

Fiscal Estimate Narratives

OSER 4/14/2010

LRB Number	09-4458/1	Introduction Number	AB-0888	Estimate Type	Original
Description Employment eligibility verification requirements for state and local government employees and state procurement and construction contracts					

Assumptions Used in Arriving at Fiscal Estimate

The proposed bill relates to employment eligibility verification requirements for state and local government employees and state procurement and construction contracts.

If enacted, AB 888 would prohibit state agencies from contracting for materials, services or construction work with companies that do not use the Federal employment eligibility verification program (E-verify) for verifying the employment eligibility of its employees. The proposed legislation also requires a state government agency or local government that intends to hire an employee after the bill's effective date to verify the individual's identity under the Federal E-Verify program. Furthermore, the state agency may not offer employment to any individual who is identified under the E-Verify program as ineligible to work in the United States. If a state government agency determines that an employee is identified under the Federal E-Verify program as ineligible to work in the U.S., the agency must discharge the employee.

The Office of State Employment Relations (OSER) currently does verify employment eligibility through the I-9 verification form process. The I-9 verification form process is utilized by state agencies when hiring employees. For clarification, each state agency conducts its own employment eligibility verification for new hires.

If the proposed bill is enacted, OSER would need to enroll in the on-line Federal E-verify program. E-Verify works by allowing participating employers to electronically compare employee information taken from the Form I-9 (the paper-based employment eligibility verification form used for all new hires) against the records in the Social Security Administration's database as well as the records in the Department of Homeland Security's immigration databases. Although enrollment in the federal system is free of cost, there may be administrative costs to administer the E-verification in addition to the I-9 form process. The fiscal impact of adding this additional requirement to use the Federal E-Verify system is indeterminate.

Long-Range Fiscal Implications

Indeterminate.