

UNAPPROVED Minutes of the
 Worker Classification Coordinated Enforcement Council
 November 21, 2011
 Labor Commission, 160 East 300 South, Salt Lake City

Council Members Present: Alan Hennebold, Chair Deputy Commissioner, Utah Labor Commission
 Thad Levar Deputy Director, Utah Department of Commerce
 Dolores Furniss Disclosure Officer, Utah State Tax Commission
 Bill Starks Director, Unemployment Insurance, Department of Workforce Services
 Phil Lott Assistant Attorney General, Utah Attorney General’s Office, non-voting member

Staff: Mary Gehman-Smith Supervisor, Support Staff, Department of Workforce Services

Visitors: A list of visitors is provided at the end of the minutes.

AGENDA ITEM	DISCUSSION
1. Welcome and approval of minutes	<p>Chair Hennebold called the meeting to order at 9:00 a.m.</p> <p>Chair Hennebold stated notice of today’s meeting has been published on the Public Notice Meeting website as required by the Public Meetings law, and the local media has been notified. He noted a quorum is present.</p> <p>MOTION: Chair Hennebold made a motion to approve the October 12, 2011 Minutes. The Minutes were approved unanimously.</p>
2. Public Comment	Chair Hennebold noted there were no members of the public wanting to address the Council.
3. Comments on Council Written and Oral Reports	Mr. Lott commented on the terrific job Chair Hennebold did on the oral presentation to the Legislative Committee.
4. E-verify/driver’s license verification	David M. Pittman, U.S. Citizenship and Immigration Services (USCIS) VER RIDE Project Manager participated in the meeting by phone and presented a PowerPoint on the RIDE Program (attached).

<p>5. Council Plans and strategies for upcoming year</p>	<p>Currently, the Department of Commerce, the Utah State Tax Commission and the Department of Workforce Services use the SAVE database.</p> <p>Mr. LeVar added part of his division's enforcement responsibility is for contractors to use E-Verify. He continued it is understood E-Verify is available to employers attempting to verify the lawful presence of employees. A current situation we have in Utah is construction companies forming as limited liability companies (LLCs) with their workers (often hundreds of workers) designated as LLC owners. Utah's licensing law requires those entities to obtain a contractor's license in Utah, to verify the lawful presence of their worker-owners. Mr. LeVar asked if E-Verify is available to these organizations (where the status of owner vs. employee is not entirely crystal clear). Mr. LeVar was asked to email this question to Mr. Pittman. Mr. Pittman will speak to his policy group and provide an answer.</p> <p>The RIDE program can work with states as long as they have a signed Memorandum of Understanding (MOU) in place. Mr. Lott asked if there is just one standard MOU and does it pertain as to how employers sign up with E-Verify. The USCIS wants to build interest and support among the DMV and the Governor's office. Although this group cannot make a decision for the DMV, this information is relevant to this Council's charge. Chair Hennebold will draft a message to the DMV stating the Council has seen an overview and some of the agencies believe it could be beneficial.</p> <p>Chair Hennebold asked the Council how they envision moving forward now that the first reporting process is complete. As we all know, misclassification is still a big problem. Many workers are illegal and are afraid to step forward and speak for fear of prosecution. Mr. LeVar added they are getting referrals from contractors who believe they are losing business due to those misclassifying workers. Some employers are asking employees not to carry photo ID while on a construction site. Mr. Lott doesn't feel that this in itself is a crime.</p> <p>Mr. LeVar suggested the Council prepare a progress report. Suggestions for the report include: 1) the Tax Commission could expand on the sampling of the LLCs issuing K1s presented in the report to the Legislature. In this sampling, there were 700 worker/members. TC staff are determining how many are actually filing; 2) DWS could report on their sharing collaboration with DOPL, including workers and contractors out of compliance with UI; 3) DWS can report feedback from the 1099 audits currently being shared; 4) DWS can add information regarding the LLCs 8% rule and determine if these companies are reporting. Chair Hennebold asked the group to think about the strategy for the next year.</p>
<p>6. Future meeting schedule/adjourn</p>	<p>The next meeting is scheduled for Wednesday, January 11, 2012 at 9:00 a.m.</p> <p>Chair Hennebold motioned to adjourn the meeting at 10:29 a.m., Ms. Furniss seconded the motion and the motion</p>

	was unanimous.
--	----------------

Visitors: Mike Miller, Chief of Contributions, Department of Workforce Services
Eileen Rivera, Field Audit Manager, Department of Workforce Services
Ron Dressler, Director, Industrial Accidents Division, Labor Commission
Dennis Lloyd, Sr. V.P., Workers' Compensation Fund

Via Phone: Matthew Wiggins and Paul Blanchard

**VERIFICATION
DIVISION**



**U.S. Citizenship
and Immigration
Services**

RIDE and E-Verify Presentation for Utah Worker Classification Enforcement Council

November 2011



Introduction

David M. Pittman

Special Operations Branch

Verification Division

U.S. Citizenship and Immigration Services

Department of Homeland Security

Agenda

- Overview of E-Verify
- Overview of RIDE Enhancement
- Utah Partnership Benefits
- Next Steps for Interested Jurisdictions

VERIFICATION DIVISION



U.S. Citizenship
and Immigration
Services

Overview of E-Verify



What is E-Verify?

- E-Verify is a free, easy-to-use, web-based system operated by the Department of Homeland Security (DHS) that enables participating employers to electronically verify the employment eligibility of their employees
- Goals: legal workforce, fraud prevention, minimal impact on users

Quick Stats

- Over 300,000 employers (with over 980,000 work sites) have signed MOUs with USCIS to use E-Verify
- In FY 2011, US employers ran more than 17 million cases through E-Verify
- Over 98% of cases receive an immediate Employment Authorized response

How does E-Verify work?



The employer uses information from the employee's Form I-9 to create a case in E-Verify.

E-Verify displays a case result within a few seconds, though some cases may require additional action.

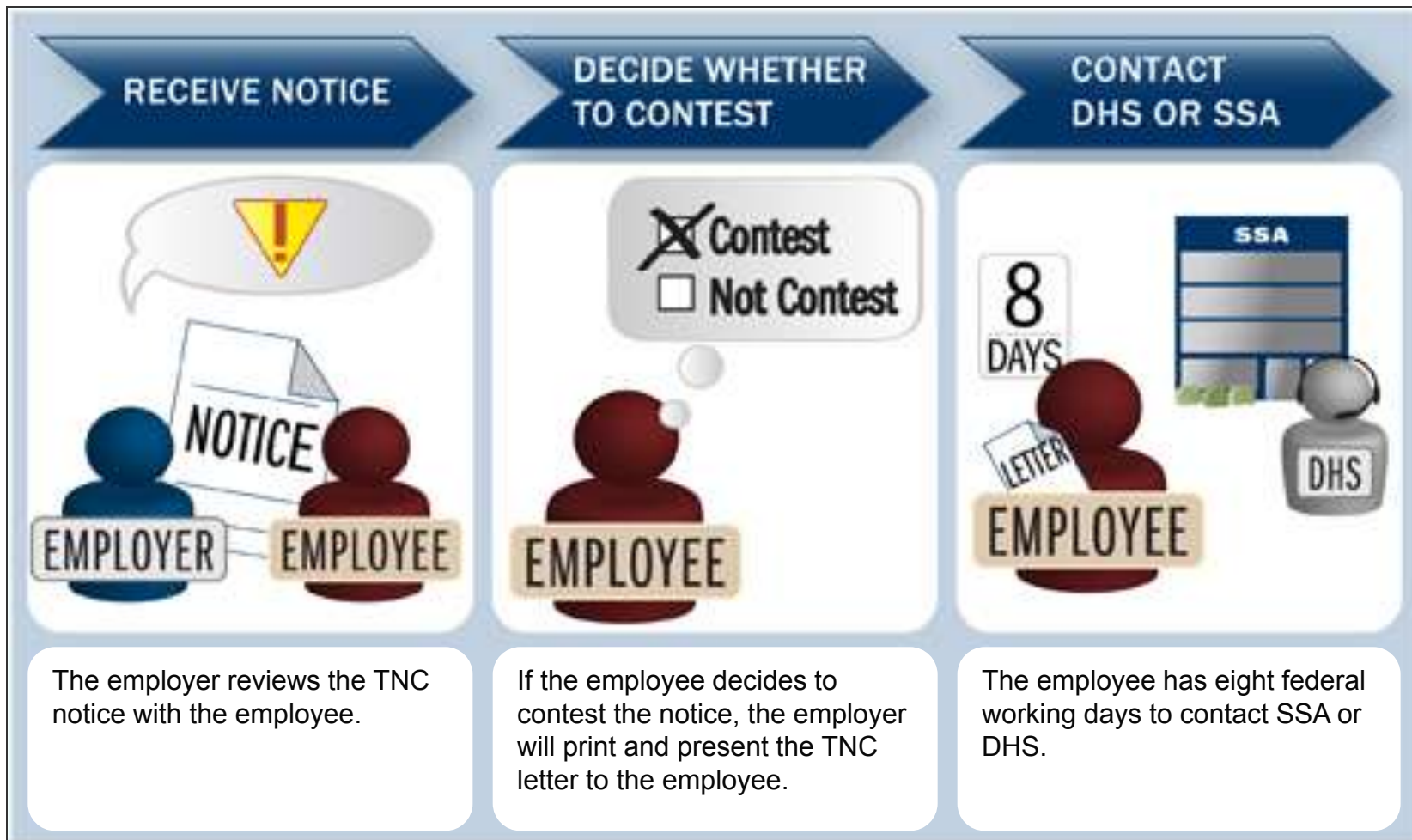
The employer closes the case once E-Verify displays a final case result.

How does E-Verify work? | Possible Results

Initial verification will return one of four results within seconds:

- **Employment Authorized**
 - The employee is authorized to work
- **DHS Verification in Process**
 - DHS will usually respond within 24 hours with either an Employment Authorized or DHS tentative nonconfirmation
- **SSA Tentative Nonconfirmation**
 - There is an information mismatch with SSA records
- **DHS Tentative Nonconfirmation**
 - There is an information mismatch with DHS or state DMV records

How does E-Verify work? | TNC Resolution



E-Verify in Utah

- Utah Senate Bill 251 required all private employers 15 or more employees to use E-verify July 2010
- Cases from Utah employers:
 - FY 2010: 204,000+
 - FY 2011: 321,000+
 - FY 2012: 39,000+*
- Participating Employers:
 - Over 5,000 MOUs at over 10,000 work sites*



*As of 15 November 2011

**VERIFICATION
DIVISION**



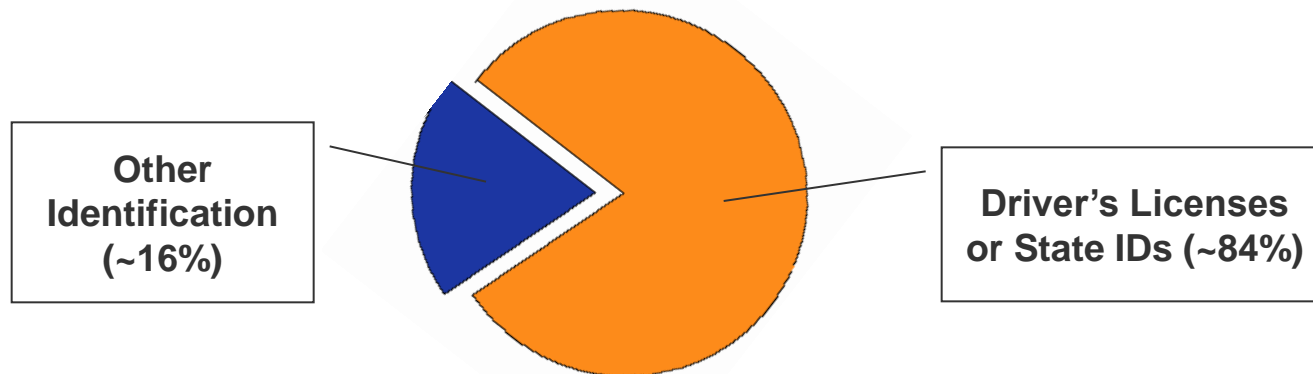
**U.S. Citizenship
and Immigration
Services**

Overview of RIDE Enhancement



What is RIDE?

- Records and Information from DMVs for E-Verify (RIDE)
- Partnership between DHS, the American Association of Motor Vehicle Administrators (AAMVA) , and DMVs
- Enhancement to E-Verify to verify driver's licenses and state identification
 - E-Verify currently partners with Mississippi to verify driver's licenses
 - Employees provide driver's licenses or state identification in over 80% of E-Verify cases



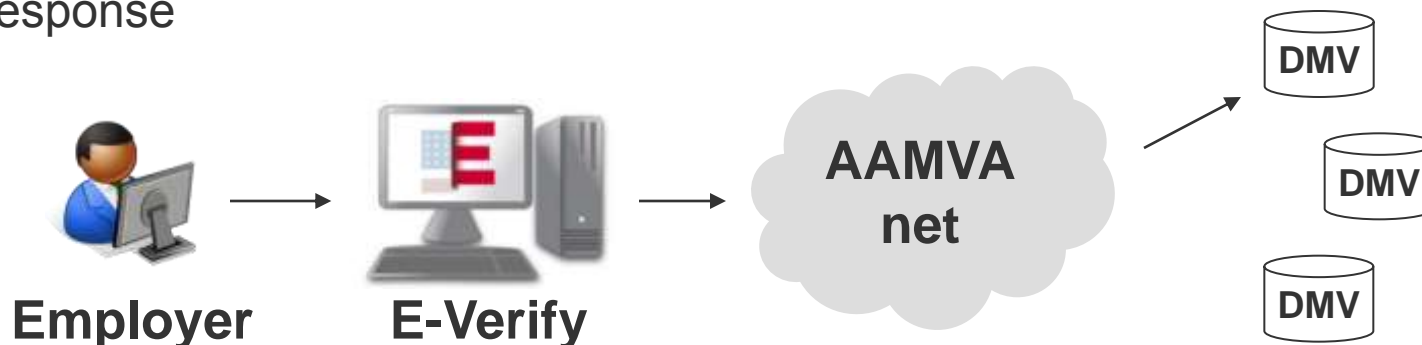
E-Verify Cases in FY 2010

How does RIDE work?

- Employees and employers participate in the E-Verify process as usual, providing document info from the Form I-9
- For participating states, E-Verify will validate driver's licenses and state IDs through the existing AAMVAnet interface with the DMV
 - Matches will result in an Employment Authorized response
 - Mismatches will receive tentative nonconfirmations (TNCs), which can be resolved by DHS status verifiers
 - DHS is committed to resolving all TNCs and ensuring that all eligible employees are found work authorized

RIDE Technical Information

- RIDE leverages existing AAMVAnet technology and system infrastructure to connect E-Verify to DMV data at little to no cost to the state
- E-Verify will send queries to AAMVAnet, which will pass them to the appropriate jurisdiction using existing Problem Driver Pointer System identifiers
- The jurisdiction will respond with the matching record, which will be passed back along the same path
- The employer will not see the record, only an employment authorized or TNC response



RIDE Pilot Initiative

- Mississippi Department of Public Safety (MDPS) is currently participating in the RIDE pilot, which launched June 2011
- For interested states, DHS will consider reimbursement for costs associated with participating in the RIDE initiative



**VERIFICATION
DIVISION**



**U.S. Citizenship
and Immigration
Services**

Utah Partnership Benefits



Benefits of Partnership with Utah

- Querying Utah DMV databases will increase the effectiveness of E-Verify in the state
 - Increased fraud detection/prevention capabilities
 - Validation of the most commonly used documents
- By partnering with DHS, Utah will reinforce its commitment to a legal workforce and improve work eligibility validation across the state
- Development and maintenance costs will be minimal or nonexistent, and DHS will consider reimbursement for certain costs associated with participating in the RIDE initiative
- Deployment in less than six months due to lessons learned from Mississippi pilot.

**VERIFICATION
DIVISION**



**U.S. Citizenship
and Immigration
Services**

Next Steps for Utah and DHS/USCIS



Next Steps for Utah and USCIS

- Build interest and support among DMV and Governor's Office
- Schedule briefing with other state agencies
- Facilitate internal approvals
- Establish Memorandum of Agreement (MOA) with USCIS
- Participate in cost and funding discussions
- Participate in technical conversations with AAMVA and USCIS
- Discuss potential timeline for development and implementation

VERIFICATION DIVISION



U.S. Citizenship
and Immigration
Services

Questions?



Thank You

For more information, please contact:

David M. Pittman

USCIS VER RIDE Project Manager

Office: 202-443-0043

Mobile: 202-725-6583

Email: david.m.pittman1@dhs.gov