



CITY COUNCIL AGENDA REPORT

MEETING DATE: August 2, 2011 ITEM NUMBER:

SUBJECT: AUTHORIZATION FOR STAFF TIME TO RESEARCH E-VERIFY SYSTEM

DATE: JULY 19, 2011

FROM: OFFICE OF THE CEO

PRESENTATION BY: GARY MONAHAN, MAYOR

FOR FURTHER INFORMATION CONTACT: THOMAS R. HATCH, CEO, 714 754-5328

RECOMMENDATION:

Mayor Gary Monahan requests that the City Council direct staff to proceed to allocate staff time researching the E-Verify employment verification system and develop possible policies for future City Council review.

BACKGROUND:

United States law requires companies to employ only individuals who may legally work in the United States – either U.S. citizens or foreign citizens who have the necessary authorization. E-Verify is an electronic program through which employers verify the employment eligibility of their employees after hire. The program was authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. In short, employers submit information taken from a new hire's Form I-9 (Employment Eligibility Verification Form) through E-Verify to the Social Security Administration and U.S. Citizenship and Immigration Services to determine whether the information matches government records and whether the new hire is authorized to work in the United States.

E-Verify is administered by the U.S. Department of Homeland Security and the Social Security Administration. The Department of Homeland Security website states that "E-Verify is an Internet-based system that allows businesses to determine the eligibility of their employees to work in the United States. E-Verify is fast, free and easy to use – and it's the best way employers can ensure a legal workforce." This website further states "For most employers, the use of E-Verify is voluntary and limited to determining the employment eligibility of new hires only. There is no charge to employers to use E-Verify. E-Verify is mandatory for some employers, such as those employers with federal contracts or subcontracts that contain the Federal Acquisition Regulation (FAR) E-Verify clause and employers in certain states."

More than 238,000 employers are enrolled in the program, with over 16 million queries run through the system in fiscal year 2010. There have been over 3 million cases run through the system in fiscal year 2011 (as of December 11, 2010).

ANALYSIS:

If the City Council directs staff to allocate staff time to this project, then the research would include how the E-Verify System could be used in all of the following:

- The City employment process;
- Creating clauses in future City contracts/agreements requiring those employers with City contracts or subcontracts to use E-Verify;
- Requiring employers seeking new business licenses or possible renewals of business licenses to use E-Verify; and
- Potentially other alternatives that may be discovered during the staff research.

FISCAL REVIEW:

Staff time will be used to further research the E-Verify System and to identify how the System could be incorporated into various City processes and procedures.

LEGAL REVIEW:

No legal review has been conducted at this point. If the City Council authorizes staff time on this project, then legal research and review would be necessary to develop procedures and policies for incorporating E-Verify into City processes.

CONCLUSION:

Mayor Gary Manahan requests that the City Council direct staff to allocate staff time to conduct the necessary research and develop draft policies for further review by the City Council.

THOMAS R. HATCH
CEO

ATTACHMENTS: 1 [Information on E-Verify](#)