

# The Effects of E-Verify Laws

**Pia Orrenius**

**Federal Reserve Bank of Dallas and IZA**

**and**

**Madeline Zavodny**

**Agnes Scott College and IZA**

Disclaimer: The views expressed are those of the presenter and not those of the Federal Reserve Bank of Dallas or Federal Reserve System.

# This Organization Participates In E-Verify



This employer will provide the Social Security Administration (SSA) and, if necessary, the Department of Homeland Security (DHS), with information from each new employee's Form I-9 to confirm work authorization.

**IMPORTANT:** If the Government cannot confirm that you are authorized to work, this employer is required to give you written instructions and an opportunity to contact DHS and/or the SSA before taking adverse action against you, including terminating your employment.

Employers may not use E-Verify to pre-screen job applicants and may not limit or influence the choice of documents you present for use on the Form I-9.

To determine whether Form I-9 documentation is valid, this employer uses E-Verify's photo matching tool to match the photograph appearing on some permanent resident cards, employment authorization cards, and U.S. passports with the official U.S. government photograph. E-Verify also checks data from driver's licenses and identification cards issued by some states.

If you believe that your employer has violated its responsibilities under this program or has discriminated against you during the employment eligibility verification process based upon your national origin or citizenship status, please call the Office of Special Counsel at 800-255-7688, 800-237-2515 (TDD) or at [www.justice.gov/crt/osc](http://www.justice.gov/crt/osc).

## **E-Verify Works for Everyone**

For more information on E-Verify, please contact DHS:

**888-897-7781**

**[www.dhs.gov/E-Verify](http://www.dhs.gov/E-Verify)**

### **NOTICE:**

Federal law requires all employers to verify the identity and employment eligibility of all persons hired to work in the United States.



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# Esta organización participa en E-Verify



Este empleador proporcionará a la Administración del Seguro Social (SSA, por sus siglas en inglés) y, de ser necesario, al Departamento de Seguridad Nacional (DHS, por sus siglas en inglés) la información incluida en el Formulario I-9 de todo empleado nuevo con el propósito de confirmar su autorización de trabajo.

**IMPORTANTE:** Si el gobierno no puede confirmar que usted tiene autorización para trabajar, el empleador debe suministrarle las instrucciones por escrito y darle la oportunidad de ponerse en contacto con DHS o SSA antes de sancionarlo de cualquier forma o finalizar la relación laboral.

Los empleadores no pueden utilizar E-Verify para realizar preselecciones de solicitantes y no pueden limitar ni influenciar la selección de los documentos que usted presente para su inclusión en el Formulario I-9.

Para determinar si los documentos incluidos en el Formulario I-9 son válidos, este empleador utiliza la técnica de comparación fotográfica para comparar la fotografía que aparece en las Tarjetas de Residente Permanente, Tarjetas de Autorización de Empleo y pasaportes de los EE. UU. con la fotografía oficial del gobierno de los EE. UU. Asimismo, E-Verify verifica los datos incluidos en licencias de conducir y tarjetas de identificación emitidas por algunos estados.

Si considera que su empleador ha infringido sus responsabilidades en virtud de este programa o lo ha discriminado durante el proceso de verificación de la elegibilidad de empleo por su origen nacional o estatus de ciudadanía, comuníquese con la Oficina del Consejero Especial llamando al 800-255-7688, 800-237-2515 (para personas con impedimentos auditivos) o visitando [www.justice.gov/crt/osc](http://www.justice.gov/crt/osc).

## E-Verify funciona para todos

Para obtener más información sobre E-Verify, comuníquese con DHS al:

**888-897-7781**

**[www.dhs.gov/E-Verify](http://www.dhs.gov/E-Verify)**

### **AVISO:**

**La ley federal exige a todos los empleadores que verifiquen la identidad y la elegibilidad de empleo de todas las personas contratadas en los Estados Unidos.**



E-VERIFY IS A SERVICE OF DHS AND SSA

El logotipo y la marca de E-Verify son marcas registradas del Departamento de Seguridad Nacional. Queda estrictamente prohibida la venta comercial de este afiche.

# Roadmap

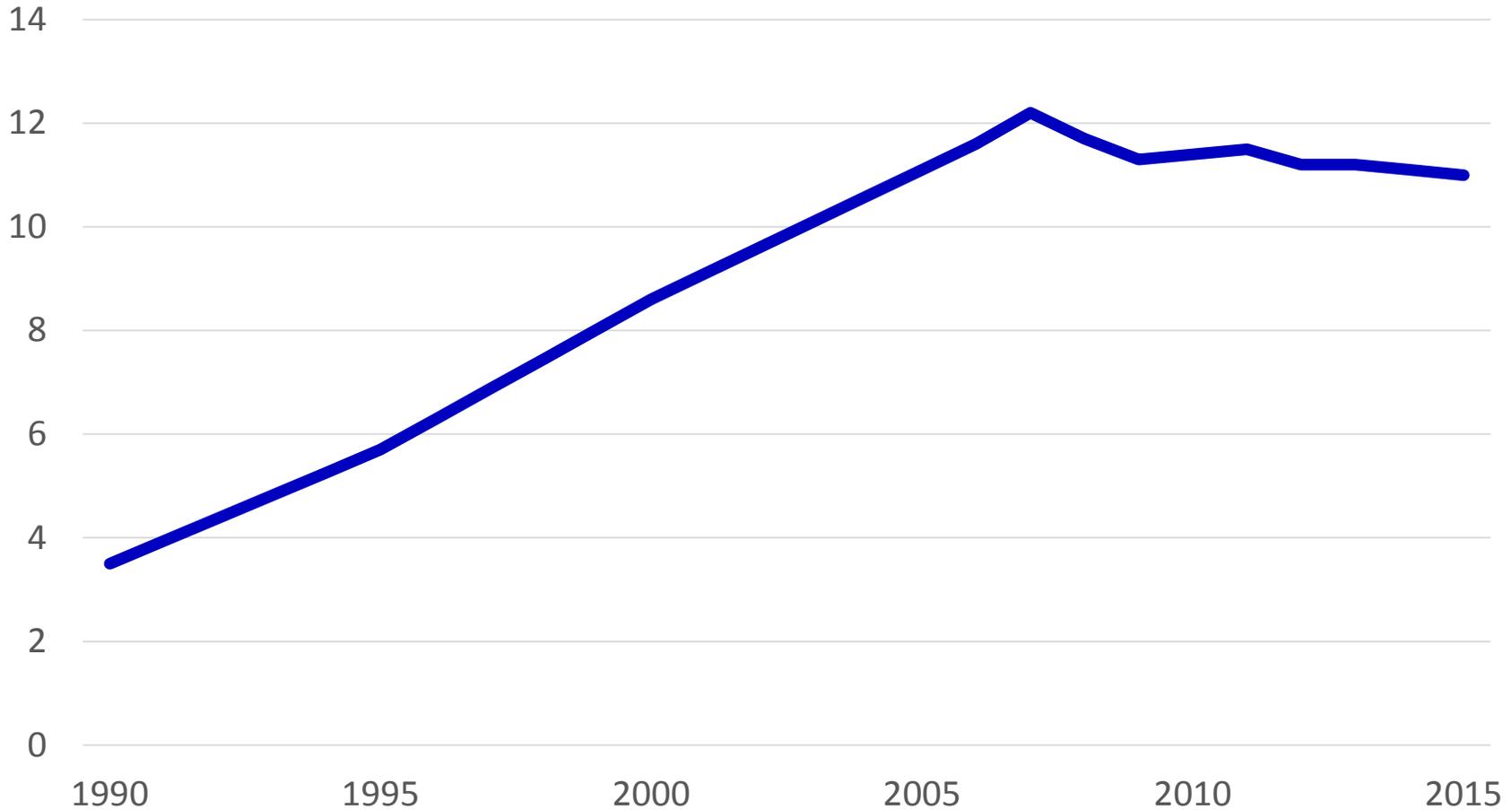
- Why have employers check employment eligibility?
- Who is required to use E-Verify?
- How have unauthorized immigrants been affected?
- And what about legal immigrants and U.S. natives?

# Motivation behind E-Verify

- Unauthorized immigrant population is large
- Moved into new parts of country during 1990s, 2000s
- Jobs are main magnet
- How to remove jobs magnet?

# 11 million unauthorized immigrants

Millions



Source: Pew Hispanic Center

# Unauthorized immigrants more dispersed in 1990s, 2000s

State	Share in 1990	Share in 2014
California	42	21
Texas	13	15
Florida	7	8
New York	10	7
Illinois	6	4
New Jersey	3	5
Georgia	1	3
North Carolina	1	3
Arizona	3	3
All others	14	31

Source: DHS for 1990; Pew for 2014; totals may not add to 100% because of rounding

# History of employment enforcement

- 1986: IRCA made hiring unauthorized immigrants illegal; required I-9 form
  - “Texas proviso” before 1986

## LISTS OF ACCEPTABLE DOCUMENTS

### All documents must be UNEXPIRED

Employees may present one selection from List A  
or a combination of one selection from List B and one selection from List C.

<b>LIST A</b> <b>Documents that Establish Both Identity and Employment Authorization</b>	OR	<b>LIST B</b> <b>Documents that Establish Identity</b>	AND	<b>LIST C</b> <b>Documents that Establish Employment Authorization</b>
<ol style="list-style-type: none"> <li>1. U.S. Passport or U.S. Passport Card</li> <li>2. Permanent Resident Card or Alien Registration Receipt Card (Form I-551)</li> <li>3. Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa</li> <li>4. Employment Authorization Document that contains a photograph (Form I-766)</li> <li>5. For a nonimmigrant alien authorized to work for a specific employer because of his or her status:               <ol style="list-style-type: none"> <li>a. Foreign passport; and</li> <li>b. Form I-94 or Form I-94A that has the following:                   <ol style="list-style-type: none"> <li>(1) The same name as the passport; and</li> <li>(2) An endorsement of the alien's nonimmigrant status as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.</li> </ol> </li> </ol> </li> </ol>	OR	<ol style="list-style-type: none"> <li>1. Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address</li> <li>2. ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address</li> <li>3. School ID card with a photograph</li> <li>4. Voter's registration card</li> <li>5. U.S. Military card or draft record</li> <li>6. Military dependent's ID card</li> <li>7. U.S. Coast Guard Merchant Mariner Card</li> <li>8. Native American tribal document</li> <li>9. Driver's license issued by a Canadian government authority</li> </ol> <p style="text-align: center;"><b>For persons under age 18 who are unable to present a document listed above:</b></p>	AND	<ol style="list-style-type: none"> <li>1. A Social Security Account Number card, unless the card includes one of the following restrictions:               <ol style="list-style-type: none"> <li>(1) NOT VALID FOR EMPLOYMENT</li> <li>(2) VALID FOR WORK ONLY WITH INS AUTHORIZATION</li> <li>(3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION</li> </ol> </li> <li>2. Certification of Birth Abroad issued by the Department of State (Form FS-545)</li> <li>3. Certification of Report of Birth issued by the Department of State (Form DS-1350)</li> <li>4. Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal</li> <li>5. Native American tribal document</li> <li>6. U.S. Citizen ID Card (Form I-197)</li> <li>7. Identification Card for Use of Resident Citizen in the United States (Form I-179)</li> </ol>

# Overview of enforcement history

- 1986: IRCA made hiring unauthorized immigrants illegal; required I-9 form
  - Lots of document fraud

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- 2003: Basic Pilot (now E-Verify) available in all states

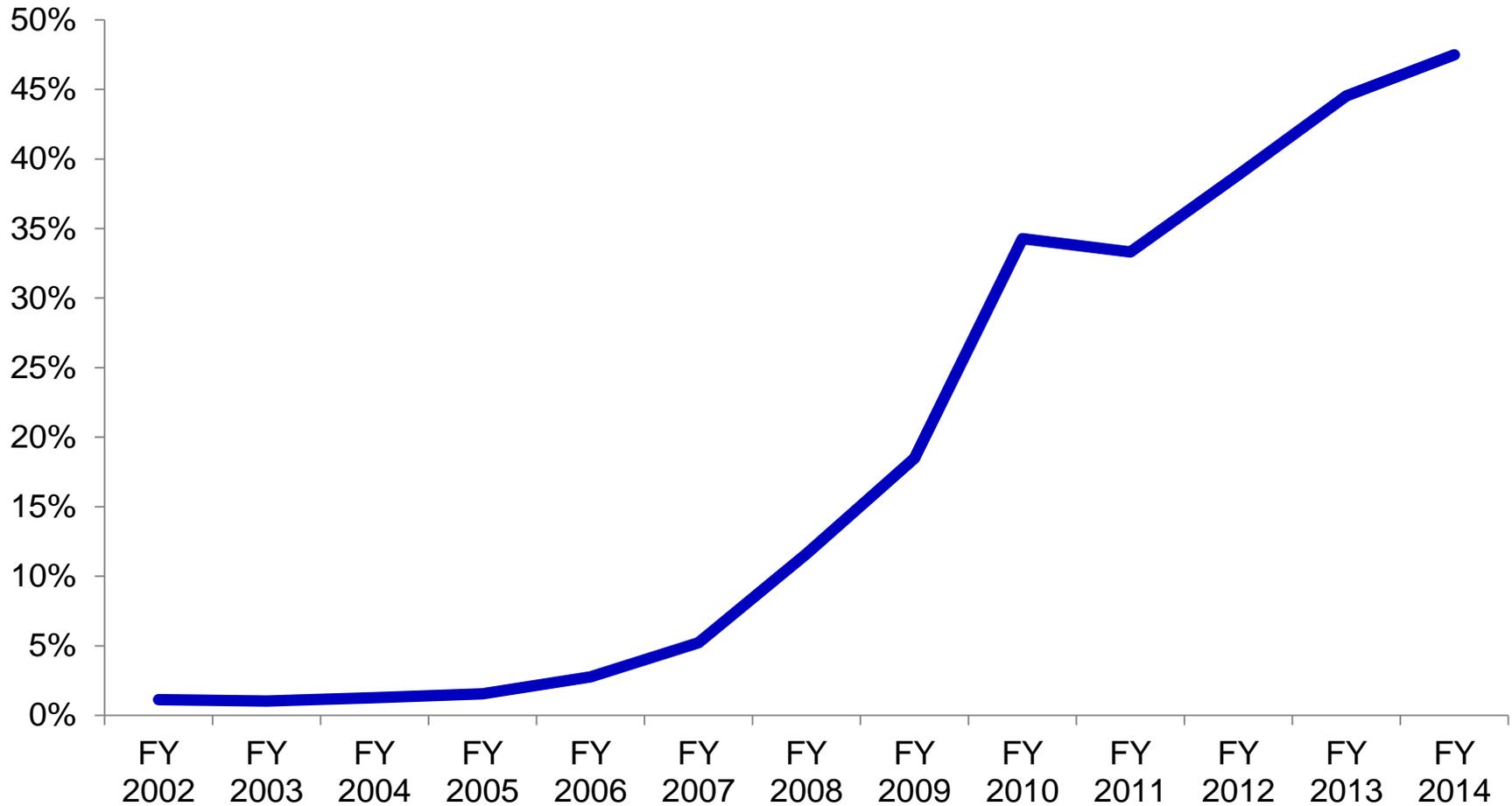
# Overview of enforcement history

- 1986: IRCA made hiring unauthorized immigrants illegal; required I-9 form
- 1996: IIRIRA required creation of authentication system; 3 variants piloted
- 2003: Basic Pilot (now E-Verify) available in all states
- 2006: Some states began requiring some or all employers to use E-Verify

# How E-Verify works

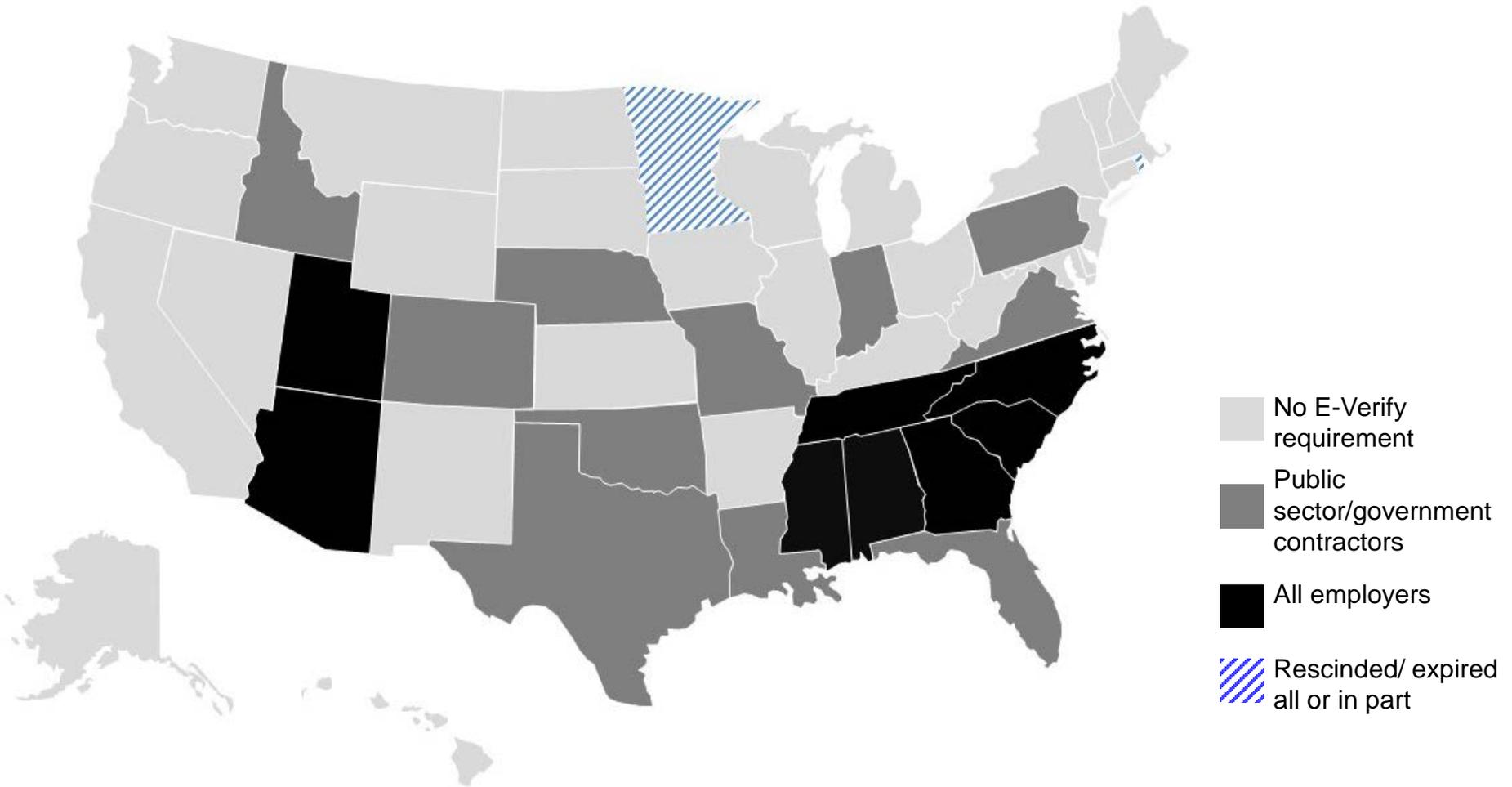
- Employers enter info from form I-9 online
- Info matched to SSA and DHS records
- Tentative non-confirmation? Worker has 8 workdays to resolve
- Can evade via non-compliance or identity fraud

# 1/2 new hires go through E-Verify



Source: Orrenius & Zavodny (forthcoming)

# States requiring E-Verify



# Universal E-Verify laws

State	Adoption	Implementation	Comments
Arizona	July 2007	January 2008	
Mississippi	March 2008	July 2008	Size phase in
Utah	March 2010	July 2010	Only if 15+ employees
Georgia	May 2011	January 2012	Size phase in; only if >10 employees
Alabama	June 2011	April 2012	
North Carolina	June 2011	October 2012	Size phase in; only if 25+ employees
South Carolina	June 2011	January 2012	
Tennessee	April 2016	January 2017	Only if 50+ employees

# Expected effects of E-Verify

- Reduce population, employment of unauthorized immigrants
  - But % employed could rise
- Effect on hourly wages of unauthorized workers theoretically ambiguous
  - Both demand and supply shift
- Poverty likely to rise among unauthorized immigrant families

# What about everyone else?

- Less competition → increased employment, higher wages
- Or, higher employer costs → lower employment, wages

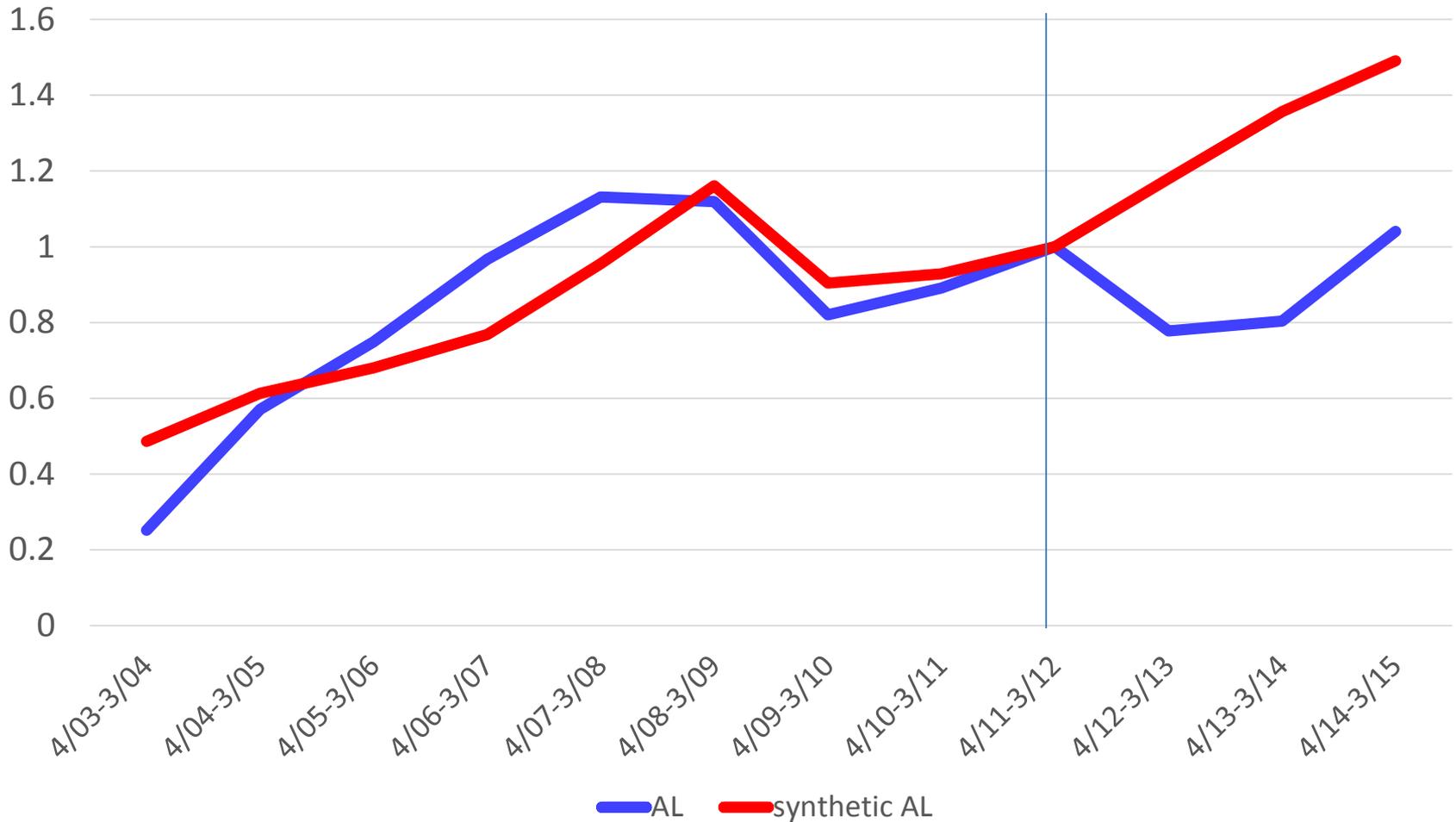
# How measure effects?

- Traditional regression techniques
  - Look at population, labor market outcomes within states before and after E-Verify law in place
  - Control for business cycle, demographics
- Synthetic control method
  - Comparison to states with similar characteristics before E-Verify law in place (counterfactual)

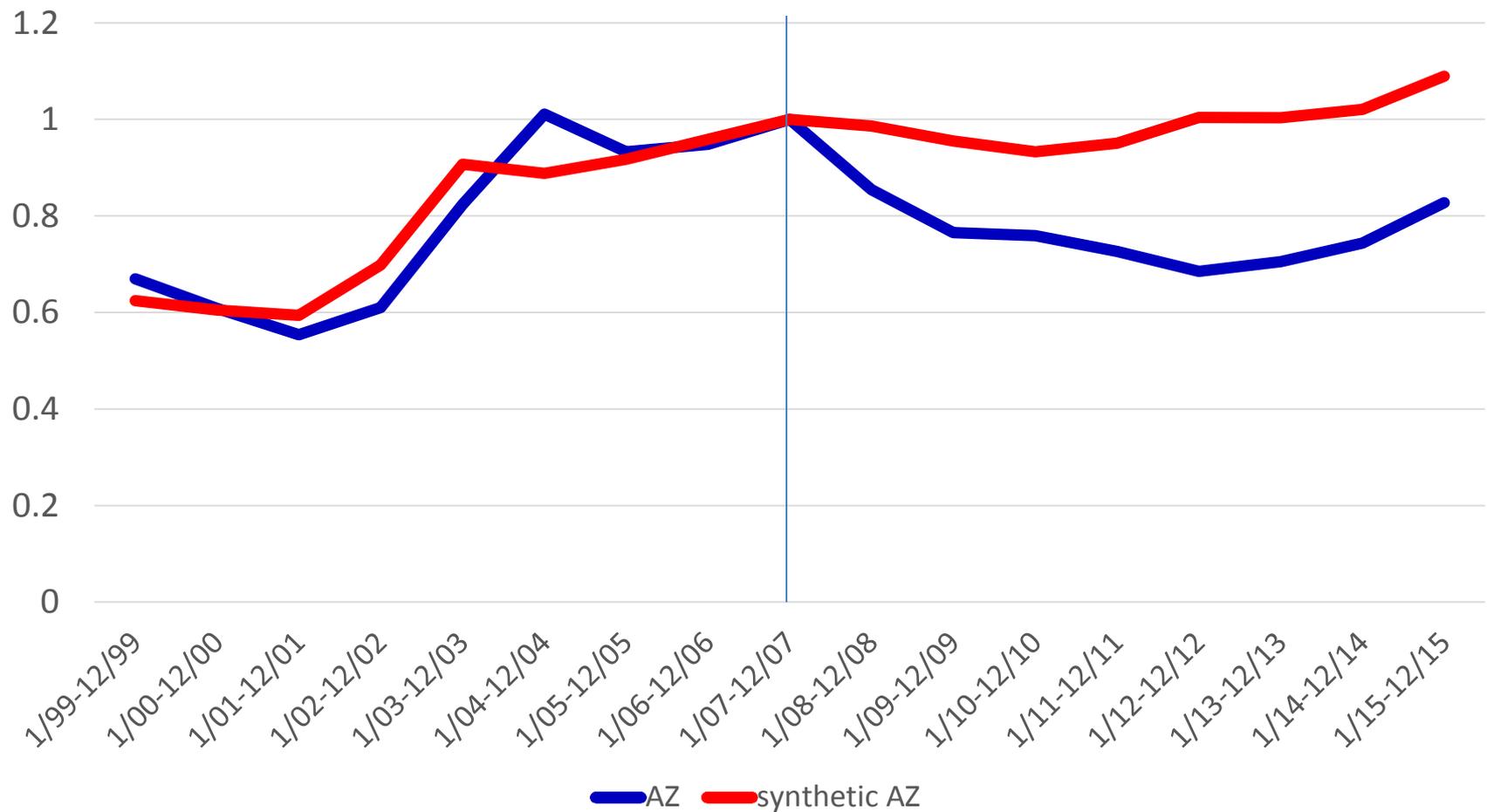
# Caveats

- Data limitations
  - Laws cause survey non-response to increase?
  - Compliance/enforcement varies by state
  - Proxy for unauthorized immigrants
- Spillover effects onto other states
  - People or businesses may move
- Do similar trends continue in synthetic control states?
- Exogenous laws?
  - Laws likely not adopted in a vacuum, but bias is unclear

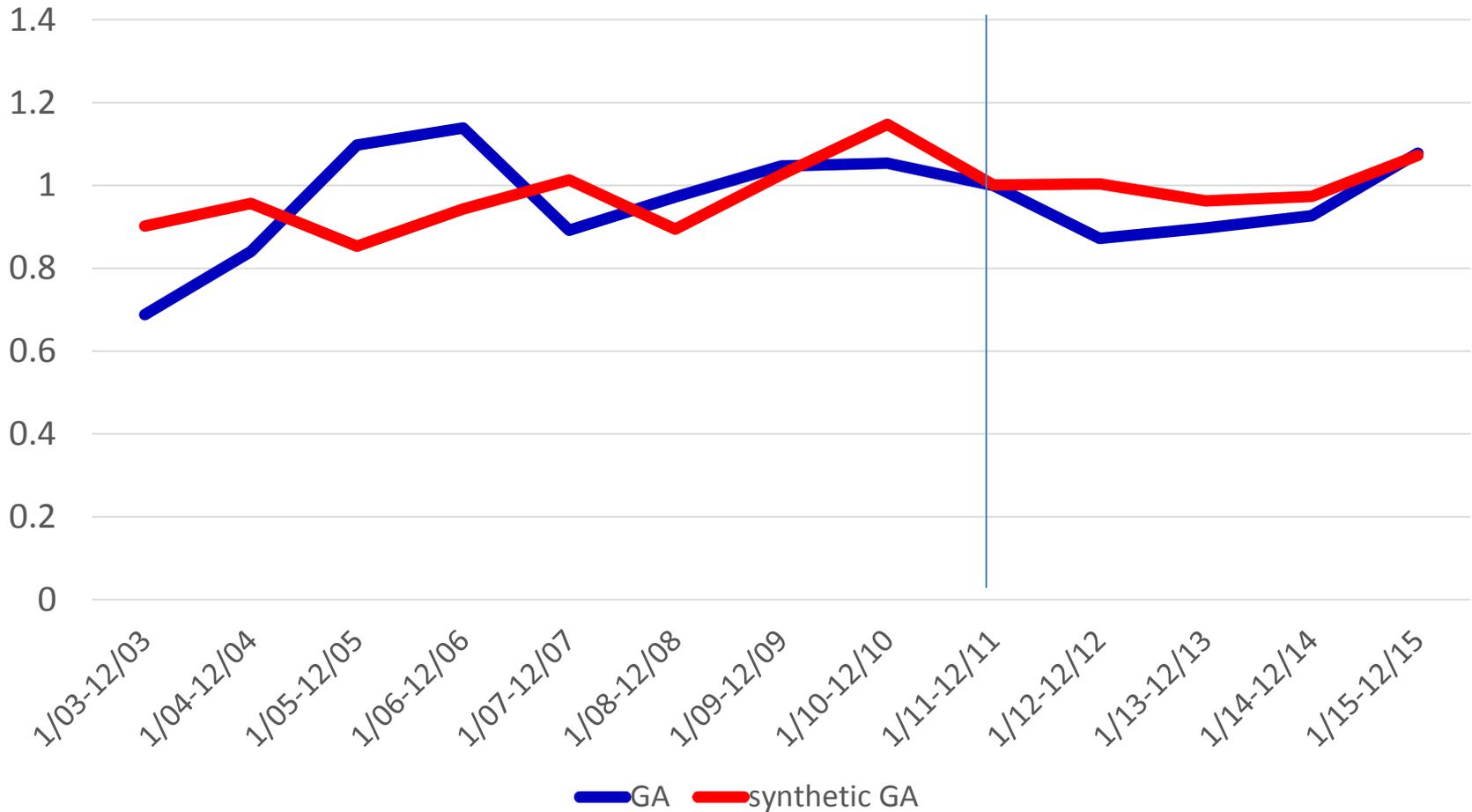
# Alabama: Fewer unauthorized immigrants than counterfactual



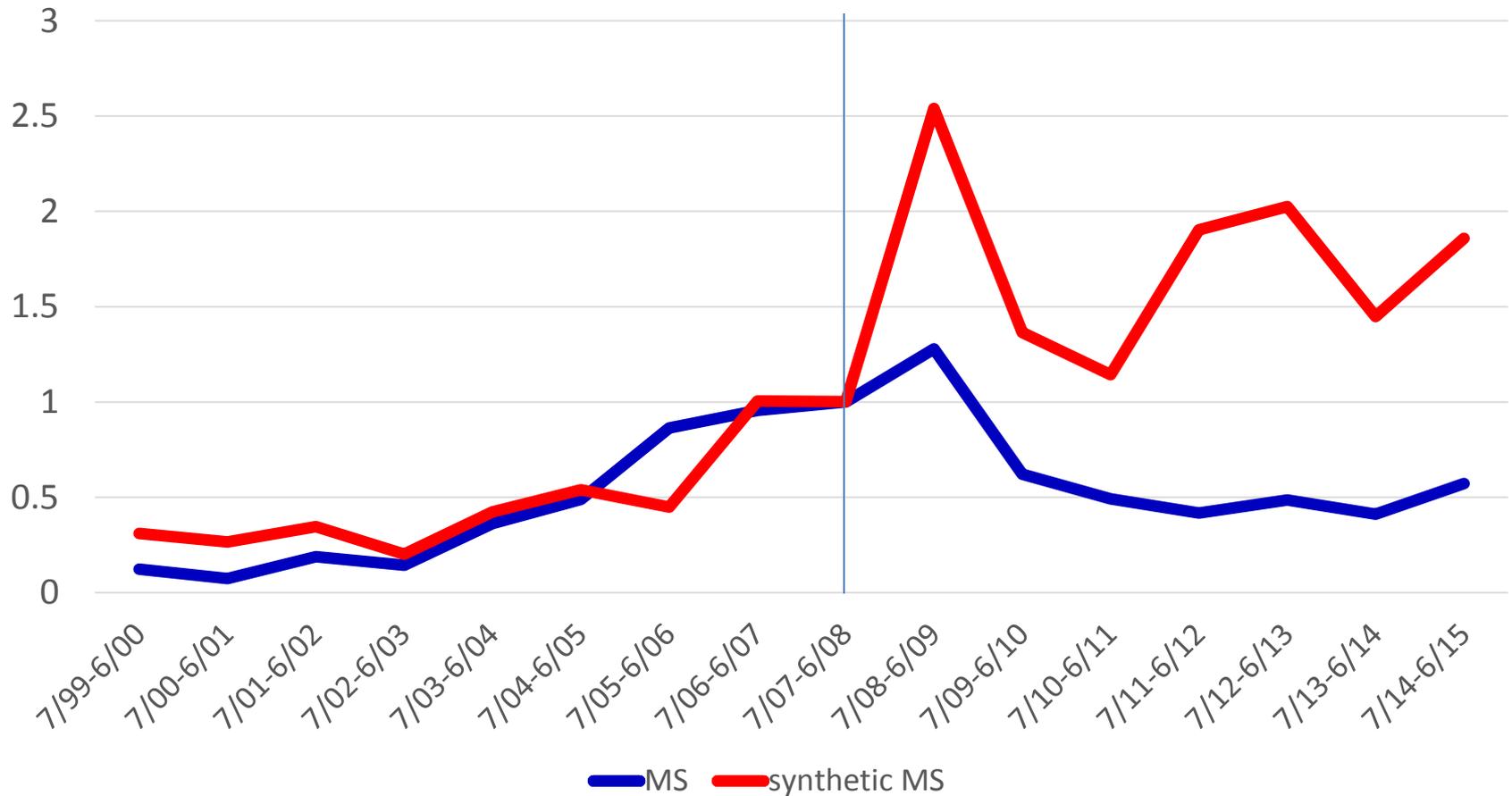
# Arizona: Fewer unauthorized immigrants



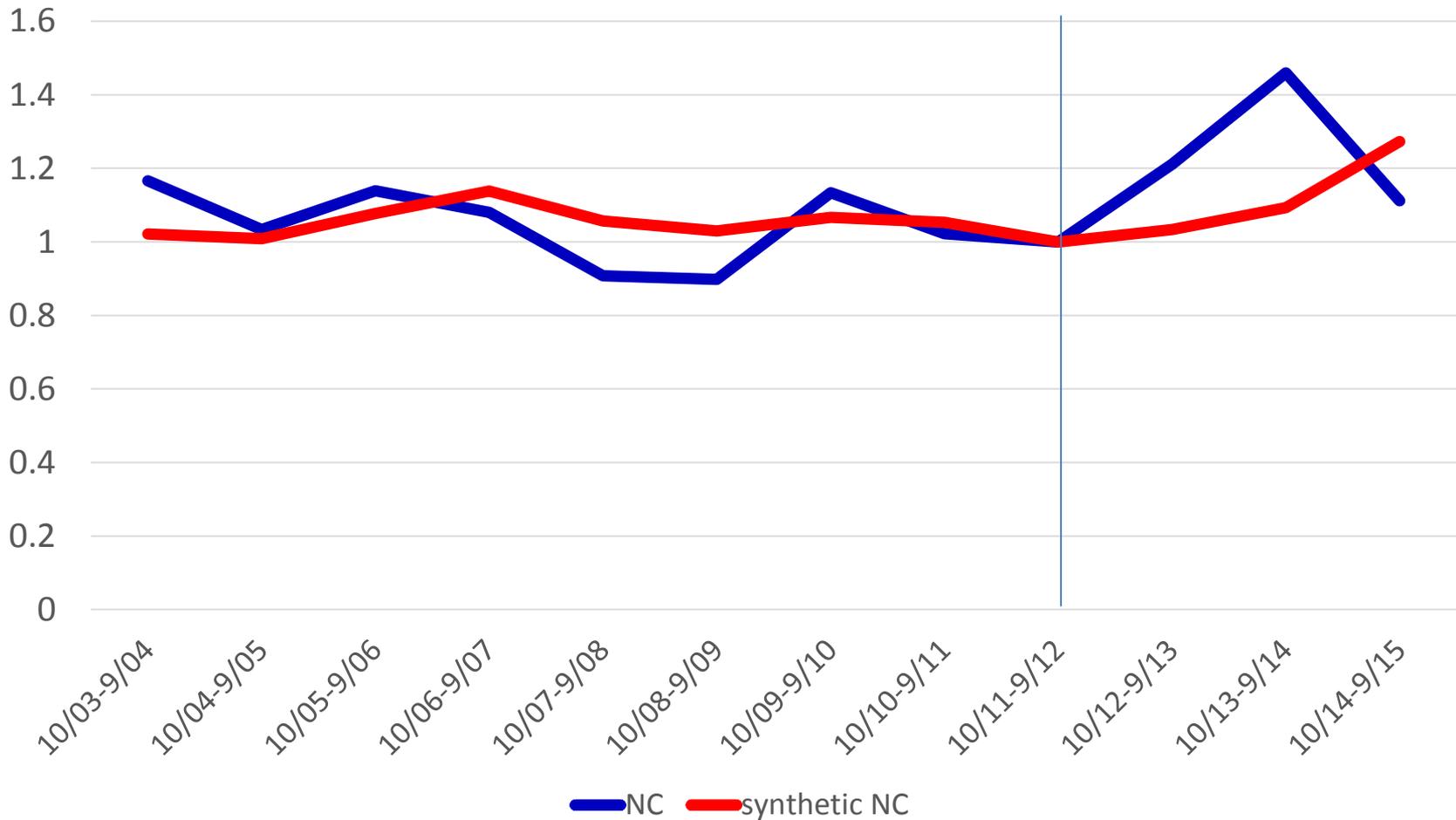
# Georgia: No change in unauthorized immigrant population



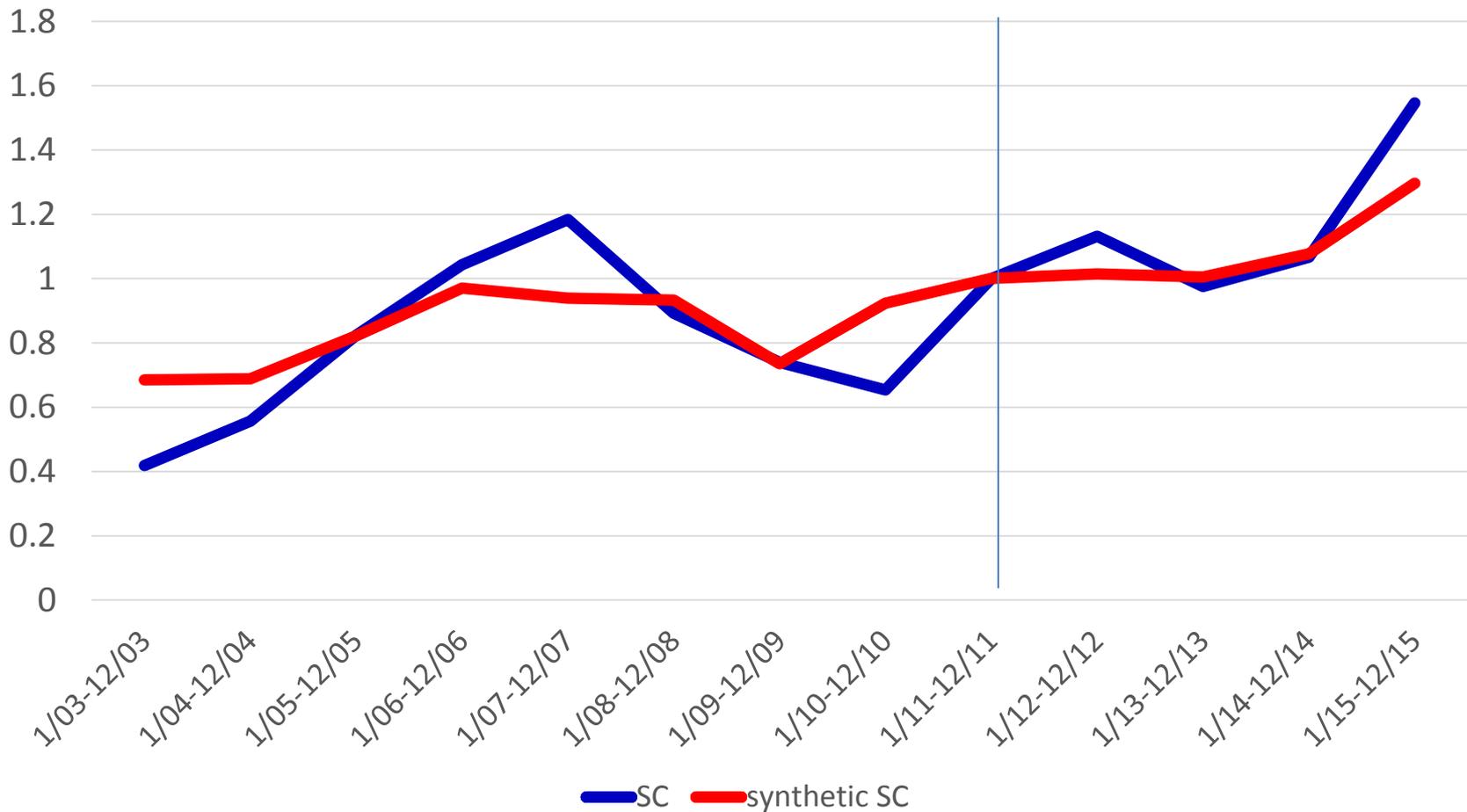
# Mississippi: Far fewer unauthorized immigrants



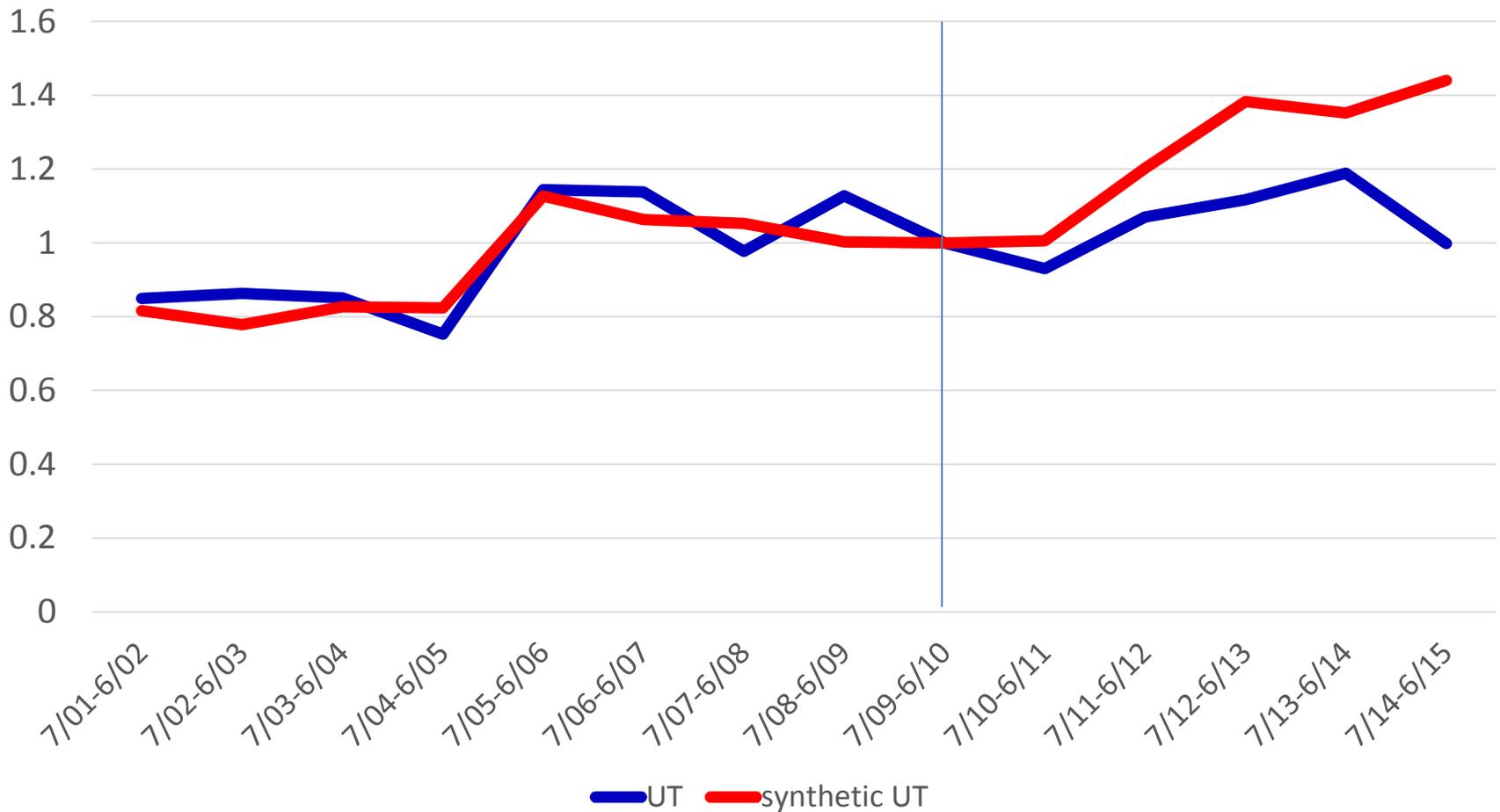
# North Carolina: No clear trend in unauthorized immigrant population



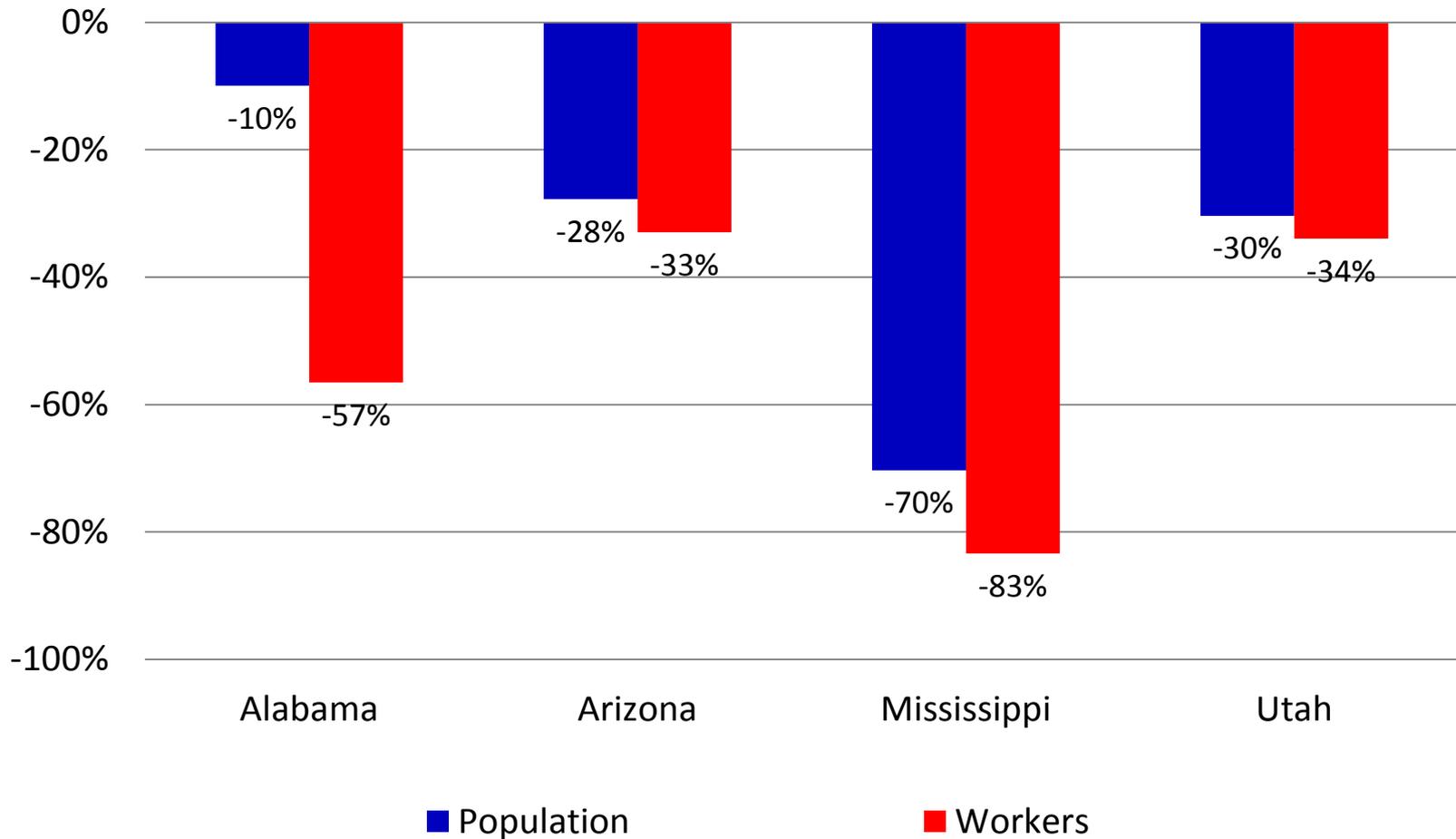
# South Carolina: No drop in unauthorized immigrant population



# Utah: Fewer unauthorized immigrants than counterfactual



# Bigger drop in employment than population among unauthorized



# What about employment among legal immigrants and US natives?

- Bulk of evidence to date is at most small effects on competing legal workers
- Some evidence of higher employment among legal immigrants from Mexico
- Higher wages among less-educated, US-born Hispanic men
  - No effects on native, non-Hispanic white men

# Implications for federal policy

- E-Verify another piece of enforcement toolkit
  - Interior enforcement underemphasized?
- Need to better understand why incomplete compliance, different effects across states
- Harder for businesses & workers to evade than state laws
  - Likely larger effects, but may be mixed effects for US natives
- Combine with a legalization program?