Impact of the SAVE Act on Asian Americans

Overview

Introduced by Representatives Heath Shuler (D-NC) and Tom Tancredo (R-CO), the Secure America through Verification and Enforcement Act of 2007 (H.R. 4088) has picked up over 150 co-sponsors and is being pushed as the answer to undocumented immigration. The so-called "SAVE" Act would make mandatory the participation of all employers in the Basic Pilot/E-Verify program, which relies on the Social Security Administration's (SSA) "No-Match" program and error-infested Numident database, to verify the work eligibility status of employees. A closer look reveals the SAVE Act is severely flawed and will:

Put the jobs of hundreds of thousands of Asian Americans at risk.

- Language barriers and lack of familiarity with administrative procedures amongst some Asian American community members, and ignorance amongst agency officials of these cultural barriers, will increase errors in the SSA records of Asian Americans.

- Due to the almost 10% error rate for the foreign-born citizens processed through Basic Pilot, an estimated 500,000 Asian American citizens will be wrongly identified and have their jobs jeopardized.

- An estimated additional 150,000 Asian Americans who are legal residents will also be wrongly identified. An estimated 5,700 native-born Asian Americans will also be affected.

- The SAVE Act requires absolute implementation in 4 years - an unrealistic timeframe which guarantees that the Numident database will disproportionately impact Asian Americans nationwide.

Result in increased discrimination against many Asian Americans, since the SAVE Act lacks adequate protections against abuse, discrimination, and error.

- A DHS study found that employer noncompliance with the program's rules was "substantial": employers engaged in prohibited practices such as pre-employment screening, took adverse employment actions based on *tentative* non-confirmation notices, and failed to inform employees of their rights.

- There is a legitimate concern that employers, upon receiving a No-Match letter from the SSA, will automatically assume that an Asian American is undocumented and terminate them without complying with proper procedure or notifying the employee of their rights.

- The SAVE Act would also increase the tendency of employers to refuse to hire Asian Americans in the first place to avoid the *perceived* risk that Asian Americans are more likely to be undocumented or harder to verify.

- Some employers required employees to work longer hours and in poorer conditions after receiving a No-Match letter, assuming the employee had fewer rights than a lawful worker and therefore would not resist.

1140 Connecticut Ave. NW, Suite 1200, Washington, D.C. 20036 ● T 202.296.2300 ● F 202.296.2318 ● www.advancingequality.org

AFFILIATES: Asian Pacific American Legal Center in Los Angeles ● Asian Law Caucus in San Francisco ● Asian American Institute in Chicago

- Employers are often not held accountable due to low-income workers' economic and social constraints and lack of access to legal recourse.

Further cripple the SSA's ability to perform its original duties and force Asian Americans to engage overburdened and understaffed SSA field offices.

- The SAVE Act takes the SSA further away from its original mission, which has already been significantly endangered due to severe understaffing.

- One visit or call to an SSA field office is not guaranteed to resolve a No-Match error. Asian American workers may have to engage the SSA multiple times to fix its records. This will result in lost wages for Asian Americans and lost productivity for employers.

- The SAVE Act also puts the burden entirely on Asian American workers to correct the SSA's records within a very small 10-day window in the face of bureaucratic understaffing, delays, and technicalities.

Have a significant impact on Asian American businesses and our economy.

- A mandatory EEVS requires all employers to spend money on compliance training, verification of every employee and new hire, and a capable infrastructure for electronic submission and verification. These compliance costs disproportionately affect small businesses, which have fewer resources to spare.

- Asian Americans own more than 1.1 million small businesses, the majority of which have small staffs and can't afford to lose any employees actually qualified to work. In 2002, these businesses had sales and receipts of approximately $331 billion and employed almost 2.24 million workers. The SAVE Act's disproportionate impact on small businesses would also disproportionately impact Asian Americans, since our communities rely on small, family-owned businesses.

- In addition to the compliance costs that approximately 7 million American businesses and 160 million American workers will pay, the Congressional Budget Office estimates that the SAVE Act will cost over $23.4 billion to implement and result in $17.3 billion in lost tax revenue as employers go 'underground.'

Conclusion

Contrary to its name, the SAVE Act provides no guarantees that the migration of undocumented immigrants to America will cease. The SAVE Act will require massive government spending and operations and many employers will simply go 'underground' and continue to hire undocumented immigrants because they can be forced to accept lower wages.

Attempts to address undocumented immigration that fail to understand the history and dynamics of immigration are unlikely to succeed. Asian American businesses, Asian American workers, and Asian American taxpayers will suffer as a result of the SAVE Act's misguided and ineffective approach.

For additional information and background on how the SAVE Act will impact Asian American communities, please see "Background Summary: Concerns about the SAVE Act's Impact on Asian Americans," (available at http://www.advancingequality.org/en/cms/?193) or contact Tuyet Duong at tduong@advancingequality.org or (202) 296-2300 ext. 124.