

***Public Support for the
New Employee Verification Act (NEVA)***

*U.S. Employers Support H.R. 5515, including the National Association of
Manufacturers, National Franchise Association, and the Society for Human
Resource Management*

The National Federation of Independent Business

National Association of Professional Employer Organizations

National Association of Home Builders

U.S. Employers Support H.R. 5515 *The New Employee Verification Act*

April 1, 2008

Dear Member of Congress:

We are writing to express our strong support for the New Employee Verification Act (H.R. 5515). This recently introduced legislation would transform America's outdated, error-prone employment verification system into a state-of-the-art electronic program that will prevent identity theft and ensure a fair, efficient and secure verification process. The New Employee Verification Act is common sense, critical legislation, and we urge you to co-sponsor and support its enactment this year.

A reliable national employment verification system is needed now more than ever. In the absence of Congressional action on immigration reform, states and cities across the country are actively pursuing new laws and regulations of their own. The result is a growing patchwork of conflicting state and local employment verification laws rather than a national policy and process.

Many of these states and some in Congress are advocating mandatory participation by employers in E-Verify, the federal government's employment verification pilot program. Unfortunately, E-Verify is not the solution. The system has a number of shortcomings. Specifically,

- E-Verify, also known as "Basic Pilot," utilizes the Social Security database, which has a 4.1 percent data error rate. If all U.S. employers were to use the system, as many as six million U.S. citizens and legal residents could be denied employment due to bureaucratic error. The error rate for legal foreign-born workers is estimated to be as high as 10 percent – opening the door to increased discrimination based on national origin.
- Because of its reliance on paper-based identity documents, E-Verify is unable to detect fraud and identity theft, leaving employers vulnerable to sanctions through no fault of their own.
- E-Verify was established by Congress as a voluntary pilot program and is ill-equipped to handle a massive influx of users. The Department of Homeland Security recently reported that 52,000 U.S. employers currently use the system – a tiny fraction of approximately six million employers. The program is also due to expire at the end of 2008.

The desire to do something positive to impact illegal immigration is both understandable and laudable; however, it is a mistake to require participation in an employment verification program that has proven to be insufficient in preventing unauthorized workers from obtaining jobs in the United States.

Fortunately, Congress now has a solution. The New Employee Verification Act (H.R. 5515), introduced on February 28, 2008, holds the promise of a new generation of employment

verification. The new program would be entirely electronic and based on the “new hire” system that is already used by 90 percent of U.S. employers.

The New Employee Verification Act offers Congress the vehicle necessary to transform the old paper-based method of employment verification into a state-of-the-art electronic verification system. If adequately funded and fairly administered, this new system could eliminate virtually all unauthorized employment – thereby taking away a huge incentive for illegal immigration.

With E-Verify set to expire in 2008, it is time for Congress to create an employment verification system that works. We urge you to co-sponsor the New Employee Verification Act and support its enactment this year.

Sincerely,



Lynn Shotwell
Executive Director
American Council on International
Personnel



Gerald M. Howard
Executive Vice President and
Chief Executive Officer
National Association of Home Builders



Andy Brantley
Chief Executive Officer
College and University Professional
Association for Human Resources



Jeri Gillespie
Vice President, Human Resources Policy
National Association of Manufacturers



Jeffrey C. McGuiness
President
HR Policy Association



Frank Capaldo
Executive Director/Chief Executive Officer
National Franchise Association



Neil E. Reichenberg
Executive Director
International Public Management
Association for Human Resources



Susan R. Meisinger
President and Chief Executive Officer
Society for Human Resource Management
and Co-Chair HR Initiative for a Legal
Workforce



March 14, 2008

The Honorable Sam Johnson
1211 Longworth HOB
Washington, D.C. 20515

Dear Congressman Johnson,

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy group, I am writing to express our strong support for H.R. 5515, the "New Employee Verification Act of 2008." This legislation takes into account concerns small business owners have with illegal immigration by creating an electronic employment eligibility verification system (EEVS) that seeks to balance increased enforcement objectives while limiting the regulatory burdens placed on smaller businesses.

Immigration enforcement is a federal responsibility, and small-business owners believe that Congress needs to fulfill its obligation to provide a workable nation-wide employee verification system. Many states are working to enact their own enforcement measures, and if Congress does not act, the resulting impact will be chaotic as small business owners would face a complex and confusing set of enforcement policies. We commend you for recognizing that a failure to act by Congress may well result in 50 state and local governments enacting their own immigration enforcement measures.

Like most Americans, small-business owners are troubled by the problem of illegal immigration. According to recent NFIB Research Foundation polls:

- Over 90 percent of NFIB members believe that illegal immigration is a serious problem;
- 86 percent say that finding a solution should be a "very high" or "high" priority for Congress and the administration.
- 73 percent of NFIB members agreed that employers should be required to use a government-run verification system;
- and 83 percent stated that employers who knowingly hire illegal immigrants should be subject to fines or other penalties.
- Furthermore, they believe that an automated system to identify eligible workers would help ease I-9 burdens.

NFIB believes that in order for an immigration reform effort to be successful, the requirements and enforcement provisions must be workable, efficient and fair for small businesses. As such, NFIB supports an EEVS that takes into account the size of an employer in its fee structure, includes a reasonable limit on small-business penalties and reduces such penalties on first-time offenders, prohibits penalties for good-faith violations, protects employers from liability if incorrect information on a worker is given by the EEVS, reduces paperwork burdens, and contains an appropriate phase-in time of the new EEVS system. The "New Employee Verification Act of 2008" addresses these small-business concerns and is consistent with the beliefs of our members.

NFIB is pleased that H.R. 5515 mitigates fines for smaller businesses, but advocate a 50, rather than 25 employee small business threshold. We also appreciate that the bill creates an alternate, voluntary Secure Electronic Verification System (SEEVs) that employers can opt to participate in to receive further liability protection. Additionally, NFIB applauds the protection and legal certainty this bill provides employers that hire subcontractors. Small business owners are always concerned about how government regulations will burden them, and we applaud the inclusion of a toll free call-in number for verification purposes.

As Congress begins consideration of the "New Employee Verification Act of 2008," we are eager to work with you to ensure that America's small businesses are not unduly burdened, unfairly scrutinized, or otherwise affected by any unintended consequences resulting from the implementation of a nation-wide employee verification system. NFIB is hopeful that during consideration of the bill, further legal certainty will clarify the liability held by small employers when new hires contest verification. Also, H.R. 5515 would require that employers notify the employee of the EEVS response within 3 days of receiving the system response. NFIB is concerned that small businesses might encounter difficulty complying with this short 3-day timeframe. Few NFIB members employ a dedicated HR professional to handle employment matters. Consequently, responsibility for employment verification under the current Form I-9 system generally falls to the owner, office manager or owner's spouse. NFIB supports an increased timeframe because these individuals are often focused on non-employment matters raising concern that there could be an understandable delay in notifying the employee.

Small business owners feel strongly about creating a workable employee verification system, and we endorse your legislation. Thank you for your strong support of small businesses, and we appreciate your leadership on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Danner", with a long horizontal flourish extending to the right.

Dan Danner
Executive Vice President
Public Policy and Political



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June 25, 2008

The Honorable Sam Johnson
1211 Longworth House Office Building
Washington, D.C. 20515

Re: H.R.5515

Dear Congressman Johnson:

On behalf of the National Association of Professional Employer Organizations (NAPEO), the national trade association of the professional employer organization (PEO) industry, I am writing to express our support for the "New Employee Verification Act of 2008" (H.R. 5515). We support a single, workable, nationwide electronic employment eligibility verification system (EEVS) for the United States such as that proposed in H.R. 5515.

You have long been a supporter of the PEO industry and already aware that PEOs provide professional employer services to hundreds of thousands of small employer clients across the United States. The average PEO client has only seventeen employees and these small business entrepreneurs are overwhelmed with the paperwork related to employment. PEOs provide professional assistance by contractually assuming certain of those employer responsibilities.

However, even PEOs, with their professional expertise, are increasingly confronted with a confusing and expanding array of new and conflicting state requirements regarding employment eligibility verification. A PEO that complies with an Arizona requirement to use the E-Verify Program is potentially in violation of an Illinois law prohibiting it. The Mississippi requirements for employment verification are based on different standards than those in South Carolina and are unlike those in Arizona. Moreover, the existing federal I-9 process is cumbersome and the pilot E-Verify Program has proven that it is far from the most effective or reliable possible EEVS.

Immigration is a federal responsibility and there should be a single EEVS that can be reliably used nationwide for employers to verify the eligibility of a potential hire for employment. The system should be simple and easily understood by both employers and potential employees. As proposed by H.R. 5515, it should be based on an existing government portal(s) with which employers are familiar and should use documents readily available and less prone to counterfeiting.

NAPEO applauds and supports your efforts to lead the nation toward a better and more workable verification program.

Very truly yours,

A handwritten signature in black ink that reads "Milan P. Yager". The signature is written in a cursive, flowing style.

Milan P. Yager
Executive Vice President



GOVERNMENT AFFAIRS

Joseph M. Stanton
Senior Staff Vice President

March 5, 2008

United States House of Representatives
House Office Building
Washington, DC 20515

Dear Representative:

On behalf of the 235,000 members of the National Association of Home Builders, I am writing to ask for your support and cosponsorship of H.R. 5515, the *New Employee Verification Act (NEVA)*, which was introduced on February 28 by Rep. Sam Johnson (R-TX), Rep. Kevin Brady (R-TX), Rep. Ron Lewis (R-KY) and Rep. Paul Ryan (R-WI). This legislation would create a new, mandatory employer verification program that would require all U.S. employers to verify the legal work status of all future employees.

As Congress has struggled with the immigration issue over the past several years, the employer community has consistently stated they understand the important role employers need to play in addressing the illegal immigration crisis. NAHB believes H.R. 5515 creates a system whereby both small and large employers will be able to play their part without undue burdens or unfair liabilities being heaped upon them. Importantly, we believe that H.R. 5515, and the employer requirements contained in its provisions, create a fair and efficient process for employers to verify their employees' work status.

Under the proposed legislation, employers would be obligated to begin the verification process within three days of an employee's start date with their company. The verification system would be run through the Social Security Administration's (SSA) New Hire database, which is already used by 90% of U.S. employers. The SSA would verify the work authorization of all U.S. citizens, and the verification of non-citizens and visa holders would be conducted by the Department of Homeland Security. If an employer receives a final disapproval notice from the government, they would be required to terminate that employee.

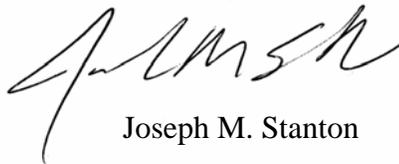
Of particular importance to the residential construction industry are the provisions in the bill clarifying that U.S. employers are responsible for their own, direct employees, and that employers will not be held accountable for the work authorization status of their subcontractors' employees unless the employer knew the subcontractor was employing illegal workers. Additionally, the legislation would protect employers from being sued for database errors, and establishes safe harbor provisions that provide employers protection from prosecution if they have used the system in good faith and make a decision to terminate or retain an employee based on faulty information from a government database.

NAHB has long supported comprehensive immigration reform, and we continue to support congressional efforts to address the deficiencies in the current broken visa and immigration system. We believe very strongly that there is no one magic bullet that will fix the illegal immigration problem. Congress cannot simply address employer issues and border security without addressing the need to reform the U.S. visa system to reflect the economic and marketplace realities of our nation.

NAHB understands Congress' need to begin looking at individual components of comprehensive reform in order to address this massive issue. We believe that as you look at employer obligations and roles in the system, you will agree with us that H.R. 5515 provides for a fair, efficient and workable mandatory verification system that highlights the responsibility of employers in the process without creating an unduly burdensome and unwieldy federal program. We urge you to cosponsor H.R. 5515.

We look forward to continuing to work with you on this important issue, and urge you to contact me or my staff, Jenna Hamilton (202-266-8470) jhamilton@nahb.com, with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Stanton", written in a cursive style.

Joseph M. Stanton