

**Department of Planning and Budget
2007 Fiscal Impact Statement**

1. Bill Number HB2687

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron Reid

3. Committee Commerce and Labor

4. Title Unfair employment practices; discharging employees when unauthorized aliens are employed.

5. Summary/Purpose: This bill states that it is an unfair employment practice for an employer to discharge any United States citizen or legally authorized worker if the employer, on the date of the discharge, employed an unauthorized alien within the Commonwealth. Employers that are enrolled and participate in the federal Basic Pilot Program, or are exempt from compliance with federal employment verification procedures under federal law, are not subject to this measure. Someone discharged in violation of this unfair employment practice is entitled to recover treble damages, including lost wages from the date of the discharge until the date the employee has procured new employment, or 120 days, whichever occurs earlier, and reasonable attorney's fees and costs.

6. Fiscal Impact Estimates are: Preliminary, see Item 8 (below).

7. Budget amendment necessary: No.

8. Fiscal implications: All penalties for discharging a legally authorized worker while employing an unauthorized alien, including attorney fees and costs, are to be paid by the employer. However, the Department of Labor and Industry (DOLI) anticipates that they will need a small amount of funding to notify employers. Should a comprehensive notification process become necessary, DOLI anticipates that the notification costs will escalate.

Any fiscal impact to the state, as an employer, is estimated to be minimal. The Department of Human Resources Management (DHRM) requires that all state agencies complete I-9 forms for new hires. Approval of legal employment status through a I-9 form ensures that all new hires are legally authorized to work for the state.

9. Specific agency or political subdivisions affected: Department of Labor and Industry.

10. Technical amendment necessary: No.

11. Other comments: HB 1906 is identical to this bill.

Date: 1/16/07 / aek

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cc: Secretary of Commerce and Trade