

Senate Bill 850

Sponsored by Senator KNOPP

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires state agencies to use federal E-Verify employment verification program to verify employment eligibility of job applicants. Instructs state agencies to report use of E-Verify program to Oregon Department of Administrative Services. Requires department to report annually to Legislative Assembly on use of E-Verify program by state agencies. Directs department to adopt rules.

Requires employer to verify legal status of employee to be employed in United States through federal E-Verify program prior to deducting expenses related to worker's employment from Oregon taxable income. Prohibits deduction of wages paid to unverified employee as business expense for purposes of Oregon taxation.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1 Relating to verification of legal status for employment; and declaring an emergency.

2 Whereas ensuring that Oregon employers employ individuals eligible to work within Oregon is
3 an issue of statewide concern; and
4

5 Whereas it is in the best interest of employers in Oregon for all employers to follow federal law
6 as it applies to the hiring of individuals who are authorized to work in the United States; and
7

8 Whereas employers that violate federal employment law with respect to the hiring of individuals
9 who are unauthorized to work in the United States place an undue economic burden on employers
10 that attempt to hire only individuals who are authorized to work in the United States; and
11

12 Whereas strict adherence to legal hiring practices will decrease illegal immigration into Oregon
13 and substantially reduce the millions of dollars leaving Oregon to other countries; and
14

15 Whereas employers in Oregon that hire unauthorized individuals create an attractive environ-
16 ment for illegal immigrants to locate within Oregon, which costs taxpayers millions of dollars to
17 provide public education, health care and other services and, in addition, negatively affects our ju-
18 dicial system; and
19

20 Whereas it is in the best interest of this state for all employers to verify the Social Security
21 numbers and work eligibility status of newly hired employees, and it is important for every employer
22 in the state to verify through the federal E-Verify employment verification program the work eligi-
23 bility status of newly hired employees; now, therefore,
24

Be It Enacted by the People of the State of Oregon:

21 **SECTION 1. (1) All state agencies shall use the federal E-Verify employment verification**
22 **program to verify the eligibility for employment in the United States of all employees hired**
23 **on or after January 1, 2016.**

24 **(2) All state agencies shall report on the agency's use of the E-Verify employment ver-**
25 **ification program to the Oregon Department of Administrative Services. The report may in-**
26 **clude, but is not limited to:**

27 **(a) The total number of requests for verification made through the E-Verify program in**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 the reporting period;

2 (b) The number of applicants verified as eligible for employment;

3 (c) The number of applicants for which eligibility for employment could not be verified;

4 and

5 (d) The classification of the position applied for by each applicant for employment.

6 (3) The department shall report to the Legislative Assembly annually by September 15,
7 in the manner provided in ORS 192.245. The report must include a summary of the reports
8 submitted to the department by state agencies under subsection (2) of this section during the
9 preceding fiscal year ending June 30.

10 (4) The department shall adopt rules necessary for the implementation and adminis-
11 tration of this section.

12 (5) As used in this section, "state agency" means any state officer, board, commission,
13 department, institution or agency of the executive, judicial or legislative branches of state
14 government. "State agency" includes the Oregon University System.

15 **SECTION 2.** Section 1 of this 2015 Act becomes operative on January 1, 2016.

16 **SECTION 3.** The Director of the Oregon Department of Administrative Services may take
17 any action before the operative date specified in section 2 of this 2015 Act that is necessary
18 to enable the Oregon Department of Administrative Services to exercise, on or after the
19 operative date specified in section 2 of this 2015 Act, the duties, functions and powers con-
20 ferred on the department by section 1 of this 2015 Act.

21 **SECTION 4.** Expenses related to the employment of workers in this state may be de-
22 ducted from Oregon taxable income by employers of the worker only after the worker's el-
23 igibility for employment in the United States is verified through the federal E-Verify
24 employment verification program.

25 **SECTION 5.** Section 4 of this 2015 Act applies to tax years beginning after December 31,
26 2014.

27 **SECTION 6.** This 2015 Act being necessary for the immediate preservation of the public
28 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
29 on its passage.

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