

115TH CONGRESS
1ST SESSION

H. R. 2461

To expand the use of E-Verify, to hold employers accountable, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2017

Mr. LANCE introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To expand the use of E-Verify, to hold employers accountable, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Accountability Through Electronic Verification Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Permanent reauthorization.
- Sec. 3. Mandatory use of E-Verify.
- Sec. 4. Consequences of failure to participate.

- Sec. 5. Preemption; liability.
- Sec. 6. Expanded use of E-Verify.
- Sec. 7. Reverification.
- Sec. 8. Holding employers accountable.
- Sec. 9. Information sharing.
- Sec. 10. Form I-9 process.
- Sec. 11. Algorithm.
- Sec. 12. Identity theft.
- Sec. 13. Small Business Demonstration Program.

1 **SEC. 2. PERMANENT REAUTHORIZATION.**

2 Section 401(b) of the Illegal Immigration Reform and
 3 Immigrant Responsibility Act of 1996 (division C of Pub-
 4 lic Law 104–208; 8 U.S.C. 1324a note) is amended by
 5 striking “Unless the Congress otherwise provides, the Sec-
 6 retary of Homeland Security shall terminate a pilot pro-
 7 gram on September 30, 2015.”.

8 **SEC. 3. MANDATORY USE OF E-VERIFY.**

9 (a) **FEDERAL GOVERNMENT.**—Section 402(e)(1) of
 10 the Illegal Immigration Reform and Immigrant Responsi-
 11 bility Act of 1996 (8 U.S.C. 1324a note) is amended—

12 (1) by amending subparagraph (A) to read as
 13 follows:

14 “(A) **EXECUTIVE DEPARTMENTS AND**
 15 **AGENCIES.**—Each department and agency of
 16 the Federal Government shall participate in E-
 17 Verify by complying with the terms and condi-
 18 tions set forth in this section.”; and

19 (2) in subparagraph (B), by striking “, that
 20 conducts hiring in a State” and all that follows and
 21 inserting “shall participate in E-Verify by complying

1 with the terms and conditions set forth in this sec-
2 tion.”.

3 (b) FEDERAL CONTRACTORS; CRITICAL EMPLOY-
4 ERS.—Section 402(e) of such Act, as amended by sub-
5 section (a), is further amended—

6 (1) by redesignating paragraphs (2) and (3) as
7 paragraphs (4) and (5), respectively; and

8 (2) by inserting after paragraph (1) the fol-
9 lowing:

10 “(2) UNITED STATES CONTRACTORS.—Any per-
11 son, employer, or other entity that enters into a con-
12 tract with the Federal Government shall participate
13 in E-Verify by complying with the terms and condi-
14 tions set forth in this section.

15 “(3) DESIGNATION OF CRITICAL EMPLOYERS.—
16 Not later than 7 days after the date of the enact-
17 ment of this paragraph, the Secretary of Homeland
18 Security shall—

19 “(A) conduct an assessment of employers
20 that are critical to the homeland security or na-
21 tional security needs of the United States;

22 “(B) designate and publish a list of em-
23 ployers and classes of employers that are
24 deemed to be critical pursuant to the assess-
25 ment conducted under subparagraph (A); and

1 “(C) require that critical employers des-
2 gnated pursuant to subparagraph (B) partici-
3 pate in E-Verify by complying with the terms
4 and conditions set forth in this section not later
5 than 30 days after the Secretary makes such
6 designation.”.

7 (c) ALL EMPLOYERS.—Section 402 of such Act, as
8 amended by this section, is further amended—

9 (1) by redesignating subsection (f) as sub-
10 subsection (g); and

11 (2) by inserting after subsection (e) the fol-
12 lowing:

13 “(f) MANDATORY PARTICIPATION IN E-VERIFY.—

14 “(1) IN GENERAL.—Subject to paragraphs (2)
15 and (3), all employers in the United States shall
16 participate in E-Verify, with respect to all employees
17 recruited, referred, or hired by such employer on or
18 after the date that is 1 year after the date of the
19 enactment of this subsection.

20 “(2) USE OF CONTRACT LABOR.—Any employer
21 who uses a contract, subcontract, or exchange to ob-
22 tain the labor of an individual in the United States
23 shall certify in such contract, subcontract, or ex-
24 change that the employer uses E-Verify. If such cer-
25 tification is not included in a contract, subcontract,

1 or exchange, the employer shall be deemed to have
2 violated paragraph (1).

3 “(3) INTERIM MANDATORY PARTICIPATION.—

4 “(A) IN GENERAL.—Before the date set
5 forth in paragraph (1), the Secretary of Home-
6 land Security shall require any employer or
7 class of employers to participate in E-Verify,
8 with respect to all employees recruited, referred,
9 or hired by such employer if the Secretary has
10 reasonable cause to believe that the employer is
11 or has been engaged in a material violation of
12 section 274A of the Immigration and Nation-
13 ality Act (8 U.S.C. 1324a).

14 “(B) NOTIFICATION.—Not later than 14
15 days before an employer or class of employers
16 is required to begin participating in E-Verify
17 pursuant to subparagraph (A), the Secretary
18 shall provide such employer or class of employ-
19 ers with—

20 “(i) written notification of such re-
21 quirement; and

22 “(ii) appropriate training materials to
23 facilitate compliance with such require-
24 ment.”.

1 **SEC. 4. CONSEQUENCES OF FAILURE TO PARTICIPATE.**

2 (a) IN GENERAL.—Section 402(e)(5) of the Illegal
3 Immigration Reform and Immigrant Responsibility Act of
4 1996 (8 U.S.C. 1324a note), as redesignated by section
5 3(b)(1), is amended to read as follows:

6 “(5) CONSEQUENCES OF FAILURE TO PARTICI-
7 PATE.—If a person or other entity that is required
8 to participate in E-Verify fails to comply with the
9 requirements under this title with respect to an indi-
10 vidual—

11 “(A) such failure shall be treated as a vio-
12 lation of section 274A(a)(1)(B) of the Immigra-
13 tion and Nationality Act (8 U.S.C. 1324a) with
14 respect to such individual; and

15 “(B) a rebuttable presumption is created
16 that the person or entity has violated section
17 274A(a)(1)(A) of such Act.”.

18 (b) PENALTIES.—Section 274A of the Immigration
19 and Nationality Act (8 U.S.C. 1324a) is amended—

20 (1) in subsection (e)—

21 (A) in paragraph (4)—

22 (i) in subparagraph (A)—

23 (I) in the matter preceding clause

24 (i), by inserting “, subject to para-
25 graph (10),” after “in an amount”;

1 (II) in clause (i), by striking “not
2 less than \$250 and not more than
3 \$2,000” and inserting “not less than
4 \$2,500 and not more than \$5,000”;

5 (III) in clause (ii), by striking
6 “not less than \$2,000 and not more
7 than \$5,000” and inserting “not less
8 than \$5,000 and not more than
9 \$10,000”; and

10 (IV) in clause (iii), by striking
11 “not less than \$3,000 and not more
12 than \$10,000” and inserting “not less
13 than \$10,000 and not more than
14 \$25,000”; and

15 (ii) by amending subparagraph (B) to
16 read as follows:

17 “(B) may require the person or entity to
18 take such other remedial action as is appro-
19 priate.”;

20 (B) in paragraph (5)—

21 (i) by inserting “, subject to para-
22 graphs (10) through (12),” after “in an
23 amount”;

1 (ii) by striking “\$100 and not more
2 than \$1,000” and inserting “\$1,000 and
3 not more than \$25,000”;

4 (iii) by striking “the size of the busi-
5 ness of the employer being charged, the
6 good faith of the employer” and inserting
7 “the good faith of the employer being
8 charged”; and

9 (iv) by adding at the end the fol-
10 lowing: “Failure by a person or entity to
11 utilize the employment eligibility
12 verification system as required by law, or
13 providing information to the system that
14 the person or entity knows or reasonably
15 believes to be false, shall be treated as a
16 violation of subsection (a)(1)(A).”; and

17 (C) by adding at the end the following:

18 “(10) EXEMPTION FROM PENALTY.—In the
19 case of the imposition of a civil penalty under para-
20 graph (4)(A) with respect to a violation of para-
21 graph (1)(A) or (2) of subsection (a) for hiring, con-
22 tinuation of employment, recruitment, or referral by
23 a person or entity and, in the case of the imposition
24 of a civil penalty under paragraph (5) for a violation
25 of subsection (a)(1)(B) for hiring, recruitment, or

1 referral by a person or entity, the penalty otherwise
2 imposed may be waived or reduced if the violator es-
3 tablishes that the violator acted in good faith.

4 “(11) AUTHORITY TO DEBAR EMPLOYERS FOR
5 CERTAIN VIOLATIONS.—

6 “(A) IN GENERAL.—If a person or entity
7 is determined by the Secretary of Homeland Se-
8 curity to be a repeat violator of paragraph
9 (1)(A) or (2) of subsection (a), or is convicted
10 of a crime under this section, such person or
11 entity may be considered for debarment from
12 the receipt of Federal contracts, grants, or co-
13 operative agreements in accordance with the de-
14 barment standards and pursuant to the debar-
15 ment procedures set forth in the Federal Acqui-
16 sition Regulation.

17 “(B) DOES NOT HAVE CONTRACT, GRANT,
18 AGREEMENT.—If the Secretary of Homeland
19 Security or the Attorney General wishes to have
20 a person or entity considered for debarment in
21 accordance with this paragraph, and such an
22 person or entity does not hold a Federal con-
23 tract, grant or cooperative agreement, the Sec-
24 retary or the Attorney General shall refer the
25 matter to the Administrator of General Services

1 to determine whether to list the person or entity
2 on the List of Parties Excluded from Federal
3 Procurement, and if so, for what duration and
4 under what scope.

5 “(C) HAS CONTRACT, GRANT, AGREE-
6 MENT.—If the Secretary of Homeland Security
7 or the Attorney General wishes to have a per-
8 son or entity considered for debarment in ac-
9 cordance with this paragraph, and such person
10 or entity holds a Federal contract, grant or co-
11 operative agreement, the Secretary or the At-
12 torney General shall advise all agencies or de-
13 partments holding a contract, grant, or cooper-
14 ative agreement with the person or entity of the
15 Government’s interest in having the person or
16 entity considered for debarment, and after solici-
17 ting and considering the views of all such agen-
18 cies and departments, the Secretary or the At-
19 torney General may waive the operation of this
20 paragraph or refer the matter to any appro-
21 priate lead agency to determine whether to list
22 the person or entity on the List of Parties Ex-
23 cluded from Federal Procurement, and if so, for
24 what duration and under what scope.

1 “(D) REVIEW.—Any decision to debar a
2 person or entity under in accordance with this
3 paragraph shall be reviewable pursuant to part
4 9.4 of the Federal Acquisition Regulation.”;
5 and

6 (2) in subsection (f)—

7 (A) by amending paragraph (1) to read as
8 follows:

9 “(1) CRIMINAL PENALTY.—Any person or enti-
10 ty which engages in a pattern or practice of viola-
11 tions of subsection (a)(1) or (2) shall be fined not
12 more than \$15,000 for each unauthorized alien with
13 respect to which such a violation occurs, imprisoned
14 for not less than 1 year and not more than 10 years,
15 or both, notwithstanding the provisions of any other
16 Federal law relating to fine levels.”; and

17 (B) in paragraph (2), by striking “Attor-
18 ney General” each place it appears and insert-
19 ing “Secretary of Homeland Security”.

20 **SEC. 5. PREEMPTION; LIABILITY.**

21 Section 402 of the Illegal Immigration Reform and
22 Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a
23 note), as amended by this Act, is further amended by add-
24 ing at the end the following:

25 “(h) LIMITATION ON STATE AUTHORITY.—

1 “(1) PREEMPTION.—A State or local govern-
2 ment may not prohibit a person or other entity from
3 verifying the employment authorization of new hires
4 or current employees through E-Verify.

5 “(2) LIABILITY.—A person or other entity that
6 participates in E-Verify may not be held liable under
7 any Federal, State, or local law for any employment-
8 related action taken with respect to the wrongful
9 termination of an individual in good faith reliance on
10 information provided through E-Verify.”.

11 **SEC. 6. EXPANDED USE OF E-VERIFY.**

12 Section 403(a)(3)(A) of the Illegal Immigration Re-
13 form and Immigrant Responsibility Act of 1996 (8 U.S.C.
14 1324a note) is amended to read as follows:

15 “(A) IN GENERAL.—

16 “(i) BEFORE HIRING.—The person or
17 other entity may verify the employment eli-
18 gibility of an individual through E-Verify
19 before the individual is hired, recruited, or
20 referred if the individual consents to such
21 verification. If an employer receives a ten-
22 tative nonconfirmation for an individual,
23 the employer shall comply with procedures
24 prescribed by the Secretary of Homeland
25 Security, including—

1 “(I) providing the individual em-
2 ployees with private, written notifica-
3 tion of the finding and written refer-
4 ral instructions;

5 “(II) allowing the individual to
6 contest the finding; and

7 “(III) not taking adverse action
8 against the individual if the individual
9 chooses to contest the finding.

10 “(ii) AFTER EMPLOYMENT OFFER.—
11 The person or other entity shall verify the
12 employment eligibility of an individual
13 through E-Verify not later than 3 days
14 after the date of the hiring, recruitment, or
15 referral, as the case may be.

16 “(iii) EXISTING EMPLOYEES.—Not
17 later than 3 years after the date of the en-
18 actment of the Accountability Through
19 Electronic Verification Act, the Secretary
20 shall require all employers to use E-Verify
21 to verify the identity and employment eligi-
22 bility of any individual who has not been
23 previously verified by the employer through
24 E-Verify.”.

1 **SEC. 7. REVERIFICATION.**

2 Section 403(a) of the Illegal Immigration Reform and
3 Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a
4 note), as amended by section 6, is further amended by
5 adding at the end the following:

6 “(5) REVERIFICATION.—Each person or other
7 entity participating in E-Verify shall use the E-
8 Verify confirmation system to reverify the work au-
9 thorization of any individual not later than 3 days
10 after the date on which such individual’s employ-
11 ment authorization is scheduled to expire (as indi-
12 cated by the Secretary or the documents provided to
13 the employer pursuant to section 274A(b) of the Im-
14 migration and Nationality Act (8 U.S.C. 1324a(b))),
15 in accordance with the procedures set forth in this
16 subsection and section 402.”.

17 **SEC. 8. HOLDING EMPLOYERS ACCOUNTABLE.**

18 (a) CONSEQUENCES OF NONCONFIRMATION.—Sec-
19 tion 403(a)(4)(C) of the Illegal Immigration Reform and
20 Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a
21 note) is amended to read as follows:

22 “(C) CONSEQUENCES OF NONCONFIRMA-
23 TION.—

24 “(i) TERMINATION AND NOTIFICA-
25 TION.—If the person or other entity re-
26 ceives a final nonconfirmation regarding an

1 individual, the employer shall imme-
2 diately—

3 “(I) terminate the employment,
4 recruitment, or referral of the indi-
5 vidual; and

6 “(II) submit to the Secretary any
7 information relating to the individual
8 that the Secretary determines would
9 assist the Secretary in enforcing or
10 administering United States immigra-
11 tion laws.

12 “(ii) CONSEQUENCE OF CONTINUED
13 EMPLOYMENT.—If the person or other en-
14 tity continues to employ, recruit, or refer
15 the individual after receiving final noncon-
16 firmation, a rebuttable presumption is cre-
17 ated that the employer has violated section
18 274A of the Immigration and Nationality
19 Act (8 U.S.C. 1324a).”.

20 (b) INTERAGENCY NONCONFIRMATION REPORT.—
21 Section 405 of the Illegal Immigration Reform and Immi-
22 grant Responsibility Act of 1996 (8 U.S.C. 1324a note)
23 is amended by adding at the end the following:

24 “(c) INTERAGENCY NONCONFIRMATION REPORT.—

1 “(1) IN GENERAL.—The Director of U.S. Citi-
2 zenship and Immigration Services shall submit a
3 weekly report to the Assistant Secretary of Immigra-
4 tion and Customs Enforcement that includes, for
5 each individual who receives final nonconfirmation
6 through E-Verify—

7 “(A) the name of such individual;

8 “(B) his or her Social Security number or
9 alien file number;

10 “(C) the name and contact information for
11 his or her current employer; and

12 “(D) any other critical information that
13 the Assistant Secretary determines to be appro-
14 priate.

15 “(2) USE OF WEEKLY REPORT.—The Secretary
16 of Homeland Security shall use information provided
17 under paragraph (1) to enforce compliance of the
18 United States immigration laws.”.

19 **SEC. 9. INFORMATION SHARING.**

20 The Commissioner of Social Security, the Secretary
21 of Homeland Security, and the Secretary of the Treasury
22 shall jointly establish a program to share information
23 among such agencies that may or could lead to the identi-
24 fication of unauthorized aliens (as defined under section
25 274A(h)(3) of the Immigration and Nationality Act (8

1 U.S.C. 1324a(h)(3))), including no-match letters and any
2 information in the earnings suspense file.

3 **SEC. 10. FORM I-9 PROCESS.**

4 Not later than 9 months after date of the enactment
5 of this Act, the Secretary of Homeland Security shall sub-
6 mit a report to Congress that contains recommendations
7 for—

8 (1) modifying and simplifying the process by
9 which employers are required to complete and retain
10 a Form I-9 for each employee pursuant to section
11 274A of the Immigration and Nationality Act (8
12 U.S.C. 1324a); and

13 (2) eliminating the process described in para-
14 graph (1).

15 **SEC. 11. ALGORITHM.**

16 Section 404(d) of the Illegal Immigration Reform and
17 Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a
18 note) is amended to read as follows:

19 “(d) DESIGN AND OPERATION OF SYSTEM.—E-
20 Verify shall be designed and operated—

21 “(1) to maximize its reliability and ease of use
22 by employers;

23 “(2) to insulate and protect the privacy and se-
24 curity of the underlying information;

1 “(3) to maintain appropriate administrative,
2 technical, and physical safeguards to prevent unau-
3 thorized disclosure of personal information;

4 “(4) to respond accurately to all inquiries made
5 by employers on whether individuals are authorized
6 to be employed;

7 “(5) to register any time when E-Verify is un-
8 able to receive inquiries;

9 “(6) to allow for auditing use of the system to
10 detect fraud and identify theft;

11 “(7) to preserve the security of the information
12 in all of the system by—

13 “(A) developing and using algorithms to
14 detect potential identity theft, such as multiple
15 uses of the same identifying information or doc-
16 uments;

17 “(B) developing and using algorithms to
18 detect misuse of the system by employers and
19 employees;

20 “(C) developing capabilities to detect
21 anomalies in the use of the system that may in-
22 dicate potential fraud or misuse of the system;
23 and

24 “(D) auditing documents and information
25 submitted by potential employees to employers,

1 including authority to conduct interviews with
2 employers and employees;

3 “(8) to confirm identity and work authorization
4 through verification of records maintained by the
5 Secretary, other Federal departments, States, the
6 Commonwealth of the Northern Mariana Islands, or
7 an outlying possession of the United States, as de-
8 termined necessary by the Secretary, including—

9 “(A) records maintained by the Social Se-
10 curity Administration;

11 “(B) birth and death records maintained
12 by vital statistics agencies of any State or other
13 jurisdiction in the United States;

14 “(C) passport and visa records (including
15 photographs) maintained by the Department of
16 State; and

17 “(D) State driver’s license or identity card
18 information (including photographs) maintained
19 by State department of motor vehicles;

20 “(9) to electronically confirm the issuance of
21 the employment authorization or identity document;
22 and

23 “(10) to display the digital photograph that the
24 issuer placed on the document so that the employer
25 can compare the photograph displayed to the photo-

1 graph on the document presented by the employee
2 or, in exceptional cases, if a photograph is not avail-
3 able from the issuer, to provide for a temporary al-
4 ternative procedure, specified by the Secretary, for
5 confirming the authenticity of the document.”.

6 **SEC. 12. IDENTITY THEFT.**

7 Section 1028 of title 18, United States Code, is
8 amended—

9 (1) in subsection (a)(7), by striking “of another
10 person” and inserting “that is not his or her own”;
11 and

12 (2) in subsection (b)(3)—

13 (A) in subparagraph (B), by striking “or”
14 at the end;

15 (B) in subparagraph (C), by adding “or”
16 at the end; and

17 (C) by adding at the end the following:

18 “(D) to facilitate or assist in harboring or
19 hiring unauthorized workers in violation of sec-
20 tion 274, 274A, or 274C of the Immigration
21 and Nationality Act (8 U.S.C. 1324, 1324a,
22 and 1324c).”.

1 **SEC. 13. SMALL BUSINESS DEMONSTRATION PROGRAM.**

2 Section 403 of the Illegal Immigration Reform and
3 Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a
4 note), as amended by this Act, is further amended—

5 (1) by redesignating subsection (d) as sub-
6 section (e); and

7 (2) by inserting after subsection (c) the fol-
8 lowing:

9 “(d) **SMALL BUSINESS DEMONSTRATION PRO-**
10 **GRAM.**—Not later than 9 months after the date of the en-
11 actment of the Accountability Through Electronic
12 Verification Act, the Director of U.S. Citizenship and Im-
13 migration Services shall establish a demonstration pro-
14 gram that assists small businesses in rural areas or areas
15 without internet capabilities to verify the employment eli-
16 gibility of newly hired employees solely through the use
17 of publicly accessible internet terminals.”.

○