



Evaluation Report Summary / June 2009

E-Verify

Improvements to E-Verify are still needed, but the businesses we surveyed that use the system are generally satisfied with it.

Major Findings:

- E-Verify is a federal computer system that allows employers to electronically verify that newly hired employees are eligible to work in the United States.
- The Governor's 2008 executive order mandating the use of E-Verify has been implemented for two of three targeted employer groups.
- The state does not independently confirm that businesses are actively using E-Verify.
- In our survey, about 60 percent of state vendors subject to the executive order said they were registered for or actively using E-Verify as of March 2009.
- Most of the Minnesota businesses we surveyed had positive opinions of E-Verify and reported that the cost of using the system was not a significant concern.
- Some Minnesota businesses are subject to a patchwork of federal and state E-Verify mandates that have varying terms of inclusion.
- The accuracy of E-Verify has improved. Nationally, 93 percent or more of queries result in immediate verification of work-authorization; less than 1

percent result in erroneous determinations that an employee is not eligible to work.

- E-Verify will not detect certain types of identity fraud.
- The federal government has acknowledged that a substantial number of employers nationwide do not comply with E-Verify program rules designed to prevent discrimination. Minnesota state government has taken few steps to help address this problem, believing it to be a federal responsibility.

Recommendations:

- The Governor should consider amending his E-Verify executive order to conform to the federal executive order for federal contractors.
- Minnesota state agencies administering the state's E-verify executive order should work with the federal government to make federally-provided training available to Minnesota employers.

Summary of Agency Responses

In a letter dated May 29, 2009, Minnesota Commissioner of Administration Sheila Reger said the report reflects a thorough examination of E-Verify. She wrote, “the Department of Administration has implemented the Governor’s executive order fully and as intended with respect to state contract vendors...” and “remains committed to follow-up on any reported instances of noncompliance.”

In a letter dated June 1, 2009, Minnesota Commissioner of Employment and Economic Development Dan McElroy said the report accurately reflects the department’s implementation of the executive order. He added that “the department will follow up if allegations of violations are reported” but also wrote, “the department is not responsible for independently verifying that businesses are complying with federal employment laws.” He said more steps should be taken to inform employers about E-Verify and wrote, “DEED will work with the [Minnesota] Department of Administration and the U.S. Citizenship and Immigration Services to identify ways to improve the awareness and availability of the federally-provided information and resources to Minnesota employers.”

In a letter dated June 1, 2009, Minnesota Commissioner of Management and Budget Tom Hanson acknowledged that the department has not yet implemented the Governor’s executive order as it pertains to state government agencies. He added that the department “expects to commence rollout of E-Verify to agencies over the coming summer months.”

The full evaluation report, *E-Verify*,
is available at 651-296-4708 or:
www.auditor.leg.state.mn.us/ped/2009/EVerify.htm