

E-Verify does little to halt illegal immigration

By Alex Nowrasteh

Feb. 13, 2015

The showdown over President Obama's immigration executive actions is approaching its climax. Congress is prepared to let the Department of Homeland Security run out of money so long as it intends to enforce Obama's decrees, and prospects for reform are deteriorating fast.

But there is one policy making progress: E-Verify mandates are moving through Congress and several states. Whether mandated by states or by the federal government, E-Verify is an expensive labor market regulation that, in any case, does little to actually halt illegal immigration.

E-Verify is a federal government-run electronic system that allows employers to check the identity of new hires against a government database. E-Verify then tells the employer whether the new employee can legally be hired or not.

Unfortunately, the expense and inefficiency of E-Verify hasn't dimmed enthusiasm for its universal mandate.

Last week, the House Judiciary Committee had a hearing for the Legal Workforce Act, which would force E-Verify on all businesses and workers in the United States.

Support for E-Verify peaked during the hearing when even Randy Johnson, Senior Vice President for Labor, Immigration and Employee Benefits at the U.S. Chamber of Commerce, testified in support of an E-Verify mandate – with very few caveats.

E-Verify is supposed to deny employment to illegal immigrants and reserve those jobs for natives. But new government regulatory regimes never work as planned.

E-Verify's discouraging performance would push hundreds of thousands of American workers out of the job market for almost no improvement in immigration enforcement.

E-Verify is worse than a coin toss at identifying known illegal immigrant job seekers – 54 percent of illegal workers run through E-Verify are approved for work.

Worse, a small percentage of legal workers are erroneously flagged as unauthorized. Applying that error rate to the entire American workforce, E-Verify would flag between 400,000 and

900,000 U.S.-born workers as illegal. Thirty-six percent would have to wait at least eight days to resolve the error. Of those workers who are barred from employment after their appeal, a full six percent of them are eventually found to be legal.

The notion that an American citizen could be denied a job thanks to an ineffective and shoddy regulatory scheme is alarming and ought to be a non-starter for policymakers considering this mandate.

Fortunately, in this case, we don't have to speculate. E-Verify mandates tried in Alabama, Arizona, Mississippi and South Carolina have proven ineffective. In those states, all new hires are supposed to be run through E-Verify, but only 54 percent actually were in 2013.

All of these states mandate harsh punishments for businesses that don't use E-Verify, but they are rarely enforced. If these states can't enforce E-Verify within their own borders, how can the federal government do so nationally?

In the few sectors of Arizona's economy where E-Verify was actually enforced, like agriculture, many illegal immigrants did leave the workforce but native-born workers or legal immigrants did not rush to fill them. As people are forced out of a local economy, they take their jobs with them – regardless of their immigration status.

Despite the abysmal record of E-Verify, others are moving to embrace it. Texas State Rep. Greg Bonnen has proposed a limited E-Verify mandate. Nebraska State Senator Bill Kintner recently introduced a bill to expand the state's limited mandate for state contractors, even though a 2011 Nebraska government report found that only 23 percent of registered state contractors have complied with the law.

Expanding E-Verify now would raise the regulatory cost of hiring without doing anything to stop illegal immigration.

Furthermore, requiring every employee to ask the federal government for permission to work is completely at odds with the free market, and should be a non-starter for Republicans.

The only saving grace of E-Verify is that it doesn't work very well, but the system's ineffectiveness does not lessen the burden for businesses and workers who have to navigate the complex system.

We're never going to get a functioning immigration system through shoddy government mandates and onerous restrictions. It's time lawmakers come to understand that.

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