

(A) Section 6103(a)(3) of such Code is amended by striking “or (20)” and inserting “(20), or (21)”.

(B) Section 6103(p)(3)(A) of such Code is amended by adding at the end the following new sentence: “The Commissioner of Social Security shall provide to the Secretary such information as the Secretary may require in carrying out this paragraph with respect to return information inspected or disclosed under the authority of subsection (1)(21).”

(C) Section 6103(p)(4) of such Code is amended—

(i) by striking “or (17)” both places it appears and inserting “(17), or (21)”; and

(ii) by striking “or (20)” each place it appears and inserting “(20), or (21)”.

(D) Section 6103(p)(8)(B) of such Code is amended by inserting “or paragraph (9)” after “subparagraph (A)”.

(E) Section 7213(a)(2) of such Code is amended by striking “or (20)” and inserting “(20), or (21)”.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Homeland Security such sums as are necessary to carry out the amendments made by this section.

(c) REPEAL OF REPORTING REQUIREMENTS.—

(1) REPORT ON EARNINGS OF ALIENS NOT AUTHORIZED TO WORK.—Subsection (c) of section 290 of the Immigration and Nationality Act (8 U.S.C. 1360) is repealed.

(2) REPORT ON FRAUDULENT USE OF SOCIAL SECURITY ACCOUNT NUMBERS.—Subsection (b) of section 414 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208; 8 U.S.C. 1360 note) is repealed.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to disclosures made after the date of the enactment of this Act.

(2) CERTIFICATIONS.—The first certification under section 6103(p)(9)(D) of the Internal Revenue Code of 1986, as added by subsection (a)(2), shall be made with respect to calendar year 2007.

(3) REPEALS.—The repeals made by subsection (c) shall take effect on the date of the enactment of this Act.

#### SEC. 305. INCREASING SECURITY AND INTEGRITY OF SOCIAL SECURITY CARDS.

(a) FRAUD-RESISTANT, TAMPER-RESISTANT AND WEAR-RESISTANT SOCIAL SECURITY CARDS.—

(1) ISSUANCE.—

(A) PRELIMINARY WORK.—Not later than 180 days after the date of enactment of this title, the Commissioner of Social Security shall begin work to administer and issue—fraud-resistant, tamper-resistant Social Security cards.

(B) COMPLETION.—Not later than two years after the date of enactment of this title, the Commissioner of Social Security shall only issue fraud-resistant, tamper-resistant and wear-resistant Social Security cards.

(2) AMENDMENT.—Section 205(c)(2)(G) of the Social Security Act (42 U.S.C. 405(c)(2)(G)) is amended to read—

“(i) The Commissioner of Social Security shall issue a social security card to each individual at the time of the issuance of a social security account number to such individual. The social security card shall be fraud-resistant, tamper-resistant and wear-resistant.”

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection and the amendments made by this subsection.

(4) REPORT ON FEASIBILITY OF INCLUDING BIOMETRICS.—Within 180 days of enactment, the Commissioner of Social Security shall provide to Congress a report on the utility,

costs and feasibility of including a photograph and other biometric information on the Social Security Card.

(b) MULTIPLE CARDS.—Section 205(c)(2)(G) of the Social Security Act (42 U.S.C. 405(c)(2)(G)) is further amended by adding at the end the following:

“(ii) The Commissioner of Social Security shall not issue a replacement Social Security card to any individual unless the Commissioner determines that the purpose for requiring the issuance of the replacement document is legitimate.”

#### SEC. 306. INCREASING SECURITY AND INTEGRITY OF IDENTITY DOCUMENTS

(a) PURPOSE.—The Secretary of Homeland Security, shall establish the State Records Improvement Grant Program (referred to in this section as the ‘Program’), under which the Secretary may award grants to States for the purpose of advancing the purposes of this Act and of issuing or implementing plans to issue driver’s license and identity cards that can be used for purposes of verifying identity under this Title and that comply with the state license requirements in section 202 of the REAL ID Act of 2005 (division B of Public Law 109-13; 49 U.S.C. 30301 note).

(b) States that do not certify their intent to comply with the REAL ID Act and implementing regulations or that do not submit a compliance plan acceptable to the Secretary are not eligible for grants under the Program. Driver’s license or identification cards issued by States that do not comply with REAL ID may not be used to verify identity under this Title except under conditions approved by the Secretary.

(c) GRANTS AND CONTRACTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants, subject to the availability of appropriations, to a State to provide assistance to such State agency to meet the deadlines for the issuance of a driver’s license which meets the requirements of section 202 of the REAL ID Act of 2005 (division B of Public Law 109-13; 49 U.S.C. 30301 note).

(2) DURATION.—Grants may be awarded under this subsection during fiscal years 2007 through 2011.

(3) COMPETITIVE BASIS.—The Secretary shall give priority to States whose REAL ID implementation plan is compatible with the employment verification systems, processes, and implementation schedules set forth in Section 302, as determined by the Secretary. Minimum standards for compatibility will include the ability of the State to promptly verify the document and provide access to the digital photograph displayed on the document.

(4) Where the Secretary of Homeland Security determines that compliance with REAL ID and with the requirements of the employment verification system can best be met by awarding grants or contracts to a State, a group of States, a government agency, or a private entity, the Secretary may utilize Program funds to award such a grant, grants, contract or contracts.

(5) On an expedited basis, the Secretary shall award grants or contracts for the purpose of improving the accuracy and electronic availability of states’ records of births, deaths, driver’s licenses, and of other records necessary for implementation of EEVS and as otherwise necessary to advance the purposes of this Act.

(d) USE OF FUNDS.—Grants or contracts awarded pursuant to the Program may be used to assist State compliance with the REAL ID requirements, including, but not limited to—

- (1) upgrade and maintain technology
- (2) obtain equipment;
- (3) hire additional personnel;
- (4) cover operational costs, including overtime; and

(5) such other resources as are available to assist that agency.

(e) APPLICATION.—

(1) IN GENERAL.—Each eligible state seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) describe the activities for which assistance under this section is sought; and

(B) provide such additional assurances as the Secretary determines to be essential to ensure compliance with the requirements of this section.

(f) CONDITIONS.—All grants under the Program shall be conditioned on the recipient providing REAL ID compliance certification and implementation plans acceptable to the Secretary which include—

(1) adopting appropriate security measures to protect against improper issuance of driver’s licenses and identity cards, tampering with electronic issuance systems, and identity theft as the Secretary may prescribe;

(2) ensuring introduction and maintenance of such security features and other measures necessary to make the documents issued by recipient resistant to tampering, counterfeiting, and fraudulent use as the Secretary may prescribe; and

(3) ensuring implementation and maintenance of such safeguards for the security of the information contained on these documents as the Secretary may prescribe.

All grants shall also be conditioned on the recipient agreeing to adhere to the time-tables and procedures for issuing REAL ID driver’s licenses and identification cards as specified in section 274A(c)(1)(F).

All grants shall further be conditioned on the recipient agreeing to implement the requirements of this Act and any implementing regulations to the satisfaction of the Secretary of Homeland Security.

(g) AUTHORIZATION OF APPROPRIATIONS IN GENERAL.—There is authorized to be appropriated \$300,000,000 for each of fiscal years 2007 through 2011 to carry out the provisions of this section.

(h) SUPPLEMENT NOT SUPPLANT.—Amounts appropriated for grants under this section shall be used to supplement and not supplant other State and local public funds obligated for the purposes provided under this title.

(i) ADDITIONAL USES.—Amounts authorized under this section may also be used to assist in sharing of law enforcement information between States and the Department of Homeland Security for purposes of implementing Section 602(c), at the discretion of the Secretary.

#### SEC. 307. VOLUNTARY ADVANCED VERIFICATION PROGRAM TO COMBAT IDENTITY THEFT.

(a) VOLUNTARY ADVANCED VERIFICATION PROGRAM.—The Secretary shall establish and make available a voluntary program allowing employers to submit and verify an employee’s fingerprints for purposes of determining the identity and work authorization of the employee.

(1) IMPLEMENTATION DATE.—No later than 18 months after the date of enactment of this Act, the Secretary shall implement the voluntary advanced verification program and make it available to employers willing to volunteer in the program.

(2) VOLUNTARY PARTICIPATION.—The fingerprint verification program is voluntary; employers are not required to participate in it.

(b) LIMITED RETENTION PERIOD FOR FINGERPRINTS.—

(1) The Secretary shall only maintain fingerprint records of U.S. Citizen that were submitted by an employer through the EEVS