Immigration Policy Center (IPC)

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PRESS RELEASE

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On the Eve of an EEVS Hearing: What Should We Be Listening For? House Hearing on Electronic Employment Verification Systems Poised to Ask the Tough Questions

This week, the House Ways and Means Committee will hold a hearing on electronic employment verification systems (EEVS) -- Washington's latest magic potion for dealing with the nation's broken immigration system. Several bills, including the Shuler-Tancredo "SAVE Act" (HR 4088) and the Johnson "New Employee Verification Act of 2008" (HR 5515), would create a nationwide mandatory EEVS that would require all American workers, foreign- and native-born alike, to get the government's stamp of approval in order to work. Scores of organizations, including most recently the American Association of Retired Persons (AARP), have asked that these proposals be slowed or shelved out of concern for their impact on Americans. As more hearings are expected in the coming weeks in other committees, including Homeland Security and Judiciary, what questions should the American public want to hear be thoroughly asked and answered?

EEVS' Price Tag: EEVS is expensive, and coupled with its reliability weaknesses, the problems outweigh the perceived benefits. The <u>Congressional Budget Office</u> (CBO) found that the SAVE Act would *decrease* federal revenues by \$17.3 billion from 2009-2018 because it would result in an increase in the number of people working in the underground cash economy, outside the tax system. At the same time, it would *increase spending* by over \$23 billion, resulting in a whopping price tag of over \$40 billion over the next 10 years. CBO also estimated that SAVE would cost U.S. employers over \$136 million to comply in at least one of the first five years the mandates are in effect.

EEVS' Reliability: The Social Security Administration (SSA) database errors would result in **1** in **25** new hires being erroneously flagged as ineligible to work. Mandatory EEVS will mean large error rates, the probability that U.S. citizens will be denied work, huge new burdens on DHS and SSA, and retired and disabled Americans waiting longer to receive Social Security benefits from an overburdened agency.

EEVS in Arizona: EEVS bills build upon the E-Verify program, a small pilot program that taps SSA and Department of Homeland Security (DHS) databases to make determinations about employment authorization. <u>Arizona</u> recently made use of E-Verify mandatory, and while **fewer than 15 percent** of employers are using the system, Arizona has suffered from database errors resulting in *U.S. citizens* being flagged as unauthorized to work, labor shortages, and loss of revenue from employers choosing not to do business in the state.

Congress must decide whether to fall prey to pressure to pass deportation-only immigration legislation that will be harmful to American workers, or set the stage for thoughtful, realistic, and practical immigration reform.

For more information, see <u>IPC's Immigration *OnPoint* webpage</u> on EEVS and its impact on U.S. workers, the SSA, and the U.S. economy.

Contact:

Angela Kelley, Director 202-507-7511 (ofc), 202-441-5589 (cell) Akelley@ailf.org

Michele Waslin, Senior Policy Analyst 202-507-7521 (ofc) Mwaslin@ailf.org

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