people were confronted with a terrorist attack on the World Trade Center. One of the instigators of that attack was on an expired student visa, exposing a major vulnerability of our immigration system. As a result of that attack, Congress mandated that the then-Immigration and Naturalization Service create a system that tracks and monitors foreign students.

Unfortunately, the system was not operational when, on September 11, 2001, terrorists again attacked the U.S. Three out of 19 hijackers were trained at flight schools – two entered illegally while one entered the country on a student visa.

Congress was frustrated because a mandate on the agency was ignored and the computer system to track foreign students had not yet been implemented. In 2002, then-Attorney General John Ashcroft started up the Student and Exchange Visitor Information System, known as SEVIS, stating that "For too long, our student visa system has been a slow, antiquated, paper-driven reporting system incapable of ensuring that those who enter the United States as students are in fact attending our educational institutions."

Unfortunately, while SEVIS is up and running today, it is still antiquated and the federal government remains incapable of ensuring that those who enter the country are students that are truly attending our educational institutions.

Today, more than 850,000 foreign students are enrolled in over 10,000 schools across the country. Enrollment of foreign students is increasing, yet the technology and oversight of the student visa program has not improved.

There's evidence that sham universities are taking advantage of the dysfunctional student visa program. The 2011 Tri-Valley University incident is the most serious fraud case to date. The school reported that they'd bring in less than 100 students but had actually brought in over 1,500. Tri-Valley officials were caught giving F-1 visas to undercover agents, posing as foreign nationals who explicitly professed no intention of attending classes. Students paid \$5,400 per semester in tuition to the school to obtain those student visas until the school was shut down. In response to Tri-Valley, in March, Secretary Napolitano created a

new bureaucratic office to coordinate efforts, but I question whether this new office has had any success.

The independent Government Accountability Office report that we plan to discuss today sheds light on the loopholes that remain and reveals some inter-agency disagreements that have handicapped the government from effectively running a program to track foreign students. For example, the Student Exchange Visitor Program (SEVP), which runs the program and tracks the schools, is not obtaining information from the counterterrorism unit known as the Counterterrorism and Criminal Exploitation Unit (CTCEU). SEVP maintains a “compliance log” of over 170 schools, but that data had not been shared with CTCEU, and the CTCEU failed to provide SEVP with information on investigations. CTCEU did site visits, yet SEVP was not aware of those visits or the results of those visits.

The GAO report also says:

- ICE does not have a process to identify and analyze risks across schools applying for certification. They cannot identify risk factors, and have overlooked many major indicators of fraud.
- Resources are not being used in a cost-effective manner.
- ICE has failed to have a process in place to monitor the state licensing status of all schools and the accreditation of schools offering higher education. There are schools that remain closed, but are still SEVP certified and are allowed to bring in foreign students. Alarming, SEVP program officers allowed schools to maintain SEVIS database access and the ability to modify records despite the fact that schools were under active investigation (even after requests from the CTCEU were made).
- ICE fails to verify the “in lieu of” letters provided by non-accredited institutions.
- Recordkeeping is shoddy, files are missing, and evidence of a school’s legitimacy cannot be found. Of the 50 school case files reviewed by GAO, 30 files lacked at least one piece of evidence required. Two files couldn’t even be found.
- ICE has failed to comply with the law requiring that each SEVP school be certified every two years. That requirement was made by Congress in 2002, and was supposed to be completed by 2004. ICE finally began the reviews of the 10,000 schools in 2010, and should have completed them by May 2012. To date, only 19% of the 10,000 schools have been recertified.
- Monitoring of Flight Schools remains a problem. In 7 of 11 cases reviewed, schools offering flight training had expired FAA certification. The SEVP has certified 434 flight training schools. Of those, 167 (38%) do not have FAA certification. One flight school continued to issue I-20s to foreign students. To compound matters, the FAA has failed to revoke or take punitive action against schools that do not maintain compliance.

I'm glad we have Mr. Woods from Immigration and Customs Enforcement here to explain how two departments under his purview have allowed for sham schools to operate. I want to hear assurances that inter-agency disagreements are a thing of the past, and the counterterrorism officials and SEVP program officers are working together to root out fraud.

I want to know what changes have been made by Secretary Napolitano's department since the report was initiated, including efforts to reign in crooked designated school officials. I want to know why the department has not yet required background checks of designated school officials, and why the department hasn't yet changed its rules to kick a school out of the program if it isn't complying. I want to know why non-FAA certified schools continue to be a part of the program, continue to have access to the SEVIS database, and are still allowed to bring in foreign students.

I'm calling on Secretary Napolitano to immediately improve the oversight of schools and implement the GAO recommendations. The department needs to get its act together, complete the recertification process, and use its resources more effectively. Additionally, I'm interested in hearing what legislative changes need to be made. As Senator Schumer, I and others work on a proposal, I hope the changes that we agree upon can be enacted promptly, and in a bipartisan manner, so that we can salvage the integrity of our foreign student visa program and ensure the safety of our citizens.