

Corporate Screening Offers Employers Tips for Avoiding Federal Penalties when Verifying Identity and Work Status of New Hires

Federal I-9 Compliance Mandate Becomes Employer Priority

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CLEVELAND, OH (July 9, 2007) – As the pressure for Congress to enact new legislation on immigration reform continues, so does the government's enforcement of existing labor laws. The Bureau of Immigration and Customs Enforcement (ICE) within the Department of Homeland Security (DHS) has recently turned its focus inward, with an increased number of businesses subject to I-9 inspections, resulting in workplace raids and arrests. Without proper documentation on their workers, businesses can face severe penalties and heavy fines if they are found to be employing illegal immigrants.

To ensure that undocumented immigrants aren't working in the country illegally, Congress passed the Immigration Reform and Control Act of 1986 ("IRCA"). Under this law employers are required to verify that every employee hired after November 6, 1986 is, in fact, eligible to work in the United States. This law applies to all employees and not just foreign workers. Employers who hire unauthorized workers can be fined up to \$10,000 per worker depending on the prior history of a violation.

In response to this law, The Immigration and Naturalization Service (INS) created the "Form I-9" and mandated its accurate and timely completion by all U.S. employers and their employees. The I-9 is a one page form employees complete verifying their identity as well as proving they are allowed to work in the United States. The two-sided document, available through the U.S. Citizenship and Immigration Services at <http://uscis.gov/graphics/formsfee/forms/files/i-9.pdf>, is divided into three parts:

- 1) The first section includes basic employee biographical information and asks employees to provide documents certifying that they are a citizen, permanent resident or authorized to work under another status. (A list of approved documents is provided on the form.)
- 2) The second section is completed by the employer, who must verify which documents the employee has presented to prove their identity and residential status and that all paperwork was completed in a timely manner.
- 3) The third section is reserved for employers who must periodically update I-9 forms for workers not authorized to permanently work in the U.S.

Form I-9 must be submitted within three days of an employees hire. Employers who fail to comply with IRCA mandates face significant penalties. Non-compliance, whether intentional or by oversight, can result in severe penalties and even jail time:

- *Employers who fail to properly complete, retain or make I-9 forms available to authorities face fines ranging from \$100 to \$1,000 per individual I-9.
- *Employers who knowingly hire or continue to employ unauthorized workers face civil penalties ranging from \$250 to \$10,000 per violation.
- *Employers engaging in a pattern of knowingly hiring or continuing to employ unauthorized workers can be fined up to \$3,000 per employee and/or imprisoned for 6 months.

In October 2004, legislation was enacted which allows employers to complete and store I-9 forms on a computer, replacing the cumbersome paper-based process. These new rules set standards for completing forms electronically and for the scanning and storage of existing I-9 forms:

An electronic signature may be used by both the employee and the employer to attest to an electronic Form I-9.

*Employers are allowed to maintain I-9s in PDF or other electronic formats.

*Employers are allowed to convert and maintain existing paper I-9s into electronic formats.

*Employers are still required to personally verify original employment eligibility documents (or certified copies, in the case of birth certificates) in "hard" as opposed to electronic form.

In 1997 the Social Security Administration (SSA) and the U.S. Citizenship and Immigration Services Bureau (USCIS) created the online Basic Pilot Program to verify employment eligibility for new hires. Though initially only used by about 6,000 employers in six states, the program recently obtained increased funding and is now available nationwide.

Under Basic Pilot, Social Security Numbers, Alien Registration Numbers and I-9 Form Numbers are checked against SSA and DHS databases to verify the eligibility of new hires. The program essentially removes the uncertainty that accompanies document review during the I-9 process. Aside from verifying the eligibility of all newly hired employees, the system improves the accuracy of wage and tax reporting and also protects authorized U.S. workers.

To sign up for the Basic Pilot Employment Verification Program, visit the registration web site at:
<https://www.vis-dhs.com/EmployerRegistration/>.

Employers can minimize the chances of violating IRCA rules by undertaking the following steps:

- *Conducting preventive audits of I-9 files to see if there is a pattern of violations needing attention.
- *Establishing a training program for human resource professionals regarding I-9 compliance rules.
 - *Establishing uniform company policies regarding I-9 compliance.
- *Establishing a verification system to ensure all forms are checked in a timely manner.
 - *Centralizing the I-9 form recordkeeping process.

Establishing a backup system to ensure timely I-9 compliance when a human resource professional is out of the office.

There are a few employee background screening companies, such as Corporate Screening, that offer automated Form I-9 completion and verification services. Such services, which integrate directly with the federal government's Employment Verification Program (EVP), provide peace of mind for employers by improving the efficiency of the Form I-9 process, substantially decreasing human errors in completing and submitting the forms, reducing exposure to government audits, and creating a paperless, electronic Form I-9 storage and retrieval system.

As the nation turns its focus to impending changes in immigration legislation and employers struggle to keep up with increasing compliance mandates, the burden is on hiring managers to update and streamline company procedures to avoid looming penalties for incorrect employee verification processes.

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About Corporate Screening

Corporate Screening (www.CorporateScreening.com) is a Cleveland-based provider of pre-employment screening and background investigations for some of the nation's top employers. As a leading investigative consultant to human resources and corporate security professionals, Corporate Screening combines state-of-the-art data gathering technology with in-depth examination and analysis to verify information and mitigate the risks associated with hiring employees. With offices in Cleveland, Tampa and Northern California, Corporate Screening utilizes an expanding professional staff of 80 analysts and consultants to service the needs of hiring professionals representing a full spectrum of industries, with special emphasis on healthcare, financial services and manufacturing sectors.

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