



**Maryland Chamber of Commerce**

## **Legislative Position**

**SB 696  
OPPOSE**

**Ed., Hlth., &  
Environment  
Committee**

**3/24/09**

### **SB 696**

#### **State Procurement – Employment of Unauthorized Aliens and the Federal E-Verify Program**

**Bill Summary:** This bill would require every employer that holds a state procurement contract or receives a state grant to verify through the federal E-Verify program the employment eligibility of each employee hired to work with state funds. Employers would also be subject to sanctions, including business license suspensions and revocations, if found guilty of employing illegal employees.

**Chamber Position:** The Maryland Chamber of Commerce opposes this bill because it would tie eligibility to participate in state procurements to a flawed federal technology program that is not ready for substantial expansion.

The E-Verify Program enables employers, on a voluntary basis, to electronically enter a new employee's Social Security number and citizenship status into a federal database and receive confirmation that the employee is eligible to work in the United States. This system is used currently by about 100,000 of the nation's 7,000,000 employers as an alternative to a paper documentation system.

Several studies have shown that the databases at the Department of Homeland Security and the Social Security Administration are not always up to date, there is a significant error rate in determining work authorization, and the current program is incapable of identifying identity fraud. Employers could be held liable under this bill when workers fraudulently use someone else's identification. This bill also contains harsh sanctions for businesses, including the loss of business licenses necessary for their operation.

Immigration reform and development of a reliable employment verification system must be addressed at the federal level. Our national business organizations continue to support federal legislation to accomplish these goals.

Given the flaws in the current system and the uncertainty of its future, it is unwise for the state to tie its procurement process to this federal program. For these reasons, we urge an unfavorable report for this bill.

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