

**FINDINGS OF THE MACHINE-READABLE
DOCUMENT PILOT (MRDP) PROGRAM
EVALUATION**

May 2003

Report Submitted to:

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Washington, DC

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EXECUTIVE SUMMARY

INTRODUCTION

This report summarizes the findings of the evaluation of the Machine-Readable Document Pilot (MRDP) program, the third of three pilot programs mandated by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA). These pilot programs were developed to test alternative types of electronic verification systems before considering the desirability and nature of any larger scale employment verification programs.

The MRDP is distinct from the other two IIRIRA pilots because it is the only pilot program in which employers use a machine to read information contained in the magnetic stripe on State-issued identification documents and then automatically transmit that information for matching to the Social Security Administration (SSA) database. Like the Citizen Attestation Verification Pilot (CAVP), the MRDP limits State participation to States having driver's licenses that meet specific requirements. In most other respects, the MRDP follows the rules of the Basic Pilot program, the first of the three IIRIRA programs implemented. Both the MRDP and the Basic Pilot programs include verification checks to determine whether newly hired employees are authorized to work in the United States. Both programs also verify work authorization first with SSA and, if necessary, with the Immigration and Naturalization Service (INS). Since this evaluation was completed, INS has been reorganized into several bureaus within the Department of Homeland Security.

LEGISLATIVE HISTORY

Verification of employee identity and employment authorization became a workplace standard as a result of the Immigration Reform and Control Act (IRCA) of 1986, to accompany implementation of sanctions against employers who knowingly hired unauthorized workers. A related provision was also enacted that protected employees from employer discrimination based on national origin or citizenship status.

Because of concerns about how the IRCA policies might be implemented, Congress required monitoring of the programs and a series of General Accounting Office (GAO) and Executive Branch reports on their impacts. These reports found that the new provisions had led to unintended consequences, including employer confusion and proliferation of fraudulent documents. GAO found in its 1990 report that employer sanctions had also led to a pattern of discriminatory employer practices.

Recommendations ensued to improve the verification process by increasing employer education, reducing the number of documents acceptable for verification purposes, and making the documents that could be used in the verification process more secure.

Congress also provided for the testing of alternative verification systems that might be more effective than the system provided in IRCA. INS used this authority to test the feasibility of electronic verification of newly hired noncitizens in various locations and

industries, using touchtone telephone or computer and modem. These pilot programs used similar procedures and the same INS database as the INS Systematic Alien Verification for Entitlements (SAVE) Program, which verifies the status of noncitizen applicants for certain Federal and State benefit and licensing programs.

In 1994, the Commission on Immigration Reform called for SSA and INS to institute a national registry combining both agencies' data for use in electronic employment verification. Although SSA and INS determined that this specific recommendation was not practical at that time, they did find it possible to test electronic verification for all newly hired employees using each agency's data separately for a small number of pilot employers. This approach to verification, as well as the implementation of recommendations to use counterfeit-resistant driver's licenses and machine-readable documents to verify the status of all new employees, formed the basis for the three IIRIRA employment pilot provisions. Testing and evaluating these options prior to considering a larger scale program was viewed as an essential step because of the implications of such a program for the Nation.

DESCRIPTION OF THE MRDP

Under the MRDP, an INS I-9 form is completed for all newly hired employees. After installing the MRDP software and card reader, employers should perform electronic verification of every newly hired employee, first through SSA and, if necessary, through INS. In the MRDP, there are two ways of inputting information from the I-9 form. One is to enter all of the information manually, as was done in the Basic Pilot and CAVP programs. The second way to input information into the MRDP is by scanning a State-issued driver's license or nondriver identification card, using a card reader. The card reader scans the card and immediately transmits the information to SSA.

When SSA receives the data, the driver's license information is automatically matched with the information on the SSA database. If the information matches and shows that the employee is work-authorized, the employer is instantaneously notified that the employee is work-authorized. If the SSA database does not match the employee information on the license, SSA issues a tentative nonconfirmation.

If the SSA database information matches the employee information but does not contain sufficient information for verifying citizenship, the employer is asked for additional information needed to verify the employee against the INS database, and that information is sent to INS electronically. If the INS electronic check does not confirm work authorization, an Immigration Status Verifier (ISV) checks additional information available in INS databases to verify work authorization. If the ISV cannot confirm work authorization, INS issues a tentative nonconfirmation. When a tentative nonconfirmation is issued, employers are required to inform affected employees in writing of the finding and the right to contest the finding. If the records are straightened out, the employee is verified. If the employee does not contest the tentative nonconfirmation or fails to contact SSA or INS within 10 Federal working days, the MRDP system issues a final nonconfirmation finding and, to comply with the law, the employer must terminate the worker's employment.

CONTEXT OF THE MRDP

The MRDP was initiated only in Iowa because Iowa was the only State that at the start of the pilot issued driver's licenses and nondriver identification cards that included the basic information needed for matching the SSA database – name, date of birth, and Social Security number. However, Iowa and its employers and employees are not representative of the country overall. Iowa ranks last among the 11 pilot States in terms of its numbers of undocumented immigrants, foreign-born persons, and Hispanics. It also ranks last in the percentage of its population who are foreign-born and the percentage who are Hispanic. Further, MRDP employers who volunteered to participate tended to be above average in size of workforce and were overrepresented in the field of retail sales. While implementing the pilot in Iowa provides an opportunity to evaluate pilot operation in a State that is quite different from the Basic Pilot States (California, Florida, Illinois, New York, and Texas) and CAVP States (Arizona, Maryland, Massachusetts, Michigan, and Virginia), these factors greatly limit the evaluation's ability to generalize its findings to all States or all employers in the Nation.

RESEARCH METHODS FOR THE MRDP STUDY

EVALUATION APPROACHES

Prior to the first IIRIRA pilot evaluation, a series of meetings was held at which Congressional and Federal administrators, employers, representatives of immigrant advocacy groups, and other stakeholders contributed their views on the major issues facing the pilot programs. Because of the complexity of these issues, the evaluation was based on multiple approaches, including:

- Employer mail and telephone surveys conducted with all establishments that had signed Memoranda of Understanding (MOUs) in response to recruitment efforts made by the evaluation staff
- An employer on-site survey of MRDP establishments that have used the system
- Analysis of INS transaction data that captured MRDP system activity
- Collection and analysis of I-9 forms
- Employee in-person interviews
- Merged information about employers from the transaction database, I-9 forms, and employee and employer surveys
- System testing to determine ease of use of MRDP software and the possibility of unauthorized access to confidential databases
- Meetings with Federal program officials knowledgeable about and experienced with the pilot programs

- Secondary data sources that provide information needed for describing pilot characteristics and calculating costs

Key findings from the multiple approaches were cross-checked to determine their consistency and, where possible, the reasons for any differences.

The primary MRDP quasi-experimental evaluation design is a stronger design than those used in the Basic Pilot and CAVP evaluations, because it includes baseline employer and employee interviews. However, since only 29 of the 90 employers eligible for the MRDP follow-up survey had actually used the MRDP system, the evaluation included 12 additional employers that had signed up and used the MRDP system prior to the start of the MRDP evaluation but were not part of the quasi-experiment.

DATA LIMITATIONS

Employer survey statistics in the MRDP evaluation are based on small sample sizes (i.e., no more than 87 cases) and are subject to considerable sampling error. Analyses based on all 814 employees interviewed are not subject to large sampling errors; however, the difficulty of interviewing employees who are not work-authorized resulted in considerable non-sampling error. Furthermore, some analyses were based on small subsamples of the larger sample and are subject to considerable sampling error.

Information obtained directly from the transaction database is based on all 21,422 employee cases on that database or a subgroup of these cases. Although these analyses do not have sampling error problems, the possibility of measurement error exists, resulting from merging SSA and INS databases and removing duplicate records.

Model-based estimates used in this report must be viewed as approximate, since, like any statistical models, they are based on simplifying assumptions. Similarly, it was necessary to make a number of assumptions when estimating some of the cost figures.

MRDP EVALUATION QUESTIONS

A full range of issues is covered in all three pilot studies in order to inform recommendations and decision making on the future of electronic verification of employment authorization in the workplace.

The main research questions for this evaluation are shown below.

- Was the MRDP program design and implementation consistent with stakeholder expectations?
 - Did the IIRIRA statutory guidelines specify an MRDP program consistent with the expectations of its proponents?
 - How well did SSA and INS design and implement the MRDP to meet IIRIRA procedural requirements?

- What were employers' general views of the MRDP designed and implemented by the Federal Government?
- Have employers generally complied with MRDP requirements?
- Did the MRDP achieve its primary policy goals?
 - Did the MRDP reduce unauthorized employment in participating establishments?
 - Did the MRDP reduce discrimination?
 - Did the MRDP protect employee privacy and confidentiality?
 - Did the MRDP prevent unnecessary burden and costs?

WAS THE MRDP PROGRAM DESIGN AND IMPLEMENTATION CONSISTENT WITH STAKEHOLDER EXPECTATIONS?

To be considered an adequate pilot test, it is necessary that the statutory language establishes a program consistent with the overall stakeholder expectations for electronic employment verification programs and that the Executive Branch properly implements the statute. Effective implementation also requires that employers generally comply with program requirements. The evaluation found that, although many aspects of the MRDP implementation were consistent with stakeholder expectations, the implementation was deficient in a number of important respects. Most importantly, the card reader did not operate efficiently due to technical and procedural problems, in part because of changes in the Iowa driver's license; as a result, employers rarely used the card reader. Since the primary reason for implementing the MRDP program in addition to the Basic Pilot and the CAVP programs was to test the feasibility of using the card reader to input employee information, this failure was a major issue. In addition to the failure of the card reader to operate efficiently, the following major deficiencies were noted.

- Employers did not always terminate the employment of employees who received final nonconfirmations.
- The INS database used for the electronic employment system did not meet the IIRIRA accuracy provisions.
- Employers did not strictly adhere to MRDP requirements designed to protect employee rights.

DID THE IIRIRA STATUTORY GUIDELINES SPECIFY AN MRDP PROGRAM CONSISTENT WITH THE EXPECTATIONS OF ITS PROPONENTS?

The Commission on Immigration Reform and other proponents of the electronic verification of work-authorization status had clearly articulated goals for electronic pilot programs. These goals were to create a system that applied to all workers equally and

that would decrease unauthorized employment, while protecting against discrimination, privacy violations, and undue employer burden.

This evaluation found that the IIRIRA statutory language provided the Executive Branch with adequate guidelines for protecting privacy and security of information. IIRIRA also had reasonable requirements for ensuring that the pilot would not be unduly burdensome for employers.

The legislation establishing the MRDP specifies a program that has the potential to reduce counterfeit fraud. It is reasonable to believe that the MRDP, like the Basic Pilot program that it closely resembles, could effectively detect fraud when proffered documents contain information about nonexistent persons, because the document information will not match the SSA and INS databases. However, the paper I-9 form and the MRDP are no more effective than the Form I-9 process in detecting borrowed or stolen documents and are ineffective with employers that do not check work-authorization documents. The MRDP has the potential for being more effective in detecting identity fraud than the paper Form I-9 process and the Basic Pilot, since counterfeiting or altering machine-readable documents is likely to be more difficult than counterfeiting or altering other identity documents. However, since the MRDP permits more easily counterfeited documents to be used for identification, this effect is likely to be small.

The MRDP, like the Basic Pilot program, could, in theory, result in decreases in discrimination attributable to greater employer willingness to hire immigrants, but it also has the potential of increasing discrimination against work-authorized foreign-born persons, who are more likely to be treated adversely during application of the MRDP processes. Proponents of electronic verification believe that when some employers were uncertain about the work-authorization status of job applicants under the paper Form I-9 process, they simply did not hire them, resulting in discrimination against foreign-born applicants. It was believed that this could be ameliorated by an electronic verification program that made employers more confident in the person's work-authorization status. However, it also seemed likely that work-authorized noncitizens and other foreign-born employees would receive more tentative nonconfirmations than U.S.-born employees and bear whatever burden that might entail. The MRDP has the potential for discriminating less against work-authorized foreign-born persons than the Basic Pilot program did because, if implemented properly, it minimizes data entry errors by entering information electronically.

HOW WELL DID SSA AND INS DESIGN AND IMPLEMENT THE MRDP TO MEET IIRIRA PROCEDURAL REQUIREMENTS?

The evaluation examined whether SSA and INS did a satisfactory job of implementing the IIRIRA statutory language. Although the MRDP did well by a number of criteria, including the fact that the majority of employers using the system found the MRDP to be an effective and reliable tool for employment verification, the MRDP had a number of serious implementation problems.

Since the card reader is unique to the MRDP, a successful program requires a card reader that is easy to use and functional. While many employers saw at least potential advantages of using a card reader and then having the data go automatically to SSA, employers encountered problems in installing and using the machine. Among the respondents reporting problems, the central issue was an inability of the card reader to properly interpret the data when a driver's license was swiped. Some of the complaints about the card reader were related to problems with the performance of the card reader. A second source of problems with the card reader was that INS was unaware that Iowa no longer required the Social Security number as the driver's license number, during the time the pilot was in operation, resulting in Iowa's no longer meeting the requirements for MRDP participation.

In addition to problems with the card reader, employers reported a number of technical difficulties in installing and operating the MRDP software and hardware, including complaints about difficulties in installing the modem and software, which was not user friendly. Although the technical and customer support provided by INS was generally well received by employers, INS was not always responsive to employer needs, especially their needs for technical support.

INS did not fully comply with IIRIRA requirements. Most importantly, the database used for verification is not sufficiently up to date to meet the IIRIRA requirement for accurate verification. INS accommodates this problem by providing for manual review that is time consuming and can lead to discrimination. A second factor leading to erroneous tentative nonconfirmations was that the MRDP software is not sufficiently user friendly and does not include basic edit checks. Common data entry errors could have been avoided or immediately corrected if the software were enhanced to reduce the number of erroneous tentative nonconfirmations and thereby reduce the program's burden for the Federal Government, employers, and employees.

As a result of the INS database problems and problems with the system provided to employers, an estimated 11 percent of *work-authorized* foreign-born employees received tentative nonconfirmations. Although many of these cases were resolved, the evaluation team believes that this is an unacceptably high level of erroneous tentative nonconfirmations.

INS also did not design the pilot to include procedures that could have reduced some of the negative effects of the MRDP. If INS had monitored employers to determine whether they were adhering to MRDP procedures, the number of employer violations would presumably have been reduced. Similarly, if the MRDP system had directly informed employees about tentative nonconfirmations, more employees would have been aware of the tentative nonconfirmation findings and their due process rights.

WHAT WERE EMPLOYERS' GENERAL VIEWS OF THE MRDP DESIGNED AND IMPLEMENTED BY THE FEDERAL GOVERNMENT?

Most employers that used the MRDP found it to be an effective and reliable tool for employment verification. However, they also found a number of disadvantages of the

program, one of the most important of which was time and money lost because they needed to continue the employment and training of employees who received tentative nonconfirmations while these employees contested the finding.

Regardless of the generally positive ratings of the MRDP by its users, the program apparently had limited appeal for most employers. Few of the employers asked by the evaluation team to participate in the pilot and the evaluation agreed to participate in the program despite extensive recruitment efforts. Furthermore, only a quarter of employers recruited had used the system, including the card reader, at the time of the evaluation. This limited appeal to employers means that though the MRDP may be effective in reducing unauthorized employment among users, it is likely to have little programmatic impact on the number of unauthorized workers employed within a labor market, since employees can easily find employment with establishments not using the program.

DID EMPLOYERS GENERALLY COMPLY WITH MRDP REQUIREMENTS?

Employers are expected to follow both procedural and policy requirements for the MRDP, as explained in the MOU and other materials sent to employers. Properly followed, these requirements can help ensure that the work-authorization status of employees is verified efficiently and fairly. Although, in general, employers did follow these procedures, there were a substantial number of times when employers did not follow them. The most significant problems encountered in the evaluation are described below.

- Employers sometimes failed to properly inform employees of tentative nonconfirmations, denying work-authorized employees the opportunity to contest these findings. Some employers also took adverse actions against employees while they were contesting tentative nonconfirmations.
- Employers sometimes used the MRDP to verify the status of job applicants or employees hired prior to the start of the MRDP, potentially resulting in the unfair exclusion of some work-authorized employees with tentative nonconfirmations from employment.
- Employers did not consistently terminate the employment of employees who received final nonconfirmation findings, thereby weakening the ability of the pilot to prevent unauthorized employment.

DID THE MRDP ACHIEVE ITS PRIMARY POLICY GOALS?

The policy goals for each of the IIRIRA employment authorization verification pilots are to create a system that reduces the employment of unauthorized workers, is nondiscriminatory, is protective of entitled privacy, and is not burdensome to employers. The MRDP was probably effective in decreasing unauthorized employment at participating establishments. The MRDP also may decrease discrimination during recruitment and hiring, due to employers being more willing to hire foreign-appearing job applicants. However, the MRDP appears to have increased discrimination against work-authorized foreign-born employees in the time shortly after hire because these employees

were more likely than U.S.-born citizens to receive erroneous tentative nonconfirmations, with possible adverse effects. Although Federal security procedures appear to be adequate, employers did not always use adequate procedures to ensure the security of the systems they used for the MRDP. Employers also did not consistently tell employees about tentative nonconfirmation findings in private. Finally, the MRDP program as implemented in Iowa had higher employer burden and costs than the Basic Pilot program.

DID THE MRDP REDUCE UNAUTHORIZED EMPLOYMENT IN PARTICIPATING ESTABLISHMENTS?

Noncitizens without work authorization can obtain employment in the United States by using counterfeit documents, borrowing or stealing documents from persons who are work-authorized, obtaining jobs from employers where verification of status is not rigorous, or circumventing the verification process through self-employment. To estimate the impact of the MRDP on reducing the number of unauthorized workers working for pilot employers and the number of fraudulent claims of citizenship, analyses were conducted using the MRDP transaction database, employer and employee surveys, and INS record reviews. A model was also developed to estimate the number of undocumented MRDP workers.

The evaluation team estimated that the MRDP would have found approximately 7 percent of electronically verified noncitizen employees to lack work authorization if the work-authorization status of all employees had been definitively resolved. In most of these cases, the system issued a final nonconfirmation finding because the employee did not contest the earlier tentative nonconfirmation – either because the employee chose not to contest or because the employer did not adequately inform the employee about the tentative nonconfirmation or how to resolve it. In this situation, to comply with the law, the employer is required to terminate the employment of those workers who receive final nonconfirmations, thereby reducing the number of non-work-authorized employees in their workforce.

The majority of employers that used the MRDP reported that they believed it reduced the employment of unauthorized workers. Primary reasons cited for the reduction were that the program deterred employees without work authorization from applying and that the system made it easier for employers to detect employees who did not have work authorization. This reasoning is consistently observed in the evaluation results in the extent to which employers encountered counterfeit or fraudulent documents. Although not statistically significant, instances of fraudulent documents decreased for those who used the MRDP system, presumably because the program deterred unauthorized workers from applying. However, a very small number of employers participated in the MRDP, allowing unauthorized workers to readily obtain alternative employment with non-participating employers. To the extent that the pilot meets employer needs and is attractive to them, more employers are likely to participate and better serve the goal of reducing unauthorized employment.

DID THE MRDP REDUCE DISCRIMINATION?

One major reason for establishing electronic employment verification on a pilot basis rather than as a national program was a concern that the pilots might increase discrimination against “foreign-appearing” work-authorized individuals. Some stakeholders argued that foreign-appearing work-authorized employees would be relatively likely to receive tentative nonconfirmations, subjecting them to potential harm. However, GAO had recommended electronic employment verification as a way of increasing employer confidence in their ability to identify which foreign-appearing employees had work authorization, so that they would not discriminate against work-authorized employees in an attempt to avoid hiring those without work authorization.

From the evaluation results, it appears that, as GAO expected, the MRDP did make employers more willing to hire foreign-born job applicants. Not only did some employers report that they were more willing to hire foreign-born workers, but the percentage of such employees among those hired after the MRDP started was considerably higher than before the pilot started.

However, as anticipated by immigrant rights advocates, foreign-born work-authorized employees are more likely than U.S.-born employees to receive tentative nonconfirmations, thereby subjecting a greater percentage of foreign-born work-authorized employees to potential harm arising from the MRDP process. This result was not unexpected, since foreign-born employees are more likely than U.S.-born employees to require verification through the INS database, which is not always up to date.

The possibility that employees receiving tentative nonconfirmations will suffer adverse consequences is increased by the finding that employers do not always adhere to MRDP MOU procedures that were designed to protect employee rights. In some cases, employers did not inform employees of the finding. In other cases, employers informed employees about the finding, but did not adequately explain the procedures that employees are to follow if they believe the finding is incorrect. Furthermore, some employers took such adverse actions against employees as cutting their pay or restricting their training while they were straightening out their records with INS.

DID THE MRDP PROTECT EMPLOYEE PRIVACY AND CONFIDENTIALITY?

The MRDP system, like all Federal database systems, provides protections for privacy and confidentiality of employee information entered into the system. For that reason, the Federal Government limited access to the SSA and INS databases to authorized personnel and contractors and restricted access to information to what is needed for the verification. The government also restricted queries of the system to authorized employers who signed the MOU agreeing to comply with security and other MRDP procedures. MRDP software used by employers is installed on stand-alone computers, rather than networked computers, so that other personnel at the work site cannot gain access to the computer(s) through a network connection. Each person using the system is expected to have an individual user identification number and password. Additionally, the MRDP data on employers’ computers is encrypted. This makes it difficult for unauthorized users to

view or modify either the information input by the employer or the work-authorization statuses provided by the MRDP system. These measures constitute reasonable Federal safeguards for protecting employee information.

Most, but not all, employers reported that they followed reasonable procedures to prevent unauthorized access to the database they use in the MRDP verification process by keeping the computers used for verification in a locked room and either memorizing their passwords or keeping them in a secure location. However, employers did not consistently convey information to employees about MRDP tentative nonconfirmations in a private setting.

DID THE MRDP PREVENT UNDUE BURDEN AND COSTS?

One of the objectives of the MRDP program is to prevent undue burden on employers. Although the MRDP did increase employer burden somewhat, it appears that this burden was generally justified, since most employers reported that the perceived benefits of the MRDP outweighed its disadvantages. However, the hope that the MRDP would be less burdensome than the Basic Pilot program because of the card reader was not realized. This was at least partially because of the problems with the card reader and the fact that machine-readable documents are not required.

Federal costs for the MRDP were approximately the same as those for a comparably sized Basic Pilot program except for the additional costs for the card readers, estimated at \$400 annually for each new employer enrolled in the system and \$100 annually thereafter. In the long run, a larger scale program might require the employers to purchase the card reader. Since the majority of employers reported that they spent \$100 or less in initial set-up costs for the MRDP and a similar amount annually for operating the system, requiring employers to pay for the card reader would significantly increase their costs. In this situation, they might be less likely to find that the benefits of the MRDP outweigh its costs.

Most work-authorized employees screened by the MRDP incurred no costs attributable to the pilot, and the costs of most work-authorized employees who received tentative nonconfirmations were generally not substantial. However, workers are not necessarily aware of all of their costs, since employers may take adverse actions against them without their knowing the reason for the action or even that it was taken.

CONSIDERATIONS AND RECOMMENDATIONS FOR THE FUTURE

This report presents the following major conclusions that *reinforce* the conclusions of the Basic Pilot and CAVP reports:

- Electronic employment verification has the potential to reduce counterfeit fraud, but is likely to have, at most, a minor impact on identity fraud.
- The INS database used for the electronic employment verification is not up to date, resulting in an unacceptably high percentage of foreign-born work-authorized employees receiving tentative nonconfirmations.

- There is a considerable amount of employer noncompliance with required pilot procedures.
- The software used by the IIRIRA pilots is not as user friendly as desired, does not incorporate generally available edit checks, and does not provide management information reports that would be of use to both employers and the Federal Government.

This report presents the following major conclusions that *go beyond* the conclusions of the Basic Pilot and CAVP reports:

- The MRDP, as implemented in Iowa, was not a valid test of a machine-readable program and cannot be modified to provide such a test, because Iowa no longer qualifies for participation in the pilot.
- IIRIRA electronic employment verification is not appealing to many employers, at least in a State such as Iowa that does not have a large foreign-born population. This finding has implications for consideration of a larger scale program.
- It appears that electronic employment verification reduces discrimination in the recruitment and hiring processes by making employers more comfortable with hiring foreign-appearing job applicants. However, the amount of discrimination shortly after hire increases because foreign-born employees are more likely than U.S.-born employees to receive tentative nonconfirmation findings and the attendant burdens associated with resolving their work-authorization problems.
- Many employers violate the requirement of the MRDP and other IIRIRA pilots to terminate the employment of employees receiving final nonconfirmations, thereby reducing the effectiveness of the pilot in reducing unauthorized employment.

This report makes the following major recommendations:

- INS should reduce the lag time between arrival in the United States or modification of a noncitizen's work-authorization status and availability of that information in the ASVI database, to reduce the number of work-authorized individuals receiving tentative nonconfirmations.
- Quality control and monitoring efforts, as well as improved training, must be designed to maximize employer compliance with policies and procedures.
- Measures to make electronic verification programs more attractive to employers should be considered.
- The software used in the electronic verification process by employers and the Federal Government should be improved to increase the data accuracy and cost-effectiveness of the pilots.
- The current MRDP program in Iowa should be ended. However, INS may want to determine whether other States now qualify and would be viable candidates for testing the MRDP.

CHAPTER I. BACKGROUND

A. INTRODUCTION

The Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA), enacted in September 1996, authorized the creation of three small-scale pilot programs to test the feasibility and desirability of electronically verifying the work-authorization status of newly hired employees. This report presents the results of the evaluation of the Machine-Readable Document Pilot (MRDP) program, the third of the pilot programs implemented. The results of the Basic Pilot evaluation were reported in the *INS Basic Pilot Evaluation Summary Report* (January 2002), and the Citizen Attestation Verification Pilot (CAVP) evaluation results were reported in the *Findings of the Citizen Attestation Verification Pilot (CAVP) Program Evaluation* (April 2003). All three of these pilots use automated employment verification in addition to Form I-9 procedures.

Although the procedures of the three IIRIRA pilot programs are similar in many respects, they differ from one another in important ways that permit testing of alternative verification procedures. All three IIRIRA pilots build upon the current employment verification procedures specified by the Immigration Reform and Control Act (IRCA) of 1986. This legislation requires that recently hired employees and their employers complete an I-9 form¹ and that employers review specified documents establishing the identity and work-authorization status of new employees. All of the pilot programs also require participating employers to electronically verify newly hired employees within 3 days of hire and include procedures to ensure that employees who are not immediately verified electronically as being work-authorized have an opportunity to contest their findings.²

Like the Basic Pilot, the MRDP includes electronic verification checks for all newly hired employees. Both programs verify work authorization first with the Social Security Administration (SSA) and, if necessary, with INS.³ The CAVP, the second IIRIRA pilot, differs from the other two programs in that it does not use electronic verification for employees attesting to U.S. citizenship and uses only the INS database for verification of noncitizens. Both the MRDP and the CAVP limit State participation to States having driver's licenses that meet specific security requirements. Such a restriction does not apply to the Basic Pilot program.

The MRDP is unique in that it is the only pilot program in which employers use a machine (Exhibit I-1) to directly read information contained in the magnetic stripe on State-issued driver's licenses or nondriver identification cards and then automatically transmit that information for checking, in a fashion analogous to that used by stores in

¹ See Appendix E for a copy of this form.

² Additional information about pilot procedures is presented in Section D of this chapter.

³ Since this evaluation was completed, INS has been reorganized into several bureaus within the Department of Homeland Security.

verifying credit information. Although employees are not required to submit driver's licenses or nondriver identification cards, this verification method has two potential benefits compared to the manual entry of this information that is used in the Basic Pilot and CAVP programs. First, automating the input of key data used in verifying work authorization should eliminate inaccuracies attributable to typographical errors made when employers manually enter the Form I-9 data. This increased accuracy should increase the number of work-authorized employees who are immediately verified by the pilot program, resulting in reduced costs and burdens for employers, employees, and the Federal Government. Second, it seems likely that employer burden associated with data input and data transmission would be less in the MRDP than in the other two pilots because it eliminates some of the manual data entry.

Exhibit I-1: Machine Used to Read Information in the MRDP



As discussed in more detail in Chapter III, INS encountered a number of problems in implementing the MRDP program. First, Iowa was the only State found eligible for the program, because it was the only State that included the Social Security number on the magnetic stripe on its driver's license. Second, during the time the program was in operation, Iowa modified its procedures for issuing driver's licenses, so that they were no longer consistent with pilot requirements for State participation in the MRDP. Thus, the MRDP program, as implemented, does not permit making many inferences about whether automated input from driver's licenses is a viable option for electronic verification of work authorization. However, the MRDP evaluation does provide relevant information about electronic verification not available in the earlier evaluation reports.

The MRDP evaluation permits exploration of the feasibility of implementing automated employment verification in a different context than that of the other pilot programs, since Iowa differs from the Basic Pilot and CAVP States in a number of important ways discussed in Section F. Most importantly, Iowa has a much smaller population and much lower undocumented immigrant and foreign-born populations than the States targeted by the other pilots.

The MRDP evaluation also differs from the earlier evaluations in its methodological approach. The MRDP evaluation is the only evaluation that uses a pre-test/post-test approach in which employer and employee information collected prior to the start of the program can be contrasted with similar information collected after program implementation. As discussed in Chapter IV, the quasi-experimental approach is particularly useful in understanding the impact of electronic verification on discrimination, a key evaluation issue.

As described in Chapter II, the evaluation team made a number of changes to the employee interview form, based on its experience with interviews conducted in the Basic Pilot program. The revised survey instrument probes into issues that were not fully explored in the Basic Pilot interview.

1. EVALUATION GOALS AND OBJECTIVES

The goals and objectives underlying this evaluation are articulated, in part, in the IIRIRA legislation. They also reflect input from numerous stakeholder groups interested in the electronic verification of employees.

IIRIRA mandates that INS – in conjunction with SSA – test a series of voluntary pilot programs to verify the work authorization of newly hired employees. Section 405 of IIRIRA further requires that the Attorney General submit reports on these programs to the House and Senate Judiciary Committees.⁴ These reports have the following purposes:

- To assess the benefits and costs of the pilot programs and the degree to which they assist in the enforcement of employer sanctions
- To assess the degree of fraudulent attestation of U.S. citizenship
- To make recommendations on whether the pilot program should be continued or modified

The Executive Branch and the many non-governmental groups interested in employment verification view the evaluation as an essential part of the implementation of the employment verification pilots. In mid-1997, INS selected two firms – Westat, an employee-owned research corporation located in Rockville, Maryland, and the Institute for Survey Research at Temple University – to conduct an independent evaluation of each of the three IIRIRA pilot programs.

⁴ On March 1, 2003, this responsibility was transferred to the Secretary of Homeland Security.

Many groups interested and/or involved in the pilot programs agreed that the evaluation should consider a variety of issues related to the impact of electronic verification of work authorization in the workplace. The programs were to be evaluated against the existing paper Form I-9 process.

The main research questions for this evaluation are as follows:

- Does the MRDP operate as its designers intended (i.e., was it properly implemented)?
- Does the MRDP reduce employment of unauthorized workers?
- Does the MRDP reduce discrimination?
- Does the MRDP protect employee civil liberties and privacy?
- Does the MRDP prevent undue burden on employers?

2. REPORT ORGANIZATION

This report is divided into five chapters – Background, Research Methods, Operational Findings, Policy-Related Findings, and Considerations and Recommendations for the Future. Chapter I provides background information useful for understanding the evaluation, including the legislative background of employment verification a description of the MRDP, and the context in which it was implemented. Chapter II describes the methodology used in the evaluation. Chapters III and IV present the major evaluation findings. Chapter III focuses on the extent to which the pilot program is operating as intended. Chapter IV describes the pilot’s policy implications and costs. The final chapter, Chapter V, summarizes the major conclusions of the report and makes recommendations for future electronic employment verification, based on these conclusions. A glossary and several appendices provide additional information relevant to the MRDP and its evaluation.

B. LEGISLATIVE BACKGROUND

1. PASSAGE OF EMPLOYER SANCTIONS

Congress passed employer sanctions legislation in late 1986 as part of IRCA. This legislation made it unlawful for U.S. employers to hire or continue to employ workers without authorization to work in the United States. IRCA was passed in response to increases in undocumented immigration and recommendations by a series of Congressional and Executive Branch task forces and commissions – ranging from the small, bilateral Special Study Group on Illegal Immigrants from Mexico (1973) to the blue-ribbon Select Commission on Immigration and Refugee Policy (1981).

From the outset, employer sanctions legislation was controversial. Concerns about the legislation included whether it would be effective in reducing unauthorized employment given the difficulty in verifying identity and work authorization, and whether the process

would result in increased discrimination against work-authorized persons who appeared or sounded foreign. Additional concerns were expressed about the potential for privacy violations and whether it would be unduly burdensome for employers, employees, and the Federal Government. Many of the groups studying these issues recommended ways of administering employer sanctions and accompanying work-authorization verification that would minimize fraud and employer burden, protect privacy, and be nondiscriminatory.

2. EMPLOYMENT VERIFICATION AND CIVIL RIGHTS PROTECTIONS

In addition to instituting employer sanctions, IRCA prohibited discrimination on the basis of national origin or citizenship status. A new agency, the Office of Special Counsel for Immigration-Related Unfair Employment Practices, was established in the Department of Justice to enforce this provision.

IRCA also required that INS develop and implement an employment verification system for all newly hired employees. The universal employment verification system specified in IRCA is a paper-based system (implemented by INS as Form I-9) that requires all newly hired employees to attest to being a U.S. citizen or national, a lawful permanent resident, or other work-authorized noncitizen. The system also requires employees to present documentation establishing their identity and work authorization. Employers are required to examine this documentation and attest that it appears to be genuine and to relate to the employee. See Appendix A for a copy of the I-9 form and lists of acceptable documents.

Acknowledging that there were likely to be better verification systems than the one specified in IRCA, Congress authorized the Executive Branch to develop demonstration tests of alternative employment verification systems. Such systems had to be reliable, secure, and limited to use for employment eligibility verification and could not include the use of a national identity document. Specific additional requirements were levied before such a system could be implemented.

IRCA also required INS to establish a program to verify the immigration status of noncitizens for certain benefit and entitlement programs. The established program, known as Systematic Alien Verification for Entitlements (SAVE), includes an automated match of applicant information against a special extract of the INS database created for this purpose.

3. EVALUATION OF THE IMPACT OF EMPLOYER SANCTIONS IMPLEMENTATION

Because of the concern over unintended impacts, many prominent groups studied the implementation of employer sanctions. One major concern was that the widespread availability of fraudulent documents made it easy for undocumented workers to convince employers that they were authorized to work. This situation limited the potential effectiveness of IRCA. Other concerns focused on whether work-authorized employees would experience discrimination or have their privacy rights violated.

Most prominent among such studies are the three IRCA-mandated reports by the General Accounting Office (GAO). In its second report to Congress in November 1988, GAO reported that the greatest threats to document security appeared to be the Social Security card and the INS Alien Registration Card, the so-called “green card” issued to permanent residents. At the time of that study, some 17 valid versions of the green card were in use, most of which were easily counterfeited.

In its final report to Congress in 1990, GAO found that the implementation of employer sanctions had resulted in a widespread pattern of discrimination against work-authorized employees. GAO noted that employers’ uncertainty over the sheer number of documents and the ease of counterfeiting documents used in the verification process contributed to the pattern of discrimination they found. Instead of repealing employer sanctions, GAO recommended mitigating confusion by increasing employer education and reducing the number of acceptable documents, making them more secure, and requiring all members of the workforce to use the more secure documents.⁵ GAO also summarized the pros and cons of alternative verification procedures.

The GAO findings triggered further inquiry on possible employment verification systems, documentary requirements, and the discriminatory and other possible negative impacts of employer sanctions and employment verification. These studies were undertaken by a wide range of Federal Government agencies, States and localities with sizeable foreign-born populations, and private organizations such as the Urban Institute and RAND. Although some studies called for the repeal of employer sanctions, others found that the problems could largely be remedied by simplifying and clarifying the Form I-9 employment verification system. Some commentators considered a single secure identifier, such as a pre-validated driver’s license/nondriver identification card, as the means of verifying work authorization to be an attractive option worth testing on a pilot or demonstration project basis.

In November 1988, SSA issued another IRCA-mandated report, *A Social Security Number Validation System: Feasibility, Costs, and Privacy Consideration*. This report found that although a system to verify Social Security numbers with SSA by telephone, for instance, is technically feasible, it has limited utility in deterring unauthorized employment. Although the system would identify never-issued numbers, cards issued for non-work purposes, and numbers issued to persons who were deceased, it could not ensure that the bearer of the card was the person to whom it had been issued. The report instead proposed a system based on State-issued driver’s licenses and nondriver identification cards, where identity could be better established.

SSA noted in its report that some 26 States were already validating birth certificate information for driver’s license applicants and that SSA could increase the security of information for States by pre-validating Social Security numbers electronically, a process

⁵ By recommending that this provision apply to all members of the workforce, GAO meant that counterfeit-resistant documents should not be issued only prospectively. If such an alternative were accepted, the document should be reissued to all persons now holding it, as well as to all future applicants.

already included by 29 States as a part of their license requirements. SSA noted that driver's licenses generally include photographs and physical descriptions of the bearer and are reissued every few years, thus enhancing their likeness to the bearer and the document's overall integrity. Such a system, SSA argued, would not only establish a card linking the Social Security number with a photograph and other identifying data, it would reduce the agency's workload and costs significantly by eliminating the need to verify Social Security numbers for employers every time a person is hired.

Because State-issued driver's licenses, nondriver identification cards, and birth certificates were frequently used to document identity and U.S. citizenship in the employment verification process, in 1989 Congress mandated that the Attorney General review States initiatives to reduce the fraudulent production, issuance, and use of these documents.⁶ In response to this mandate, in November 1992 INS issued its *Report on the Security of State-Issued Documents*.

The report found the security of the State driver's licensing processes to be generally far superior to that for birth certificates. INS reported that States were "generally using secure paper stock, lamination, and related security features to prevent counterfeiting and alteration" of driver's licenses.⁷ Moreover, the report found that States were incrementally applying technology to make driver's licenses more fraud-resistant and that changes to licenses were typically implemented simultaneously on a Statewide basis, thus reducing the number of versions of valid cards in circulation at a time.

However, the report found that time and funding limitations affected the security of the issuance process. For instance, it reported that Department of Motor Vehicles personnel had limited time and training to determine the authenticity of the documents presented as proof of identity in the licensing process. Thus, unauthorized workers could use counterfeit documents (often referred to as breeder documents) to obtain driver's licenses.

The Immigration Act of 1990 established the Commission on Immigration Reform, which continued the study of employment verification. In 1994, the Commission recommended testing a national registry-type system under which all newly hired workers, citizen and noncitizen alike, would be electronically verified for employment authorization through a unified database comprised of SSA and INS information. It recommended that the President test and evaluate a series of pilot programs using different approaches to provide information needed to assess the advantages, disadvantages, and costs of these approaches; the availability and quality of data; and the impacts on civil rights and liberties. Suggested approaches included a more secure Social Security card, a counterfeit-resistant driver's license, and a telephone/electronic verification system.

⁶ Section 5 of the Nursing Relief Act of 1989, P.L. 101-238.

⁷ U.S. Immigration and Naturalization Service (1992), p. 39.

Legislative debate ensued to consider the Commission’s recommendations and to gain greater control over undocumented immigration. Although the design of the SSA and INS databases precluded easy development of the single national registry database the Commission recommended, the two agencies believed they could develop a small-scale voluntary pilot program using separate checks of their databases. After considering a number of comprehensive immigration reform bills that included electronic employment verification programs, Congress passed IIRIRA, which provided for small-scale testing, evaluation, and reporting on three voluntary pilot programs before a national system would be considered. Testing on a pilot basis was considered important because of the limitations of Federal data for verification purposes, the potential for workplace discrimination and privacy violations, and practical logistical considerations about larger scale implementation.

Exhibit I-2 summarizes the relevant laws and their corresponding actions.

Exhibit I-2: Relevant Laws and Their Corresponding Actions

Year	Law	Action
1986	Immigration Reform and Control Act (IRCA)	Established employer sanctions and employee verification and prohibited workplace discrimination on the basis of national origin or citizenship
1990	Immigration Act of 1990	Established the Commission on Immigration Reform, which subsequently recommended increased electronic verification of all newly hired employees
1996	Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA)	Provided for testing, evaluation, and reporting of three voluntary pilot programs involving electronic verification

C. IMPLEMENTATION OF ELECTRONIC VERIFICATION PILOTS

1. SETTING THE COURSE THROUGH EARLY PILOT PROGRAMS

The early pilot studies described below were precursors to the IIRIRA pilots and helped create the basic verification procedures, limitations, and safeguards that are currently in use in the pilot programs. The pilots used electronic verification procedures and the SAVE database called the Alien Status Verification Index (ASVI) developed earlier for this purpose. The ASVI is an extract updated nightly from the INS Central Index System and the Nonimmigrant Information System. At the time it was adopted for the first pilot, the ASVI had already been used by benefit agencies. These pilots did not reduce employer paperwork, because the pilot processes were implemented in addition to Form I-9 requirements. The early pilot programs are summarized in Exhibit I-3.

Exhibit I-3: Early Employment Verification Pilot Programs

Year	Early Pilot	Location	Input Method	Action
1992	Telephone Verification System (TVS)	CA, FL, IL, NY, TX	SAVE procedures and point-of-sale device over telephone lines using INS ASVI database; paper/mail secondary verification if needed	Demonstrated feasibility of telephone verification for newly hired noncitizens
1995	Telephone Verification Pilot, Phase II (TVP)	Los Angeles area	PC and modem to access INS database; paper/mail secondary verification if needed	Tested impact of noncitizen verification in defined geographic area
1996	Employment Verification Pilot (EVP)	Across the U.S.	PC and modem with automated secondary verification process	Tested verification of newly hired noncitizens in different environments
1997	Joint Employment Verification Pilot (JEVP)	Chicago area	Touchtone telephone to access SSA; PC/modem to access INS; automated secondary verification process	Tested verification of all newly hired employees with SSA and, if necessary, INS

The Telephone Verification System (TVS) Pilot demonstrated the feasibility of verifying the work-authorization status of noncitizen employees by telephone. The TVS was implemented in 1992 for nine volunteer employers located in the five States with the largest estimated populations of undocumented immigrants (California, Florida, Illinois, New York, and Texas). All participating employers signed a Memorandum of Understanding (MOU) describing the responsibilities of the employers and INS under the program.⁸ Only employees who attested to being noncitizens on INS Form I-9 were electronically verified in this pilot. The TVS demonstrated the feasibility of telephone verification of employees' work-authorization status using point-of-sale devices.

The Telephone Verification Pilot, Phase II (TVP), tested the impact of noncitizen verification in a defined geographic area. Based on the apparent success of the TVS, INS initiated the TVP in 1995. Participation in the TVP was limited to employers in a limited geographic area in the Los Angeles area. A total of 238 employers volunteered for this pilot, which tested the impact of a pilot in a relatively concentrated geographic area. Participating employers conducted primary verification for newly hired noncitizens using a personal computer (PC) and modem to access the INS database. If secondary verifications were necessary, employers sent copies of employees' immigration documents to INS for further verification. When INS could not determine employees' work-authorization status, the employees were encouraged to visit an INS office to resolve the discrepancy.

⁸ See Appendix H for a copy of the MOU signed by MRDP employers and INS.

The Employment Verification Pilot (EVP) tested the verification of the work-authorization status of noncitizens in different environments. The EVP, begun in 1996, expanded upon the TVP pilot by including more than 1,000 employers of varying size and industrial classification throughout the United States. This pilot's strength was that it was tested in many different environments. Additionally, INS automated the formerly paper secondary verification process in the EVP to expedite this portion of the verification process.

The Joint Employment Verification Pilot (JEVP) was the first joint pilot between SSA and INS to verify all newly hired employees. This two-step SSA-INS pilot was developed in response to the Commission on Immigration Reform's recommendation for a national registry system. It departed from the earlier pilot programs by electronically verifying the work-authorization status of all newly hired employees, using both the SSA and INS databases. All newly hired employees were verified through SSA. When SSA data could not determine the current work-authorization status of employees attesting to being work-authorized noncitizens, a further check was made through INS. The two agencies initiated this joint pilot in the Chicago area in July 1997 with 38 employers.

2. CURRENT IIRIRA PILOTS

As noted above, at the time that the early INS pilots were being tested there was renewed discussion of the desirability of possible modifications of the Form I-9 procedures. In addition to the feasibility of electronic verification, these discussions considered such possibilities as restricting the types of identity and work-authorization documents and improving document security. Civil rights groups, however, remained concerned about the further testing of electronic employment verification systems, the impact of such systems on workplace discrimination, moving to single identity documents, and privacy. IIRIRA attempted to address these views and the need to test rather than implement a national system when it authorized three pilots, the Basic Pilot, the CAVP, and the MRDP. These pilot programs are summarized in Exhibit I-4.

Exhibit I-4: IIRIRA Pilots

Year	IIRIRA Pilot	Location	Location Rationale	Method
1997	Basic Pilot	CA, FL, IL, NY, TX*	States with highest undocumented immigration	Electronic verification for both citizens and newly hired noncitizens
1999	Citizen Attestation Verification Pilot (CAVP)	AZ, MD, MA, MI, VA	States not in Basic Pilot but having sizeable undocumented immigrant populations and reasonably secure State-issued identification documents	Electronic verification for newly hired noncitizens only
1999	Machine-Readable Document Pilot (MRDP)	IA	State with machine-readable name, date of birth, and Social Security number on driver's license	Electronic verification for citizens and noncitizens through machine-readable driver's license/nondriver identification card if presented to employer; otherwise, like the Basic Pilot

* Nebraska was included in the Basic Pilot program after the evaluation had started and, therefore, was not included in the evaluation.

The Basic Pilot verifies all newly hired employees through SSA and, if necessary, INS databases. IIRIRA calls for the Basic Pilot to be conducted in at least five of the States with the largest estimated populations of undocumented immigrants; California, Florida, Illinois, New York, and Texas were chosen.⁹ The Basic Pilot, launched in November 1997, is similar to the earlier J EVP. Like J EVP employers, Basic Pilot employers electronically verify the status of all newly hired employees, first with SSA and then, if necessary, with INS. However, the Form I-9 documentation requirements imposed by IIRIRA are more stringent than those of the J EVP in that they require employees to present an identity document with a photograph.

The evaluation of the Basic Pilot found that the majority of participating employers accepted it as an effective, reliable tool for employment verification. Similarly, the evaluation found that employees had few complaints about the program. However, the evaluation also found evidence of discrimination and privacy violations that were exacerbated by inaccuracies in the Federal databases and the failure of many employers to follow MOU provisions.

The CAVP requires electronic verification only for noncitizens. IIRIRA mandates that this pilot be implemented in at least five States identified as having counterfeit-resistant driver's licenses and nondriver identification cards. The five States selected for the CAVP are Arizona, Maryland, Massachusetts, Michigan, and Virginia. Under the CAVP, which began in May 1999, participating employers electronically verify the work authorization of newly hired employees who attest on the I-9 form to being work-authorized noncitizens. Employers do not electronically verify the work-authorization status of persons who attest to U.S. citizenship, who are also subject to less stringent document requirements.

The evaluation of the CAVP indicated that while it was less costly than the Basic Pilot program, it was much less effective in preventing the employment of individuals without work authorization, close to half of whom were falsely attesting to U.S. citizenship. Moreover, the CAVP was found to be more discriminatory than the Basic Pilot program. Since the cost savings were not large, the evaluation team recommended that the CAVP be discontinued as soon as possible.

The MRDP was designed to test card swiping technology. It is identical in most respects to the Basic Pilot program. The primary difference between these two pilots is in the way that employers input and transmit the employee data that are verified electronically by SSA and INS. In the Basic Pilot program, the employer manually enters all information into a PC. In the MRDP program, the employer is required to input employee information using an MRDP card reader capable of reading information contained in a magnetic stripe on driver's licenses and State-issued nondriver identification cards if such a document is proffered. If the case must be referred to INS, the employer is prompted for the additional information needed to match employee information against the INS database.

⁹ Nebraska was included in the Basic Pilot program in March 1999.

The MRDP was intended to test the feasibility of automating the process of querying the Federal databases, in much the same way that stores verify charges for purchases against a credit card company database. This process was seen as potentially less burdensome for employers and also less prone to data entry errors that are inevitable with the manual entry of data.

The MRDP was initiated in June 1999 in Iowa. The restriction of this program to Iowa was necessary because INS determined that Iowa was the only State that issued secure licenses and nondriver identification cards containing Social Security numbers in a machine-readable form. It was expected that when employees presented Iowa licenses and nondriver identification cards, the employer would input employee information by swiping the card through the reader. Since not all employees provide an Iowa driver's license or nondriver identification card, the MRDP also allows for the employer to input the information manually using the Basic Pilot procedures.

D. DESCRIPTION OF PRE-MRDP VERIFICATION PROCESSES

This section provides general background information about the paper Form I-9 verification process. It also discusses general characteristics of the automated verification process.

1. PAPER FORM I-9 VERIFICATION PROCESS

The starting point for all of the pilot programs is the existing paper Form I-9 verification process used by all employers, including those *not* enrolled in any of the three pilots. When employees are hired, they are required to complete the Employment Eligibility Verification Form (Form I-9) and provide the employer with documentation of their identity and work-authorization status. Depending on the employee's status, a wide variety of documents are acceptable for these purposes (see Appendix A).

In Section 1 of Form I-9, the employee records personal information, attests to citizenship status, and signs the form. The employer completes Section 2 of the form, recording the type of documents presented as proof of identity and work authorization and any document expiration dates. After reviewing the documents presented by the employee, the employer records the date of hire. The employer also signs the I-9 form to certify having examined the documents presented by the employee and having found them to appear valid and to belong to the person presenting them. Under the Form I-9 process, the verification responsibility rests solely with the employer. Depending on the employer's familiarity with various immigration and other documents and with the detection of fraudulent employment eligibility documents, an employee without work authorization may or may not be denied further employment under this system.

2. AUTOMATED VERIFICATION PROCESS

Employers in each of the three IIRIRA pilots use an electronic verification process in addition to the paper Form I-9 verification process. During this process, the employer inputs information that is verified by matching it against one or both of the Federal databases.

The automated verification process in the pilots begins when employers input the Form I-9 information into the computer system. The Form I-9 data entered include employee's name, date of birth, and Social Security number. In the Basic Pilot and CAVP, citizenship status and Alien or Nonimmigrant Admission Number, the type of document(s) presented with the I-9 form, and any expiration date of documents are entered at the same time. In the MRDP program, this additional information is input only when the SSA database cannot immediately verify the work-authorization status of employees based on the input from the card swipe. Employers participating in the pilot then submit this information electronically to the Federal Government. The government then determines whether the employees are work-authorized by electronically comparing the employer information with the appropriate government databases.

E. MRDP VERIFICATION PROCESS

Once employers sign an MOU agreeing to participate in the MRDP and to follow all pilot procedures, INS sends them the system software, the card reader, manuals, and other materials needed to use the pilot program. Employers are expected to install the software and card reader, review the tutorial materials, and contact the telephone help line provided, should they have any problems. After completing these preliminary tasks, employers may start performing electronic verification of every newly hired employee through SSA and, if necessary, through INS.

In the MRDP, there are two ways of inputting information from the I-9 form. One is to enter all of the information manually, as in the Basic Pilot and CAVP programs. Information must be entered manually in the MRDP program if the employee does not provide a machine-readable document.

If an employee provides the employer with a State-issued driver's license or nondriver identification card, the MRDP MOU requires the employer to input employee information by scanning the card using a machine like the one illustrated in Exhibit I-1. The magnetic information on the Iowa driver's license at the start of the MRDP included the basic information needed for matching with the SSA database – name, date of birth, and Social Security number. Immediately after reading the driver's license, the SSA database is automatically called and SSA attempts to match the driver's license information with the information on its database. If there is a match and the SSA database indicates that the person is a citizen, legal permanent resident, refugee, or asylee, the employer is notified that the employee is work-authorized. If the SSA database does not match the employee information on the license, SSA issues a tentative nonconfirmation. If the SSA database information matches the employee information but SSA is unable to verify citizenship, the employer is asked to provide citizenship status from the I-9 form to verify the employee against the INS database.

If the employee information input by the employer matches the INS ASVI database and confirms work authorization, the employer is immediately notified that the employee is work-authorized. If the match does not result in a confirmation of work authorization, the case is automatically sent to an Immigration Status Verifier (ISV). The ISV searches other electronic information available at INS and, if necessary, examines hard-copy records to

determine whether work-authorization status can be confirmed. ISVs report that this process typically takes a day from receipt of the electronic information to a decision being made on whether INS can confirm work-authorization status without requiring employee action. If the ISV can confirm work-authorization status, the work-authorization finding is issued. If the ISV does not have sufficient information to confirm work-authorization status, a tentative nonconfirmation is issued.

The electronic match of the Form I-9 information to the Federal databases usually results in an instantaneous response that employees are “employment authorized.” Employers are then required to record the verification number and result on the I-9 form, or print a copy of the transaction record and retain it with the I-9 form. When the SSA or INS records are not sufficient to verify that the employee is work-authorized, the pilot system issues “tentative nonconfirmation” findings. At that point, employers are required to provide affected employees with written notification of the finding and their right to contest the finding, if they wish to do so.

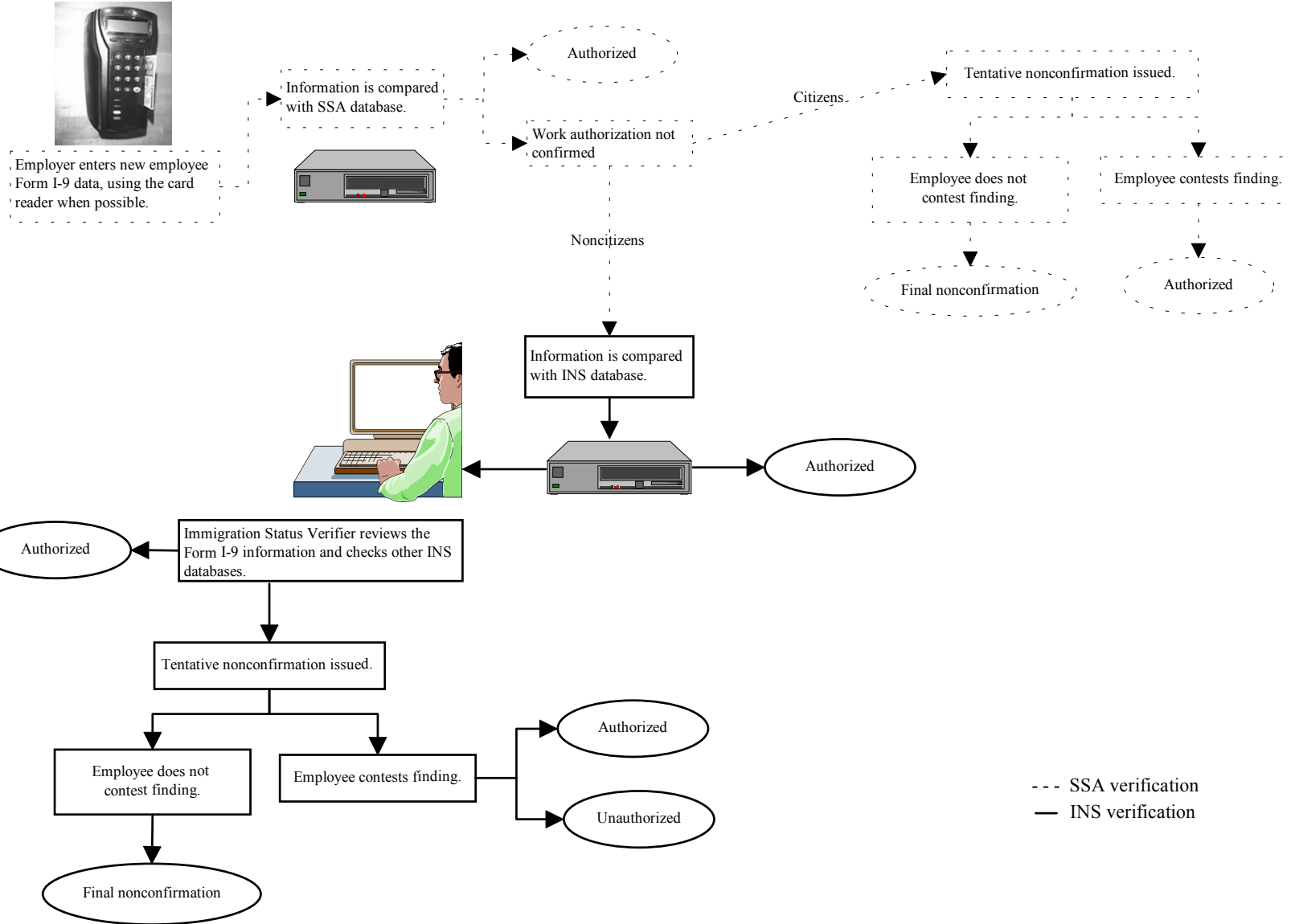
The major steps of the MRDP verification process are described below and illustrated in Exhibit I-5.¹⁰

- Step 1: Employers electronically submit to SSA the Form I-9 data that they scanned or manually entered about new employees.
- Step 2: The SSA system automatically checks the information submitted against the SSA database to determine whether the employees are work-authorized according to SSA records.
 - a. If the SSA database records match employer input and show that the employees are authorized to work in the United States, SSA instantaneously confirms their work authorization.
 - b. If the SSA database records do not match the information that the employer input on name, date of birth, and Social Security number, a tentative nonconfirmation is issued (see Step 5).
 - c. If the SSA database records match the information that the employer input for name, date of birth, and Social Security number, but do not contain sufficient information about citizenship status to verify the employee, the employee information is electronically transmitted to INS (see Step 3).

If a card reader is used, in Step 2c the employer is asked to enter the citizenship status attestation from the I-9 form. The system then either issues a tentative nonconfirmation for the employee to go to SSA to provide proof of change of citizenship status or electronically refers the case to INS.

¹⁰ The process described assumes that employers follow the MRDP procedures.

Exhibit I-5: MRDP Verification Process*



*Not all details of the process are depicted.

Step 3: If SSA electronically refers the cases to INS (at Step 2c), the verification process continues.

The MRDP system automatically compares the employee information referred from SSA against the INS ASVI database to determine whether INS records indicate that the employees are work-authorized.

- a. If the INS ASVI database records match the information input by the employer and show that these noncitizen employees are authorized to work in the United States, the MRDP system instantaneously confirms their work authorization.
- b. If the INS ASVI database records do not match the information input by the employer, or if they match but do not show that these noncitizen employees are authorized to work in the United States, the MRDP system electronically refers the cases to an ISV.

Step 4: The ISV checks additional INS databases and, if necessary, hard-copy records to determine the employees' current work-authorization status.

- a. If the ISV determines that the employees are work-authorized at this stage, the system issues work-authorization findings to employers.
- b. If not, the system issues tentative nonconfirmation findings to employers.

Step 5: Employers provide employees with written notice of the tentative nonconfirmation and an explanation of their right to contest the finding.

Step 6: Employees decide whether to contest the tentative nonconfirmation finding.

- a. If employees do not contest by correcting the discrepancy in their records with SSA or INS, their cases are classified as final nonconfirmation cases. The employer then terminates the employment of those employees who receive final nonconfirmations.
- b. If employees do contest, employers are instructed to provide them with a written referral to SSA or INS, as appropriate, to correct the discrepancy and to record the referral date on the MRDP database. The referral form also explains the employees' rights and responsibilities during the resolution period. Employees must contact the SSA or INS office within the allotted period of 8 Federal working days from the date of referral. While the case is being contested, employers may not take adverse actions against employees based on the issuance of the tentative nonconfirmation.

- Step 7a: For SSA tentative nonconfirmations: If employees go to an SSA office and straighten out their records within the designated time (8 Federal working days), employers are required to reverify the employees through the MRDP system. Normally, the employee will be instantaneously verified.
- Step 7b: For INS tentative nonconfirmations: If employees contact INS by fax, by telephone, or in person to straighten out their records within 8 Federal working days, INS will determine whether the employee is work-authorized and will input the finding into the MRDP database.
- Step 8: If employees do not contact INS or SSA and provide the required information within 8 Federal working days, the MRDP system returns a final nonconfirmation finding after 10 Federal working days. To comply with the law, employers then must terminate their employment.

IIRIRA's requirements for the MRDP program are very similar to those of the Basic Pilot program. Like the Basic Pilot, the MRDP is designed to electronically verify work-authorization status for both newly hired U.S. citizens and noncitizens. It is also designed to provide employers with more confidence in their ability to verify that their newly hired employees are authorized to work, while protecting employees' privacy and rights. At the same time, the system designers had to work within the limitations of SSA and INS databases, systems capabilities, and agency requirements.

There are two MRDP features that distinguish it from the Basic Pilot. First, a card reader is used for data input when newly hired employees present an Iowa driver's license or nondriver identification card. Only if additional information is necessary to complete the verification process is the employer required to input data manually. Second, when the card reader is used, each card swipe initiates an automatic call to SSA to transmit the encoded data. In contrast, with the Basic Pilot or the manual MRDP process, an employer manually inputs information for up to 15 employees into the computer system and then initiates the electronic verification process.

When compared to the Basic Pilot, the design of the MRDP has some potential advantages. The MRDP may avoid some data input errors that lead to work-authorized employees receiving tentative nonconfirmations. To the extent that this is successful, system costs and burdens for employees, employers, and the Federal Government are decreased, since tentative nonconfirmation cases are more costly than cases that are automatically verified. Furthermore, any discrimination that may be engendered by the tentative nonconfirmations is avoided. Moreover, assuming that the magnetic stripe makes it more difficult to counterfeit a card, unauthorized employment may be reduced.

F. CONTEXT OF THE MRDP

This section is devoted to the context of the MRDP implementation in the pilot State of Iowa. That State is compared with others on a number of variables that are likely to affect the success of the MRDP. Similarly, characteristics of the MRDP employers are compared with those of all employers in Iowa, as well as employers nationally.

As mentioned in Section A, the MRDP was initiated only in Iowa, because Iowa was the only State that issued driver's licenses and nondriver identification cards that met the statutory criteria for the pilot. However, Iowa and its employers and employees are not representative of the country overall. On the one hand, this limits the evaluation's ability to generalize its findings to all States or all employees in the Nation. On the other hand, implementing the pilot in Iowa provides an opportunity to evaluate pilot operation in a State that is quite different from the Basic Pilot States (California, Florida, Illinois, New York, and Texas) and CAVP States (Arizona, Maryland, Massachusetts, Michigan, and Virginia). This section compares Iowa with the Nation regarding undocumented immigrants, foreign-born population, ethnicity of employees, and employer size and industry.

1. STATE CHARACTERISTICS

INS estimates that the size of the undocumented population in the United States is approximately 7 million people (2.5 percent of the total U.S. population). Approximately 24,000 of these undocumented persons reside in Iowa, where they constitute less than 1 percent of the State's population (see Exhibit I-6).

States with large numbers of undocumented immigrants are also likely to have large numbers of foreign-born persons.¹¹ Iowa's foreign-born population was 3.1 percent of the total Iowa population, which is much less than for the country generally, where 11.1 percent of the population is foreign-born (31.1 million). Not surprisingly, the concentration of Hispanics in Iowa is also well below that of the Nation as a whole (2.8 percent, compared to 12.5 percent for the United States overall).¹²

Iowa ranks last among the 11 pilot States in terms of the size of its populations of undocumented immigrants, foreign-born persons, and Hispanics. It also ranks last among the pilot States in the percentage of its population who are foreign-born and the percentage who are Hispanic. In terms of the percentage of its undocumented immigrant population, it is ranked 10th of the 11 pilot States. Michigan is slightly lower with 0.7 percent of its population in this category, compared to 0.8 percent for Iowa.

¹¹ See Appendix D.

¹² According to the Census of Population and Housing, 1970-2000, the foreign-born population in Iowa increased dramatically from 1990 to 2000. The foreign-born growth rate was 110 percent, compared to the State's overall increase of 5.4 percent.

Exhibit I-6: Comparison Between Iowa and the Basic Pilot States, the CAVP States, and States Not Participating in a Pilot in Terms of Representation of Undocumented, Foreign-Born, and Hispanic Populations: 2000

	Number				Percent of Population Who Are		
	Total Population	Undocumented	Foreign-Born	Hispanic	Undocumented	Foreign-Born	Hispanic
Basic Pilot States							
California	33,871,648	2,209,000	8,864,255	10,966,556	6.5	26.2	32.4
Texas	20,851,820	1,041,000	2,899,642	6,669,666	5.0	13.9	32.0
New York	18,976,457	489,000	3,868,133	2,867,583	2.6	20.4	15.1
Florida	15,982,378	337,000	2,670,828	2,682,715	2.1	16.7	16.8
Illinois	12,419,293	432,000	1,529,058	1,530,262	3.5	12.3	12.3
Total	102,101,596	4,508,000	19,831,916	24,716,782	4.4	19.4	24.2
CAVP States							
Arizona	5,130,632	283,000	656,183	1,295,617	5.5	12.8	25.3
Massachusetts	6,349,097	87,000	772,983	428,729	1.4	12.2	6.8
Virginia	7,078,515	103,000	570,279	329,540	1.5	8.1	4.7
Maryland	5,296,486	56,000	518,315	227,916	1.1	9.8	4.3
Michigan	9,938,444	70,000	523,589	323,877	0.7	5.3	3.3
Total	33,793,174	599,000	3,041,349	2,605,679	1.8	9.0	7.7
MRDP State							
Iowa	2,926,324	24,000	91,085	82,473	0.8	3.1	2.8
Other States							
Washington	5,894,121	136,000	614,457	441,509	2.3	10.4	7.5
Colorado	4,301,261	144,000	369,903	735,601	3.3	8.6	17.1
New Jersey	8,414,350	221,000	1,476,327	1,117,191	2.6	17.5	13.3
Remaining States	123,991,080	1,368,000	5,682,852	5,606,583	1.1	4.5	4.5
Total	142,600,812	1,869,000	8,143,539	7,900,884	1.3	5.7	5.5
U.S. Total	281,421,906	7,000,000	31,107,889	35,305,818	2.5	11.1	12.5

SOURCES: U.S. Census Bureau, Census 2000; and U.S. Immigration and Naturalization Service, *Estimates of the Unauthorized Immigrant Population Residing in the United States: 1990 to 2000*, January 2003.

Iowa does not differ dramatically from the Nation as a whole in terms of industrial mix (Exhibit I-7). However, there are a couple of differences worth noting. First, Iowa has proportionately fewer professional, scientific, and technical services establishments (7 percent versus 10 percent for the Nation). Second, Iowa has a somewhat higher representation of establishments engaged in retail trade (18 percent versus 16 percent).

2. EMPLOYER CHARACTERISTICS

Not only are there notable differences between Iowa and other pilot States, but there are also differences between MRDP employers and Iowa employers generally. These differences arise primarily because of the voluntary nature of pilot participation. To the extent that certain types of employers are relatively likely to find automated employment verification useful, they are likely to be overrepresented among the MRDP volunteers.

Notable differences are also found between the size of pilot employers and those nationally. Since larger employers would seem to have more to gain by participating in the pilot program, it is not surprising that MRDP employers tend to be larger than nonparticipating employers. Approximately 67 percent of MRDP establishments had 100 or more employees, compared with 6 percent of establishments nationwide. Conversely, few pilot employers (5 percent) had fewer than five employees, compared with 50 percent of establishments nationwide.¹³ These smaller employers have considerably fewer verification needs and are less likely to have the necessary computer equipment and staff to run the pilot. To the extent that these factors affect the usefulness of the MRDP, the pilot would be less cost-effective for small employers (see Exhibit D-12 in Appendix D).

3. FOREIGN-BORN STATUS AND ETHNICITY OF EMPLOYEES

Eleven percent of the MRDP employees interviewed said that they were born outside of the United States. This is a considerably larger proportion than the 3 percent of the Iowa population who are foreign-born. This is not surprising, given that the MRDP is expected to have greater appeal to employers with relatively large numbers of foreign-born employees.

The difference between the percentage of MRDP employees who are Hispanic and the percentage for the State of Iowa is similar to that observed for the difference in their foreign-born populations. Eleven percent of MRDP employees interviewed said that they were of Hispanic or Latino origin, compared to 3 percent of the Iowa population.

The representation of whites is lower in MRDP establishments (79 percent) than in the Iowa population (94 percent). However, the percentage of white MRDP employees is above the average for the Nation (75 percent).

¹³ U.S. Census Bureau, 1999.

Exhibit I-7: Distribution of Iowa and All U.S. Establishments, by Broad Industry Type: 1999

Industry Code Description	Number (%)			
	Iowa		U.S.	
Forestry, fishing, hunting, and agriculture support	271	(0.3)	26,926	(0.4)
Mining	189	(0.2)	23,699	(0.3)
Utilities	294	(0.4)	16,578	(0.2)
Construction	8,621	(10.6)	698,541	(10.0)
Manufacturing	3,828	(4.7)	360,244	(5.1)
Wholesale trade	5,256	(6.5)	450,030	(6.4)
Retail trade	14,494	(17.8)	1,111,260	(15.9)
Transportation and warehousing	3,198	(3.9)	187,339	(2.7)
Information	1,563	(1.9)	126,510	(1.8)
Finance and insurance	5,443	(6.7)	418,337	(6.0)
Real estate and rental and leasing	2,563	(3.2)	298,080	(4.3)
Professional, scientific, and technical services	5,486	(6.8)	704,779	(10.1)
Management of companies and enterprises	422	(0.5)	46,528	(0.7)
Administration, support, waste management, remediation services	3,231	(4.0)	350,401	(5.0)
Educational services	599	(0.7)	66,492	(0.9)
Health care and social assistance	7,093	(8.7)	649,846	(9.3)
Arts, entertainment, and recreation	1,261	(1.6)	102,786	(1.5)
Accommodation and food services	6,566	(8.1)	539,576	(7.7)
Other services (except public administration)	9,737	(12.0)	717,892	(10.2)
Auxiliaries (except corporate, subsidiary, and regional management)	158	(0.2)	14,589	(0.2)
Unclassified establishments	940	(1.2)	98,011	(1.4)
Total	81,213	(100.0)	7,008,444	(100.0)

NOTE: The table uses the North American Industry Classification System.

SOURCE: 1999 County Business Patterns, U.S. Census Bureau, <http://censtats.census.gov/cbpnaic/cbpnaic.shtml>.

G. SUMMARY

In sum, the MRDP pilot is one of three IIRIRA pilot programs that build upon prior experience with automatic employment verification in an attempt to decrease unauthorized employment while protecting against discrimination, privacy infringement, and undue employer costs. Unlike the other pilot programs, the MRDP uses a card reader to scan information embedded in a magnetic stripe on a driver's license or nondriver identification card and then automatically transmits this information to SSA. Because of the differing requirements for State participation in the IIRIRA pilots, the MRDP was tested in Iowa, a State that has fewer undocumented immigrants than any of the other pilot States.

CHAPTER II. RESEARCH METHODS

A. INTRODUCTION

The evaluation team for the Machine-Readable Document Pilot (MRDP) adopted a multi-method approach and collected data from multiple sources related to Iowa employers and employees who participated in the pilot program. Sources included the following:

- Employer mail and telephone surveys
- Establishment site visits
- MRDP transaction database analyses
- Collection and analysis of I-9 forms
- Employee in-person interviews
- Meetings with Federal officials and consultation with stakeholders
- System testing
- Secondary sources

Standard research procedures were used in this study to assure the quality of the data. Quality control procedures were implemented to ensure data accuracy. These procedures included training of data collection and data processing staff, and data cleaning based on consistency and range checks.

All survey data were cleaned to identify and resolve possible data entry or respondent errors by examining out-of-range survey responses and skip patterns. In some cases, this required the re-examination of the actual survey forms to verify specific entries. Data were also weighted for nonresponses, where appropriate.

The primary MRDP evaluation design, a repeated-measures quasi-experimental design for both employers and employees, differs from the designs for the Basic Pilot and the Citizen Attestation Verification Pilot (CAVP). The Basic Pilot evaluation used a matched sample quasi-experimental design for the employer sample and a non-experimental sample for the employee sample; the CAVP evaluation used a non-experimental study design for employers and did not include an employee sample.

Because only 29 of the 90 eligible employers who agreed to participate in the MRDP quasi-experiment actually used the MRDP system, the evaluation included 12 additional employers that had signed up and used the MRDP system prior to the start of the evaluation but were not part of the quasi-experimental study.

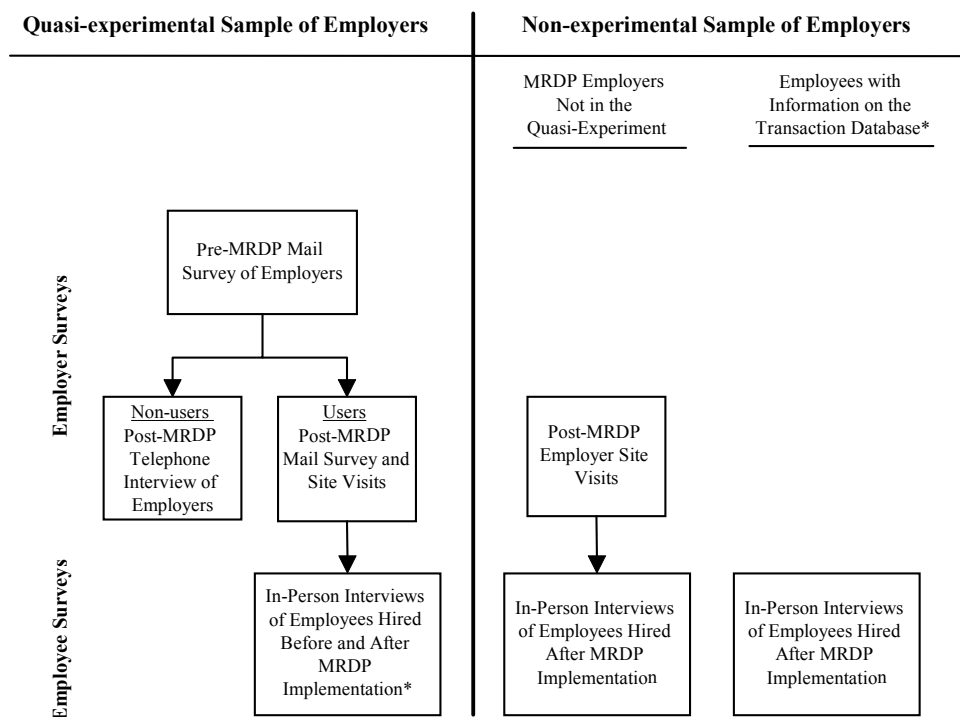
Employers in the quasi-experimental group consisted of those employers that had completed both the initial mail survey and a follow-up survey by mail or telephone. Data collected from these employers are considered “repeated measures.” The word “quasi-experimental”

is used to differentiate employers in the repeated-measures quasi-experimental group from the other employers (non-users, nonrespondents, or non-experimental users). This shortened nomenclature is used in this report to simplify discussion.

The MRDP evaluation design for employees paralleled that for employers. Two samples of employees were systematically selected from the I-9 forms of the quasi-experimental employers that completed the second mail survey and on-site visit. One sample of employees was selected from among those hired during the 6 months prior to system implementation, and the second sample of employees was selected from those hired after system implementation but before on-site interviews. Employees of the non-experimental employers were selected only from those hired during the 6 months prior to the on-site interview. Exhibit II-1 graphically presents the data collection sources.

An additional sample of cases was selected from among employees with records on the transaction database. Employees who had received tentative nonconfirmations were oversampled because of their special interest to the evaluation.¹

Exhibit II-1: MRDP Primary Data Collection Sources



* Employees of quasi-experimental employers were sometimes eligible for inclusion in both the transaction database sample and the post-MRDP employee sample. This was taken into account in deriving the sample weights.

¹ See Appendix A for additional information about the sampling methods used in the evaluation.

B. EVALUATION METHODS

Given the complex nature of an evaluation design that uses multiple data sources, it is important to understand the relationships among the data sources, their uses, and the data collection instruments. This section describes the different approaches used for the MRDP evaluation.²

1. EMPLOYER MAIL AND TELEPHONE SURVEYS

The MRDP employer mail and telephone surveys asked employers about their perceptions of and experience with the MRDP system.³ The first baseline mail survey was sent to all quasi-experimental employers in the MRDP program. A second mail survey was sent later to employers who actually installed and used the MRDP system. For those employers who did not use the MRDP system, even though they originally agreed to use it, a brief telephone interview was conducted, primarily to determine why they did not use the pilot system.

a. RECRUITING QUASI-EXPERIMENTAL EMPLOYERS

The evaluation team had hoped to recruit at least 200 employers for a “true” experiment, that is, the random assignment of employers to two groups, only one of which would receive the MRDP materials during the course of the study. However, despite extensive efforts to recruit Iowa employers during the fall and winter of 2000-2001, including multiple telephone calls to more than 1,500 employers and the offer of a \$200 incentive for participation, only 96 employers enlisted for the experiment and pilot program.⁴ Since this number was too small to conduct the planned “true” experiment and some attrition was anticipated, the study design was modified to that of the repeated-measures quasi-experiment.

b. EMPLOYER BASELINE MAIL SURVEY

The first employer mail survey was conducted before INS sent the MRDP materials to the experimental employers. It was intended to establish baseline information about employer recruitment procedures, hiring practices, and verification procedures. Other topics addressed included employer concerns about the MRDP as an alternative electronic verification procedure and employers’ motivation for participation.

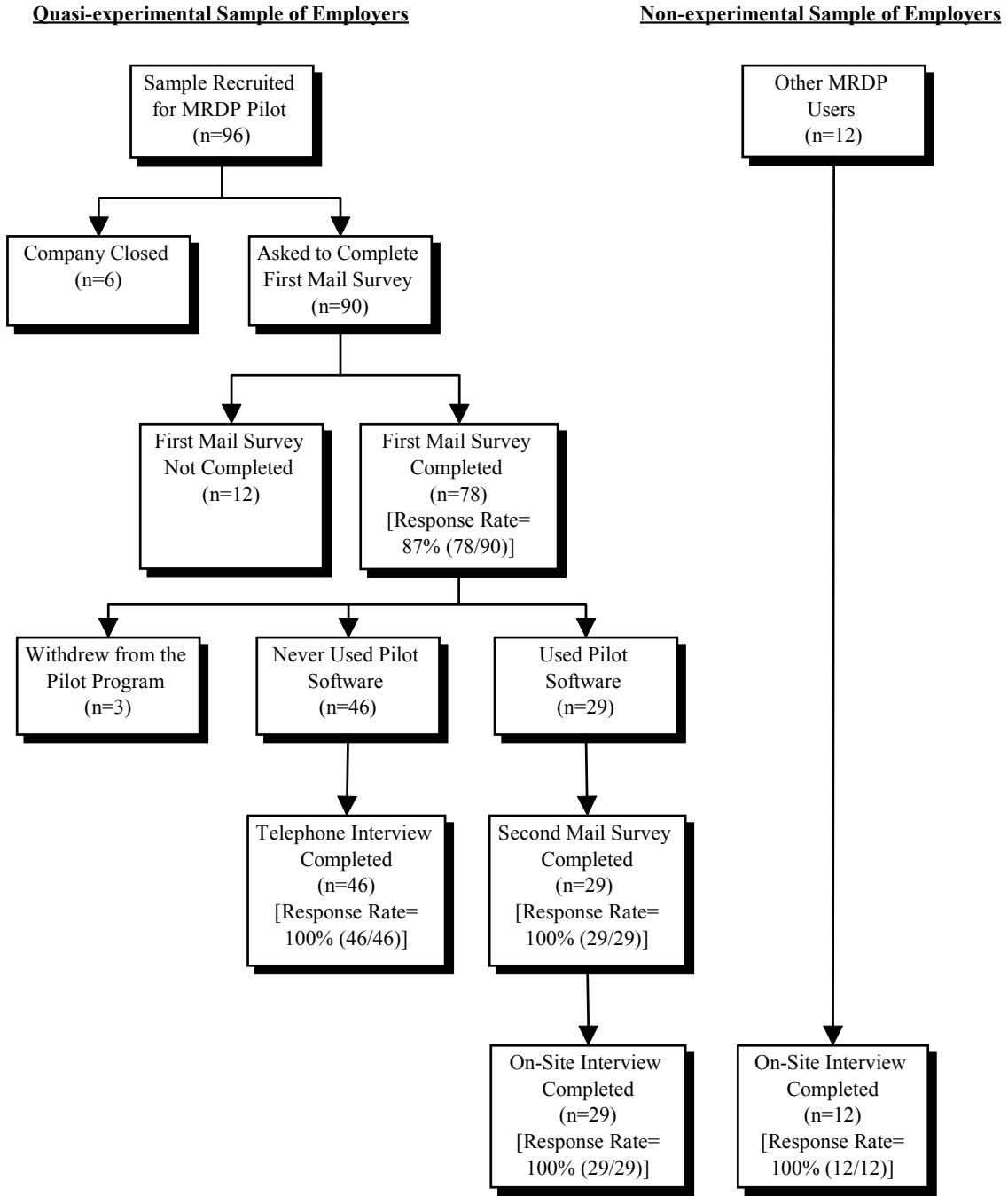
Among the 96 establishments recruited to participate in the MRDP, only 90 were still in business at the time of initial data collection. In March 2001, a survey was mailed to these 90 establishments. Mailings, telephone reminders, and additional final FedEx shipments of survey forms were undertaken as needed to maximize the response rate. This approach yielded 78 responses, a response rate of 87 percent. Exhibit II-2 shows the structure and sample sizes of the employer survey components of the MRDP evaluation.

² Additional information about survey methodology is presented in Appendices A through C.

³ Copies of the evaluation questionnaires are provided in Appendix F.

⁴ Chapter III presents additional information about the problems encountered in recruiting employers, since these difficulties provide considerable insights into the reasons why many employers do not volunteer for the employment verification pilot programs.

Exhibit II-2: Overview of Data Collection for MRDP Employer Survey



Of the 78 establishments that completed the baseline or first mail survey, 3 establishments called INS and, for various reasons, asked to be taken out of the pilot. INS consequently removed them from the pilot. Only 29 of the remaining 75 establishments actually installed and used the MRDP system.

c. SECOND EMPLOYER MAIL SURVEY

The 29 quasi-experimental establishments that had used the MRDP system were eligible for the second employer mail survey conducted after the pilot had been in use for about a year. The survey was designed to compare employer responses on employee recruitment and verification procedures with those captured prior to MRDP use. The survey included additional questions regarding technical difficulties using the software, experience with customer service and technical support, set up, and maintenance costs.

The second survey was mailed to MRDP users in April 2002, approximately a year after they installed the MRDP card reader and software. To maximize the response rate, the survey was sent by FedEx to those who did not respond to the previous regular mailings and telephone reminders. Nevertheless, some establishments still did not respond, and on-site interviewers collected the remaining mail surveys from those establishments during the on-site visits. Consequently, the response rate for this survey was 100 percent.

2. TELEPHONE INTERVIEWS OF NON-USERS

A 15-minute telephone interview was conducted with representatives of the 46 quasi-experimental establishments that had failed to use the pilot software. They were asked whether they had received and installed their software and card reader, their judgment of the usefulness of the training materials, the perceived burden and costs of setting up and using the software, their verification practices and experiences, their views about the pilot, establishment characteristics, and their reasons for not using the system. The evaluation team conducted the telephone interviews between April and June 2002. The interviews provided a basis for comparing information about users and non-users of the MRDP. All 46 establishments completed the telephone interview process, resulting in a participation rate of 100 percent.

3. ESTABLISHMENT SITE VISITS

The site visits were conducted at the same 29 establishments that had participated in the second mail survey. Site visits were also conducted at the 12 establishments in the non-experimental group. Non-experimental employers were asked the same questions that were asked of the quasi-experimental employers in the on-site visits, as well as some questions from the mail surveys.

The purpose of the site visit was to obtain first-hand knowledge about the MRDP users. The visit consisted of a semi-structured interview, on-site observation, and collection of I-9 forms. A trained interviewer asked an establishment representative questions about hiring procedures after implementation of the MRDP system, the employer's general experience with and views concerning the pilot system and card reader, modifications in practices since the introduction of the MRDP, security measures instituted to protect the system, outcomes of the system, and establishment characteristics. The interviewer recorded on-site observations about compliance with pilot requirements, such as the posting of the notice informing employees of the MRDP and required security measures. The on-site visits took place between April and June 2002.

Interviewers who had conducted employer interviews in the CAVP evaluation were again hired for the MRDP evaluation. Nevertheless, the interviewers attended and successfully completed a 1½-day training session in preparation for data collection. The training was designed to ensure quality control by rigorously preparing interviewers to be consistent in carrying out their data collection responsibilities. It included instructions in sampling procedures for Form I-9 records, on-site interviews, and on-site observation specifically related to the MRDP. Interviewers completed site visits and data collection for all 41 establishments (100 percent participation rate).

Throughout the evaluation period, the site coordinator from the evaluation team supervised and monitored all on-site activities. The site coordinator made initial telephone contact with employers. The site coordinator was also available by telephone during the entire interview process and encouraged employers to call at any time with questions. Exhibit II-3 describes the employer data collection efforts.

Exhibit II-3: MRDP Employer Data Collection Process

	Before Participation in the MRDP	After Participation in the MRDP		
		Users		Non-users
Mode of data collection	First mail survey	Second mail survey	Site visit	Telephone interview
Dates of data collection	March 2001-September 2001	April 2002-June 2002	April 2002-June 2002	April 2002-June 2002
Collection method	Sent and received by regular mail or FedEx	Sent by mail; picked up during on-site interview	Interview with a professional interviewer at employer site On-site observation	15-minute telephone interview
Selection process	All employers in the quasi-experimental group who were in business at the time of the survey	All employers in the quasi-experimental group who were in business at the time of the survey and had used the system by March 2002	All employers in the quasi-experimental group who were in business at the time of the survey and had used the system by March 2002, plus 12 original MRDP users	All employers in the quasi-experimental group who were in business at the time of the survey and had not used the system by March 2002
Efforts to obtain responses	Repeated mailings, telephone reminders, FedEx	Repeated mailings, telephone reminders, FedEx; final pick up at on-site interview	Advance appointment and information gathering before each visit	Repeated telephone calls

4. MRDP TRANSACTION DATABASE ANALYSES

The two data files used to construct the MRDP transaction database were obtained from the INS contractor responsible for maintaining the database. One data file has 33,032 Social Security Administration (SSA)-level records, representing the first steps of the initiated queries, while the other provides 5,975 INS-level records for cases referred to

INS. The database includes data from the inception of the MRDP program in April 1999 until March 2002.

Matching techniques were used to identify multiple records associated with unique employee/employer hiring events. Information from these multiple records was then compiled into a single record for each event.

The file of transaction records resulting from this merging of the SSA and INS data files has 32,663 transaction records. Because of the way these records were constructed, there could be multiple records for a single employee hiring event. A thorough and complex process of data cleaning was conducted to identify and delete multiple records. A record was considered “unique” based on a combination of the establishment that conducted the query and the Social Security number that the employer input into the database. The records were grouped by establishment and Social Security number combination, and visually reviewed to identify categories of duplication. Types of duplication included data entry error, system error, operator error, and multiple entries of identical records, with multiple entries ranking highest (31 percent) among the duplicates. As a result of data cleaning, 21,422 records (66 percent) were identified to be unique.

5. COLLECTION AND ANALYSIS OF I-9 FORMS

The evaluation team collected employee I-9 forms from all employers having site visits. For quasi-experimental employees, these forms were collected for several groups:

- Employees who had been pre-selected for the transaction database employee sample⁵ because they had received tentative nonconfirmations
- A randomly selected sample of all employees hired after the start of the MRDP program who had not received tentative nonconfirmations
- A randomly selected sample of employees hired within the 6 months prior to the start of the MRDP

For non-experimental employers, I-9 forms were selected for the 6 months preceding the employer interview.

Collection of the I-9 forms took place during the on-site visits, beginning in April 2002 and ending in June 2002. At some sites, it took 2 to 3 days to find the appropriate I-9 forms, copy them, and refile the original forms.

Interviewers were also asked to obtain I-9 forms for a list of the 699 employees who had obtained tentative nonconfirmations from the on-site employers. Some of the employees were discovered to be duplicated on the list. It is assumed that these queries had been

⁵ Additional information about the employee sample is presented later in this chapter and in Appendix A.

entered more than once due to typographical or other errors in the first entry. Interviewers were able to locate 430 unique I-9 forms (62 percent of the original list).

Interviewers were trained to select the I-9 forms for the study. This training provided them with techniques to handle numerous methods that employers used to file their I-9 forms so that the sample would be representative. For example, some establishments filed forms alphabetically, which made it difficult to locate forms for the specified time period. Other employers filed forms for active and inactive employees in different locations. A total of 3,441 I-9 forms were collected and available for use in the study at the time of sample selection.

Since some employers do not retain all I-9 forms, the I-9 forms used in this study represent only those forms retained by employers. Furthermore, interviewers may have missed some eligible forms because of the complex filing systems used by some of the employers.⁶

Experienced coders and professional staff reviewed all I-9 forms collected from employers. After the review, experienced data entry staff input the data. To monitor the accuracy of the data input operation, all of the forms were verified against the data entered. If there was a discrepancy between the form and the keyed information, a supervisor would determine which information was correct.

6. EMPLOYEE IN-PERSON INTERVIEWS

a. DEFINITION OF EMPLOYEE POPULATION

For practical reasons, it was necessary to interview only those pilot employees who resided in the State of Iowa or in communities close to Iowa. Samples of employees were drawn from the following subpopulations:

1. All employees for whom employers had submitted Form I-9 information to the MRDP database
2. All employees with an I-9 form on file with an MRDP quasi-experimental employer indicating a hire date in the 6 months preceding the start of the MRDP
3. All employees with an I-9 form on file with an MRDP quasi-experimental employer indicating a hire date after the start of the MRDP
4. All employees with an I-9 form on file with an MRDP non-experimental employer indicating a hire date in the 6 months preceding the interview

Not all of these subgroups are mutually exclusive. For example, individuals with their records on the transaction database should have I-9 forms on file with their employers,

⁶ Weighting was applied to adjust for the sampling used in selecting I-9 forms from large employers. These weighting procedures are discussed in Appendix A.

since otherwise employers would not have had the information to submit queries. However, there are individuals on the transaction database for whom I-9 forms were not found. This can result because employers did not file I-9 forms for some individuals verified electronically or because of filing errors or because the forms were discarded. Similarly, there are individuals with I-9 forms on file who are not on the transaction database, either because they were hired prior to the start of the MRDP or because their employers did not verify them through the MRDP system.

b. SAMPLE SELECTION

Two separate employee lists⁷ were used to select the employees to be interviewed within the populations of interest. The first list consisted of all employees who had records on the transaction database as of January 2002⁸ who met at least one of the following criteria:

- Their cases had been submitted to the MRDP database on or after June 1, 2001. This sample was restricted by date rather than taking a random sample of all newly hired employees, to avoid the difficulty of locating employees hired at an earlier time; these employees are more likely to have moved, a lesson learned from the Basic Pilot employee survey. A total of 3,867 unique employee cases were identified, including individuals residing outside of the area of interest.
- Their cases had been submitted to the transaction database prior to June 1, 2001, and had received tentative nonconfirmations. These tentative nonconfirmation cases are of greatest interest to the evaluation. A total of 535 unique employee cases were identified for this group.

The second list consisted of employees for whom I-9 forms were collected from employers interviewed on-site. From this list, I-9 forms were selected for all employees who had received a tentative nonconfirmation. Otherwise, they were selected systematically as described earlier, in Section B5 above.

c. INTERVIEWER TRAINING AND MONITORING

In hiring interviewers for the employee interviews, the evaluation team gave special attention to interviewing experience and residence in the study areas. Preference was given to bilingual (Spanish/English) interviewers. Twenty interviewers were trained in a 3-day training session in Rockville, Maryland.

Before training, the 20 interviewers received a home-study package that provided background on the study. On the first day of training, the study director described the Form I-9 verification process and the MRDP program. The field manager discussed

⁷ See Appendix A for additional information about sampling procedures.

⁸ Employees working for an employer under investigation by INS were excluded to avoid possible interference with the investigation.

recording procedures as well as strategies for contacting respondents and maximizing cooperation. The second day focused on a review of question-by-question specifications and practice interviews in an interactive lecture setting. The third day was devoted to role-plays using scripted questionnaires and individual feedback by project staff. To be qualified to work on the study, interviewers were required to successfully complete a series of “certification” practice interviews observed by training staff.

During the data collection period, interviewers were monitored in several ways. First, they had weekly conference calls with their supervisors to discuss productivity, problems finding employees, and contact strategies for maximizing response rates. Supervisors thoroughly reviewed the first 10 to 15 cases completed by each interviewer and provided feedback. In addition, supervisors provided additional feedback and discussed problems and strategies through e-mail with many interviewers.

d. DATA COLLECTION

The employee interviews were conducted from July to September 2002. The employee data collection effort involved two main activities: obtaining addresses for sampled employees and administering the interview in person. One of the most challenging aspects of the employee interviews was locating sampled employees. Since employee address information is not available on the transaction database, extensive tracing was necessary to obtain it. Four basic methods were used to find employees to be interviewed.

First, a locating service attempted to locate employees, using only the information included on the transaction database or I-9 form. The three other methods built on the information obtained from the locating service. In the second method, the postmaster was contacted to update addresses of employees. Third, the evaluation team made telephone calls and conducted Internet research to trace employees not located by the previous methods. Finally, while interviewers were in the field, they attempted to trace employees.

Once the employees had been located, the evaluation team mailed them an introductory letter that described the purpose of the interview, established the interview’s legitimacy, guaranteed confidentiality, and provided the names of persons who could answer questions about the interview. Within 2 weeks of the introductory letter mailing, interviewers began to contact employees. To facilitate introduction at the door, interviewers wore an identification badge and handed out the study brochure to the person answering the door. To encourage participation, respondents who completed the interview were offered a \$10 incentive.

Most interviews were conducted in the sampled employees’ homes. Only in a small number of geographically isolated cases were interviews conducted over the telephone. An in-person interview was chosen because of the complexity of some of the questions, the need to show copies of the I-9 and other forms, the lower education level of a significant proportion of individuals, and the limited English language proficiency of some employees in the sample. Bilingual interviewers conducted the interviews for

Spanish-speaking respondents whenever possible. For other respondents with limited English proficiency, interpreters were used. Only 11 interviews were conducted using interpreters. They were not hired professional interpreters; they were most often family members who were present at the time of the interview.

During the in-person interview, a trained interviewer asked employees about their experience in applying for the job with the MRDP employer, how their paperwork was processed, and how any problems encountered during employment verification were resolved. The employees' demographic characteristics were also collected. The data collection followed procedures and management structures designed to ensure the highest quality data, with the sampling error rate and bias kept to the lowest level possible.

e. RESPONSE RATES

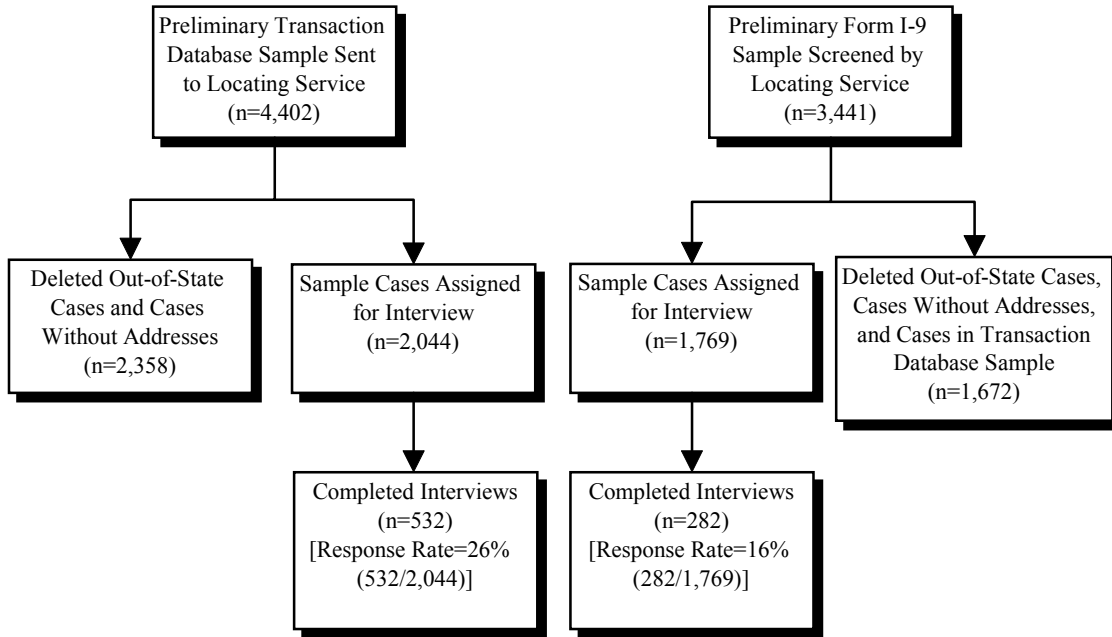
The 4,402 employees selected from the transaction database served as one source for the employee interview sample. After extensive tracing of the transaction database sample, only 2,044 employees (46 percent) were determined to be in-scope (i.e., address information indicated that they resided in Iowa or in one of the communities close to Iowa). Because of the difficulties in locating employees even with preliminary address information, only 26 percent of the in-scope employee sample (532 employees) completed an interview (see Exhibit II-4).

During the on-site evaluation, the evaluation team collected 3,441 I-9 forms for individuals not in the transaction database sample. It was determined that 1,769 of these employees were in-scope. Only 16 percent of these in-scope employees (282 employees) were located and interviewed.⁹

The remaining employees sampled could not be interviewed by the end of the field period because they could not be reached even after repeated contact attempts. In sum, of 3,813 employees originally assigned for the in-person interview from both samples, 814 employees actually completed the interview, resulting in an estimated overall response rate of 21 percent.

⁹ The evaluation team believes that the low response rate for the Form I-9 sample compared to the transaction database sample is attributable to the fact that the fielding time was shorter for these cases, because the Form I-9 sample could not be released to the field until the employer site visits had been completed.

Exhibit II-4: Overview of Data Collection for MRDP Employee Surveys



7. INTERVIEWS WITH FEDERAL OFFICIALS AND CONSULTATION WITH STAKEHOLDERS

During the course of the Basic Pilot evaluation, the evaluation team interviewed 15 senior officials and contractors from SSA and INS and other offices within the Department of Justice who had current or previous responsibility for designing and/or implementing the pilot programs. The information captured in those interviews represents the informed opinions of individuals who had experience with the pilot programs and with electronic verification systems. Much of the Federal cost information was also obtained through this mechanism.

Since most of the information collected in these interviews is relevant for all three pilot programs, a systematic re-interviewing process was not conducted for the MRDP; however, Federal officials and MRDP program staff were contacted to obtain specialized or updated information for the MRDP evaluation.

8. SYSTEM TESTING

To test the MRDP system operation, a system programmer was asked to test the materials that INS provides to employers. She recorded problems encountered during the process and proposed improvements she thought would be helpful.

9. SECONDARY SOURCES

Several secondary data sources were used in the evaluation to describe the demographic, labor market, and industrial characteristics of U.S., Iowa, and MRDP employers. These data sources include Federal databases such as the Census Bureau’s Current Population Survey

and reports such as INS's *Statistical Yearbook* and the Department of Labor's *Report on the American Workforce*. Additional secondary data were used in estimates of costs.

10. REASONS TESTERS WERE NOT USED

The use of individuals (called testers) to pose as job applicants to determine if pilot employers were engaging in pilot-related discriminatory practices was suggested for the pilot evaluations because of the potential for discrimination. Despite this recommendation, the evaluation team decided that it was not prudent to use testers in this circumstance. To provide comprehensive information on discrimination related to the employment verification pilot program, it would have been necessary to have the testers complete the full hiring process and at least the first 2 or 3 weeks of employment. Using testers in this way would place an unfair burden on employers who might invest resources into hiring and training these employees. A more limited use of testers, such as having them go through the hiring process only, would place fewer burdens on employers but would provide more limited and maybe less reliable information on the nature of discriminatory practices, since most occur after hiring. Given the sensitivity and limited utility of such an approach, the evaluation team was not inclined to use testers even on a more limited basis. The evaluation team also believed that the quasi-experimental design of the MRDP would provide better information about the impact of the pilot on the level of discrimination because of the ability to compare measures of discrimination before and after implementation of the MRDP.

C. LIMITATIONS IN INTERPRETING EVALUATION RESULTS

As in every study, the data sources used in this evaluation have a few limitations. Where possible, statistical adjustments were made to compensate for the limitations. Special care should be exercised when interpreting the results from this study, for several reasons.

First, pilot establishments account for only a small proportion of all establishments in the United States. Moreover, because participation was limited to employers in Iowa, the evaluation sample does not constitute a representative sample of all States. Therefore, the results of this study represent only those establishments and their employees that participated in the program.

Second, because of implementation problems (discussed in Chapter III) employers infrequently used the card reader. Since this was the feature that distinguished the MRDP from the other pilots, failure of employers to use the card reader impedes interpretations of the data on this important issue and limits evaluation of its potential use as a tool in employment verification.

Third, pilot establishments volunteered to participate. The generally favorable attitude that comes with volunteering may differ from the attitudes of employers who are less willing to participate. Voluntary participation limits the generalization of study results to employers beyond those establishments that used the system.

Fourth, as in all data collection efforts, some employers and employees did not respond to the surveys. In this situation, it is possible that the respondents differ systematically from the nonrespondents. To the extent that this is true, data must be interpreted with this potential source of bias in mind.¹⁰

It is especially important to consider response bias in interpreting data from the employee survey that are related to the work-authorization status of employees. There is good reason to believe that employees without work authorization are less likely to be located and interviewed than employees with work authorization, since undocumented workers tend to be highly mobile and are presumably less likely to agree to an interview if they are located. To obtain some sense of the degree of bias this may engender, the evaluation team compared the verification outcomes of the cases originally selected for the transaction database sample with those cases that completed an interview. This comparison indicates that 73 percent of the original sample had received immediate verification by SSA, compared to 91 percent of the employees interviewed. Ten percent of the original sample had received findings of not work-authorized or final nonconfirmation, compared to 4 percent of those interviewed.

In order to reduce the response bias, nonresponse weight adjustments were made within verification outcome categories. However, this is unlikely to have eliminated all response bias. First, the Form I-9 sample could not be similarly adjusted because there were no transaction database outcomes for these cases. Second, it is likely that there are significant differences in the type of employees responding within the outcome categories. For example, it is likely that the actual work-authorization rate among those receiving final nonconfirmation findings was higher in the interviewed sample than the original sample; the nonresponse adjustment used will not correct for this bias.

¹⁰ Weighting can compensate for some, but not all, of this bias, as discussed in Appendix A.

CHAPTER III. WAS THE MRDP PROGRAM IMPLEMENTATION CONSISTENT WITH STAKEHOLDER EXPECTATIONS?

A. INTRODUCTION

The first step in a program evaluation is determining whether the program is consistent with the original expectations for it. Deviations from these expectations highlight areas where the program design might require modification to be effective. Scrutinizing program operations also helps determine whether a failure to achieve intended results occurred because of implementation issues rather than program design. This chapter focuses on whether the Federal Government and the employers who agreed to use the program have performed their respective roles in implementing the Machine-Readable Document Pilot (MRDP) program.

B. DATA LIMITATION

The employer findings in this chapter are based on data obtained from three groups of employers:

- Quasi-experimental¹ employers that used the MRDP (n=29)
- Quasi-experimental employers that had not used the MRDP to transmit cases by the time of sample selection (n=46)
- Non-experimental employers that used the MRDP to transmit cases (n=12)

Thus, employer survey statistics are based on small sample sizes (i.e., no more than 87 cases in total) and are subject to considerable sampling error.²

Analyses based on all 814 employees interviewed are not subject to large sampling errors. However, some employee estimates are based on very small subsamples of the larger sample and are, therefore, subject to considerable sampling error. Most importantly, a number of findings are only relevant for employees with tentative nonconfirmations. Only 24 of these employees were interviewed, and there is good reason to believe that these employees are not representative of all employees who received tentative nonconfirmations.³

¹ Quasi-experimental employers were surveyed before being sent the materials for the MRDP program as well as approximately a year after receiving the materials. Non-experimental employers were surveyed only after they had started using the MRDP.

² See Chapter II and Appendix A for additional information on the methodology of the report.

³ See Chapter II for a discussion of the representativeness of the sample tentative nonconfirmation cases.

Employees who are not work-authorized are harder to locate and interview than those who are work-authorized. Employee estimates are therefore subject to considerable nonsampling error.

Information obtained directly from the transaction database is based on the 21,422 employee cases on that database or a subgroup of these cases. This is a large sample and should, therefore, provide reasonably precise estimates of verification outcomes. A number of analyses are based on subgroups of the transaction database cases, such as the transactions transmitted by the 41 interviewed employers (7,493 transactions) or the transactions that resulted in tentative nonconfirmations (719 transactions). Fortunately, even these subgroup samples are fairly large. However, the possibility of measurement error exists because the INS and Social Security Administration (SSA) data provided to the evaluation team had to be merged and duplicate records had to be removed.

C. HOW WELL DID THE FEDERAL GOVERNMENT DESIGN AND IMPLEMENT THE MRDP?

This section focuses on how well the Federal Government did in designing and implementing the MRDP. To ensure that recommendations derived from the evaluation are directed to the appropriate branch of the government, it is helpful to take into account the specific responsibilities of the Legislative and Executive Branches of the Federal Government during the process evaluation. Section 1, therefore, addresses the question of whether the Legislative Branch of the Federal Government specified MRDP guidelines in the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) that could potentially meet the expectations of the Commission on Immigration Reform and other proponents of automated pilot programs. Section 2 discusses how well the Executive Branch of the Federal Government did in implementing the IIRIRA provisions for the MRDP. Section 3 examines Federal responsibilities that are shared by the Legislative and Executive Branches and discusses the general employer perceptions of the MRDP and whether it is attractive to a broad spectrum of employers.

1. DID THE IIRIRA STATUTORY GUIDELINES SPECIFY AN MRDP PROGRAM CONSISTENT WITH THE EXPECTATIONS OF ITS PROPONENTS?

As discussed in Chapter I, the General Accounting Office (GAO), the Commission on Immigration Reform, and other proponents of electronic verification of work authorization had clearly articulated goals for automated pilot programs and also provided several recommendations for attaining these goals. These goals were to create a system that would decrease unauthorized employment while protecting against discrimination, safeguarding privacy, and avoiding undue employer burden. It is assumed that Congress wished to establish a program that could meet these stakeholder goals. This section discusses whether the MRDP statutory guidelines were indeed designed to permit attainment of each of the four pilot goals.

Goal 1: Decreasing Unauthorized Employment

The MRDP legislation specifies a program that has the potential to reduce counterfeit fraud, but not identity fraud. It is reasonable to believe that the MRDP, like the Basic Pilot program that it closely resembles, could effectively detect fraud when proffered documents contain information about nonexistent persons, because the document information will not match the SSA and INS databases (see Exhibit III-1). Neither the Basic Pilot nor the paper Form I-9 process is likely to be effective when employees attempt to prove work authorization by presenting borrowed, stolen, or counterfeit documents containing information about real work-authorized persons. This is because the information on these documents will be consistent with the SSA and INS databases. It is conceivable that the MRDP would be slightly more effective than the paper Form I-9 process and the Basic Pilot program, because the magnetic stripe on the Iowa driver’s license or nondriver identification card may make it more difficult to counterfeit these documents. However, the evaluation team believes that this effect would be minimal, given that other identity documents that could be more easily counterfeited (e.g., driver’s licenses from other States) can be used. Of course, the paper Form I-9 and pilot employment verification programs are ineffective with employers that do not review work-authorization documents.

Exhibit III-1: Likely Effectiveness of the Paper Form I-9, the Basic Pilot, and the MRDP Processes in Detecting Different Types of Fraudulent Documents

Type of Document	Effectiveness of the Verification Process in Detecting Fraudulent Documents		
	Paper Form I-9	Basic Pilot	MRDP
Low-quality counterfeit document relating to a nonexistent person	Moderate	High	High
High-quality counterfeit document relating to a nonexistent person	Low	High	High
Low-quality counterfeit document relating to a real person	Moderate	Moderate	Moderate
High-quality counterfeit or valid document relating to a real person	Low	Low	Low

NOTE: Ratings are based on the entire verification process, including employer review of documents.

Goal 2: Reducing Discrimination

The MRDP, like the Basic Pilot program, could, at least in theory, result in decreases in discrimination attributable to greater employer willingness to hire immigrants. However, both programs also have the potential of increasing discrimination against work-authorized foreign-born persons, who are more likely to be treated adversely during application of the pilot processes. Prior to IIRIRA, stakeholders had made different assessments of the likely impact of the employment verification pilots on discrimination. The GAO report pointed out that when some employers were uncertain about the work-authorization status of job applicants, they simply did not hire them,

resulting in discrimination that could potentially be ameliorated by an electronic verification program that made them more confident in the person's work-authorization status. However, it also seemed likely that work-authorized noncitizens and foreign-born citizens would get more tentative nonconfirmations than U.S.-born employees and bear whatever burden that might entail. The uncertainty about the potential impact of a program on discrimination was a major reason in favor of testing a small-scale pilot program instead of immediately implementing a nationwide program.

If properly implemented, the MRDP has the potential for discriminating less against work-authorized foreign-born persons than the Basic Pilot program. Since adverse actions against employees can occur only when tentative nonconfirmations are issued, an alternative is to minimize data input errors by entering employee information electronically from secure identification documents. This approach is attractive compared to other electronic verification programs that rely on the manual input of data.

Goal 3: Protecting Privacy

IIRIRA provides adequate provisions to safeguard the privacy and security of information used for automated employment verification. More specifically, IIRIRA requires the automated system “to maximize its reliability and ease of use by persons and other entities...consistent with insulating and protecting the privacy and security of the underlying information” (section 404(d)(1)). Similar wording charges SSA (section 404(e)) and INS (section 404(d)) with ensuring the security of the information. The evaluation team believes that, although general, the IIRIRA wording with respect to privacy provides sufficient guidance to the Executive Branch, which has extensive experience in guarding the privacy of data and should not need specific instructions with respect to privacy.

Goal 4: Preventing Undue Employer Burden

Although IIRIRA requires employers to perform extra steps during the MRDP verification process, thus adding to their burden in verifying the work-authorization status of employees, it does not necessarily create undue burden for employers. Some stakeholders wanted an electronic employment verification program that would reduce the employer burden of the paper Form I-9 verification. However, the MRDP design set forth in IIRIRA requires employers to verify newly hired employees using the paper Form I-9 process and then to undertake additional verification steps. Thus, Congress did not design a process that could reduce employer burden during the verification process. However, this does not preclude the MRDP processing burden from being justified by other features of the program. The MRDP could conceivably justify the additional employer burden by the benefits of the program to employers. It is also worth noting that if a pilot MRDP program were to prove worthwhile to implement on a larger scale, the Legislative and Executive Branches might consider simplifying the paper Form I-9 process, thereby reducing total employer verification burden.

IIRIRA contains adequate provisions for protecting employers against undue burden.

First, the legislation specifies that “the Attorney General shall closely consult with representatives of employers...in the development and implementation of the pilot programs...” (section 402(a)). Second, the pilot programs are voluntary programs; therefore, if employers perceive them as being excessively burdensome, they can simply decide not to participate (section 402). Third, the legislation has a number of provisions requiring the Federal Government to provide prompt and accurate information and assistance to employers (section 404). Finally, the intent of the MRDP compared to the Basic Pilot was to reduce employer burden by providing for the electronic input and automatic transmission of the employee information needed to verify many employees.

2. HOW WELL DID SSA AND INS DESIGN AND IMPLEMENT THE MRDP TO MEET THE IIRIRA PROCEDURAL REQUIREMENTS?

This section discusses the extent to which SSA and INS performed their roles⁴ in designing and implementing the MRDP program by meeting the requirements set by Congress and by complying with the Memorandum of Understanding (MOU).

- Did INS provide appropriate restrictions for State participation in the MRDP?
- Did the card reader that INS provided to employers prove to be an efficient way of entering employee data electronically?
- Did INS provide employers with adequate information, software, and equipment to allow them to install and operate the MRDP system without the card reader?
- Did the MRDP provide employers with timely information about the work-authorization status of employees?
- Did the MRDP meet the IIRIRA requirements for data accuracy?

To understand how well the MRDP verification system works, it is helpful to first understand the verification outcomes of the MRDP system.⁵

⁴ INS had the primary responsibility of designing, implementing, and operating the pilot. SSA’s responsibilities were largely limited to providing the SSA data for the initial verification process and any necessary follow-up with employees receiving tentative nonconfirmations from SSA.

⁵ Additional information on the MRDP process specified in IIRIRA and in INS operating procedures is presented in Chapter I.

The MRDP provided a final work-authorization status for most employees who were verified through the system. The MRDP confirmed the work-authorization status of approximately 93 percent of all employee queries (see Exhibits III-2a and 2b). The system found almost all of these employees to be work-authorized. Of all 21,422 employees processed through the MRDP, only 15 employees (0.07 percent) received a conclusive finding of “unauthorized to work.”

The MRDP did not capture the specific number of unauthorized workers among unresolved cases. The work-authorization status of 7 percent of employees (1,534 employees) was not definitively resolved. These employees received tentative nonconfirmations and did not contest these findings within the required timeframe. These cases defaulted to final nonconfirmation status.

a. DID INS PROVIDE APPROPRIATE RESTRICTIONS FOR STATE PARTICIPATION IN THE MRDP?

INS followed IIRIRA guidelines on selecting States for participation in the MRDP. INS determined that Iowa was the only State with a Social Security number encoded on its driver’s license in a machine-readable format. The program was, therefore, only implemented in that State. INS also appropriately eliminated in the MRDP the provision used in the Basic Pilot and the CAVP programs that permitted some establishments outside the approved States to participate in the pilot.

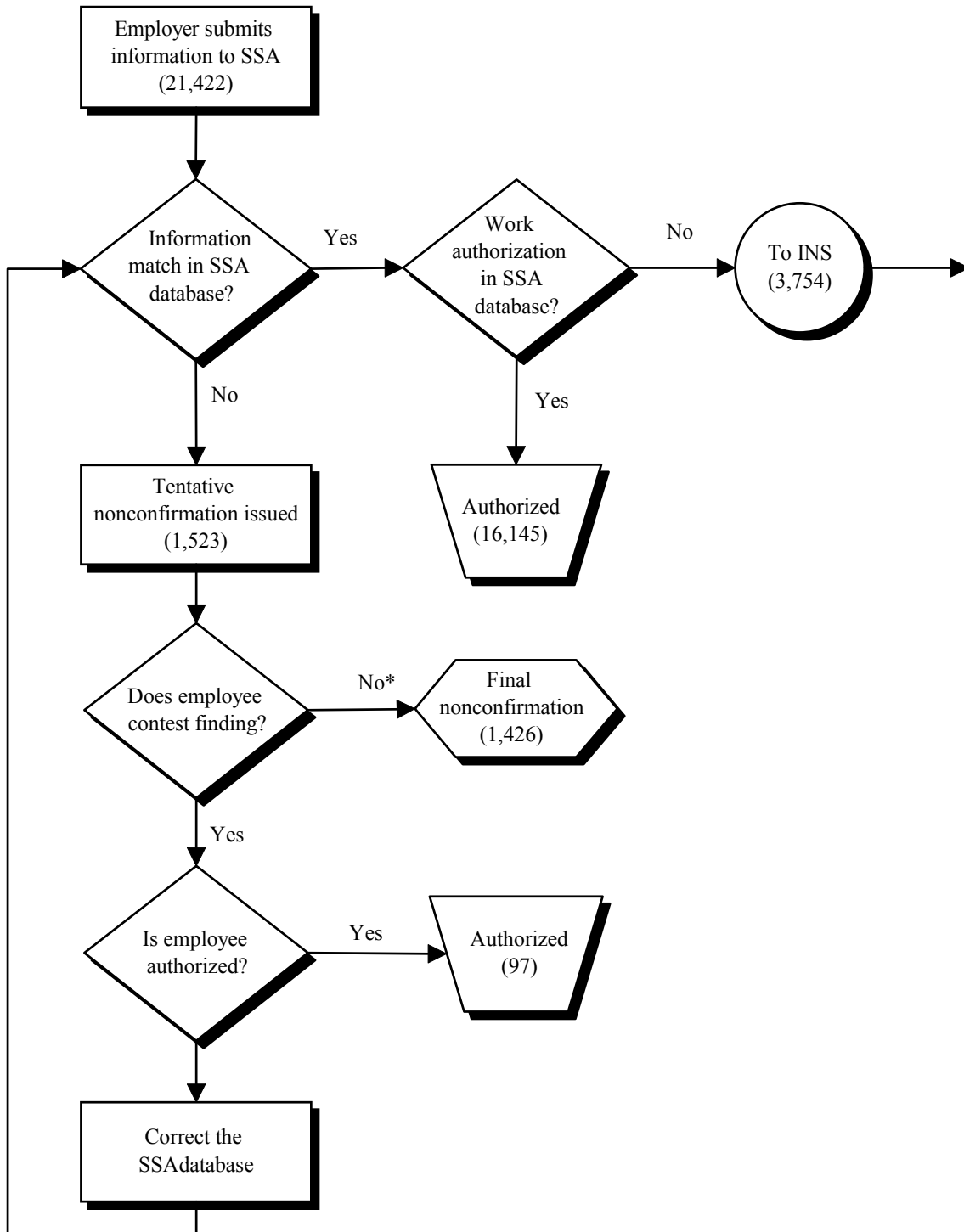
b. DID THE CARD READER THAT INS PROVIDED TO EMPLOYERS PROVE TO BE AN EFFICIENT WAY OF ENTERING EMPLOYEE DATA ELECTRONICALLY?

The MRDP was unique among the IIRIRA pilot programs in using a card reader to input the information needed to verify employees against the SSA database and then automatically transmitting that data to SSA. The ability of INS to provide employers with a machine that could correctly read and transmit encoded information on a driver’s license or nondriver identification card was, therefore, a critical feature of the MRDP.

Many employers saw potential advantages of using a card reader to input data. The card reader INS provided to employers read a magnetic stripe on Iowa driver’s licenses to enter some of the employee data and then automatically transmitted that information to SSA for verification. If work authorization could not be determined on the basis of the initial information, the employer was asked to input additional information from the I-9 form. Two potential advantages of the card reader were reduced employer data input error and employer burden. Approximately half of on-site respondents reported that by using the MRDP card reader to enter information, data entry errors would be reduced.

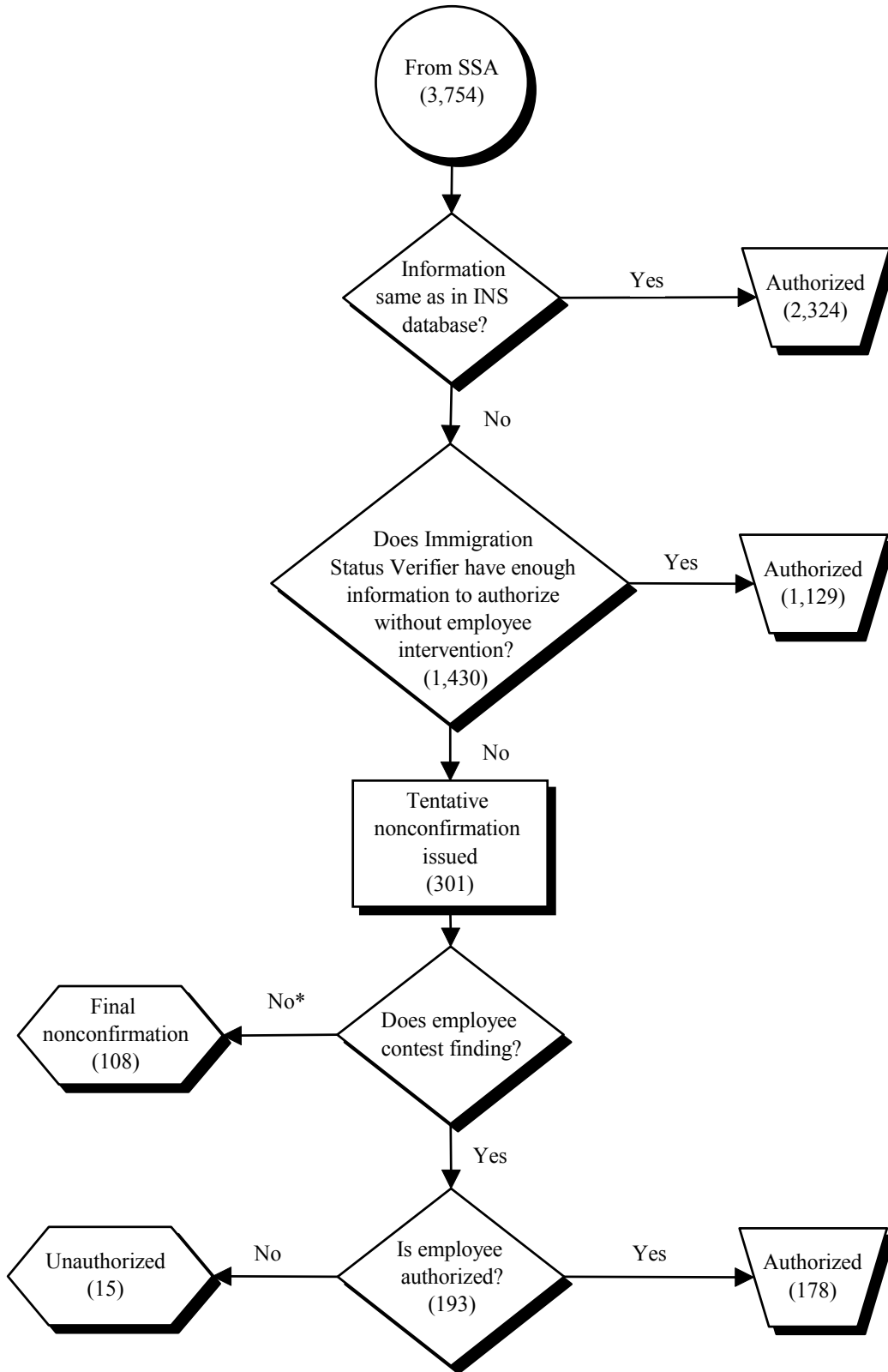
Many employers reported that having the information from the driver’s license or nondriver identification card automatically transmitted to SSA is a benefit of the MRDP; however, other employers preferred the batch processing method used in the Basic Pilot. Procedures for initial transmission of employee data to the MRDP system differed from what is used in the Basic Pilot. In the Basic Pilot program, employers

Exhibit III-2a: SSA Pilot Program Verification Results for MRDP Cases



* Reasons for not contesting are varied, including employer failure to notify the employee of the tentative nonconfirmation.

Exhibit III-2b: INS Pilot Program Verification Results for MRDP Cases



* Reasons for not contesting are varied, including employer failure to notify the employee of the tentative nonconfirmation.

initiate the transmission process after inputting information for up to 15 employees. When the card reader was used in the MRDP, it initiated verification by transmitting data to SSA each time a card was swiped. Fifty percent of employers said that the automatic transmission was a benefit of the MRDP. However, in answering open-ended questions about the MRDP, some respondents mentioned that they preferred to run batches of data.

Although many employers encountered problems in installing and using the card reader, some respondents to the on-site survey were pleased with it. Among the 23 employers that had used the card reader, 58 percent reported that they had technical problems with it (i.e., they reported that the card reader did not work, they experienced technical difficulties with the card reader, and/or they lacked confidence in the card reader) (see Exhibit III-3).

Exhibit III-3: Reasons Reported by Quasi-experimental Users for at Least Sometimes Not Using the MRDP Card Reader (n=26)

	Percent
Problems in getting the card reader to work properly	
Card reader did not work	42
Experienced technical difficulties with card reader	40
Lack of confidence in card reader	20
One or more of the preceding problems	58
Card reader was not accessible when employee documents were examined	27
Person did not have an Iowa driver’s license or nondriver identification card	50

NOTE: Percentages do not add up to 100 due to multiple responses.

SOURCE: Second Mail Survey

Examples of positive comments regarding the card reader, included the following:

- “The card reader is working fine.”
- “It’s simple to use (and) reliable...card reader works excellently.”

Among the displeased respondents, the central issue was an inability of the card reader to properly interpret the data when a driver’s license was swiped. However, some of the complaints about the card reader were related to other problems with its performance.

The following are examples of employer comments:

- “It’s not simple to install and utilize so we need someone to come out and help us.”
- “When an Iowa driver’s license was swiped through the card reader, an incorrect Social Security number appeared on the screen.”
- “We had to re-scan often for the ones that wouldn’t go through.”

- “The card reader gives me false readings.... I just use the program without the card reader.”
- “If there is a scratch on the bar code, the card reader cannot read the license.”

One reason for reported problems with the card reader was that, in accordance with IIRIRA specifications, the only identification cards that could be read by the card reader were driver’s licenses and nondriver identification cards issued by Iowa.

Approximately half of the employers reported that they sometimes used the MRDP without the card reader because employees did not present Iowa driver’s licenses or nondriver identification cards (see Exhibit III-3). Among employees responding to the employee interview (almost all of whom lived in Iowa), 84 percent reported that one of the documents they used for employment verification was an Iowa driver’s license or nondriver identification card. However, this percentage would probably have been closer to 50 percent if employees not living in or near Iowa at the time of the interview had been included in the study.

A second source of problems with the card reader was that INS was unaware that Iowa had changed its licensing procedures during the time the pilot was in operation, making the State no longer eligible for participation in the MRDP.

Iowa changed its procedures to permit drivers to use a number other than their Social Security number as their driver’s license number. When this happened, the alternative number was encoded in the magnetic stripe on the license instead of the Social Security number. INS was not aware of this problem until it was discovered as part of the evaluation process and, therefore, had not instructed employers to use the card reader only when the driver’s license number matched the Social Security number on the I-9 form. Although some employers figured this out, other employers believed the card reader was faulty and stopped using it altogether.

In sum, INS did not succeed in providing employers with an alternative to manual data entry that could easily be used to input employee information into the MRDP system. Given that the card reader was the defining feature of the MRDP, this constitutes a critical implementation problem.

c. DID INS PROVIDE EMPLOYERS WITH ADEQUATE INFORMATION, SOFTWARE, AND EQUIPMENT TO ALLOW THEM TO INSTALL AND OPERATE THE MRDP SYSTEM WITHOUT THE CARD READER?

Employers reported a number of technical and other difficulties in installing the MRDP software and hardware in addition to problems experienced with the card reader. Only 29 of the 75 interviewed quasi-experimental employers reported being able to install the software in less than 1 month. The 45 quasi-experimental employers that reported not installing software within a month provided a number of reasons for not

installing the software promptly or at all.⁶ These reasons included no staff available for installation (50 percent), a lack of necessary equipment (31 percent), an inability to gain access to the system (27 percent), and other technical difficulties (25 percent) (see Exhibit III-4).

Exhibit III-4: Reasons for delaying installation of the MRDP software provided by MRDP users and nonusers*

	Percent		Total
	Users	Non-users	
No staff available	40	54	50
Lacked necessary equipment	47	24	31
Required staff training	13	22	20
Couldn't gain access to system	13	32	27
Couldn't reach INS system support	7	16	13
Technical difficulties	40	19	25
Hired no new employees	7	24	19
Other	60	38	44
n (unweighted)	13	32	45

* Employers who never installed the system are also included in this table.

NOTE: Percentages do not add up to 100 due to multiple responses.

SOURCE: Telephone interview of quasi-experimental employers not using the MRDP and mail follow-up survey of quasi-experimental employers that had used the system.

When probed for more information about the nature of these problems, a variety of reasons were mentioned, for example:

- “It was frequently difficult to connect to the INS/SSA databases, often requiring redialing and experiencing long waits even when connected.”
- “The modem doesn't work properly.”
- “...installation was difficult because of conflicts between the MRDP software and other software resident on the PC.”
- “Lack of time.”
- “I was waiting for someone to call and come by to help get it installed. I can't do it on my own.”
- “A phone line would have to be installed.”

Many employers that installed the MRDP system had additional problems in operating the MRDP. In addition to the card reader problems discussed earlier, the 41 employers

⁶ One quasi-experimental employer did not respond to this question.

that installed the system reported a number of problems in using the MRDP that arose after installation (see Exhibit III-5). The most frequently mentioned problem was a problem in accessing the system (39 percent). The majority of the operating problems reported had not been solved at the time of the interview.

Exhibit III-5: Percentage of Quasi-experimental Employers That Installed the Software That Reported Specific Problems with the Software or Card Reader After It Was Set Up (n=41)

	Percent
Technical problems	
Problem accessing the system*	39
System unavailable for use during weekends or nights	2
Other technical problems	17
Other problems	
Procedural problems	2
Other difficulties with the MRDP software after it was set up	10
Other difficulties with the MRDP card reader after it was set up	47

* INS and/or SSA databases compiled by these agencies for MRDP use.

NOTE: Percentages do not add up to 100, because some employers reported no problems and others had multiple responses.

SOURCE: On-Site Employer Survey

Most of the quasi-experimental employers had used the training materials that INS had provided to them. About 75 percent of quasi-experimental employers reported that they had used the MRDP instruction manual, and approximately 63 percent reported that they had used the computer tutorial materials.

Employers that contacted SSA and INS generally expressed satisfaction with their contact; however, a few did not receive the services they expected. Four of the 13 employers that tried to contact INS were very satisfied with the contact, 6 were somewhat satisfied, 1 was not very satisfied, and 2 were not at all satisfied. Among the 13 employers contacting SSA, 6 reported being very satisfied and 7 reported being somewhat satisfied. Examples of positive comments include the following:

- “The technical assistant was pleasant and knowledgeable.” (INS)
- “They answered the question promptly.” (SSA)
- “I was able to talk to a human.” (SSA)

The following are examples of employer complaints:

- “It took a while to get through.” (SSA)
- “It was time consuming.” (INS)
- “My calls were not returned; I was always put on hold.” (INS)

d. DID THE MRDP PROVIDE EMPLOYERS WITH TIMELY INFORMATION ABOUT THE WORK-AUTHORIZATION STATUS OF EMPLOYEES?

The MRDP instantly verified the work-authorization status of most employees. The MRDP instantly confirmed the work-authorization status of 86 percent of the 21,422 cases electronically processed (18,469 employees). An additional 5 percent of cases (1,129 employees) were verified after initial review by an Immigration Status Verifier (ISV), which according to ISV reports, occurs within 1 day of case submission. Many of the cases that were not quickly resolved were cases in which employees were not work-authorized.⁷

e. DID THE MRDP MEET THE IIRIRA REQUIREMENTS FOR DATA ACCURACY?

The INS database used for verification is not sufficiently up to date to meet the IIRIRA requirement for accurate verification. IIRIRA states that “the...Immigration and Naturalization Service shall update their information in a manner that promotes the maximum accuracy and shall provide a process for the prompt correction of erroneous information...” (section 404(g)). However, INS officials reported that the INS database is not always up to date, and this was confirmed by the evaluation findings. As a result, an estimated 2 percent of *work-authorized* employees received tentative nonconfirmations. Although 2 percent is not necessarily an unacceptably high error rate, it is likely that the error rate for foreign-born work-authorized employees is considerably above this level. On the basis of the employee survey, the evaluation team estimates that fewer than 1 percent of the U.S.-born interviewed employees screened by the MRDP received tentative nonconfirmations, compared to approximately 11 percent of interviewed *work-authorized* employees born outside of the United States. The evaluation team believes that an 11 percent error rate for these foreign-born employees is not acceptable.⁸

INS officials identified two major factors that contribute to database inaccuracy: incomplete upload of data for persons recently issued new or replacement employment authorization documents (EADs) and delays in data entry for new arrivals to the United States. According to INS, some of the database inaccuracy has resulted from major increases in workload associated with several groups of noncitizens who have been admitted and authorized to work in the United States as a result of legislation and administrative actions. These changes have more than doubled the number of requests for EADs that INS has received in the past decade. INS reports that it is making both policy and operational changes to significantly reduce the delays between the time a person becomes authorized to work, when the information is entered into the INS database, and when INS documentation is issued. Although the timeliness of data entry

⁷ See Chapter IV for additional discussion of the composition of the group of employees who were not quickly verified.

⁸ See Chapter IV for a discussion of the implications of this finding for discrimination.

has improved for new arrivals to the United States since the pilot evaluation concluded, improvements to data entry for EADs are taking longer to implement.

The MRDP software does not include commonly available editing features that could reduce data entry errors. Edit checks, such as restricting data ranges, is a basic feature for most data entry software packages intended to reduce the occurrence of common data entry errors. For example, a date of hire entry of 7/18/1800 is automatically rejected by such a system as an out-of-range entry. Similarly, if a user inputs date of birth as “23/5/1982,” an edit check would inform the user that this is an invalid entry and may even suggest an alternative such as reversing the month and day. Such validity checks would permit employers to correct some errors immediately. This would result in the issuance of fewer tentative nonconfirmations, which may have negative consequences for work-authorized employees. Most of the 29 employers responding to the second mail survey (73 percent) said that they would support or strongly support the system having more edit checks. Only 3 percent were opposed to this change, and the remaining 24 percent had no opinion.

The number of tentative nonconfirmation findings that would be avoided by modifying the editing software may not be substantial. Of the 29 employers interviewed about their experiences, only 5 reported that they had had one or more tentative nonconfirmations resulting from data input errors. These five employers accounted for 34 (5 percent) of the 791 tentative nonconfirmations received by their employees. Since all five of these employers had also had tentative nonconfirmations attributable to other factors, the percentage of data entry errors known by employers would be less than 5 percent. Although it is likely that employers are unaware of other data input errors that caused tentative nonconfirmations, edit checks cannot eliminate all data input errors. For example, data input software would not correct for number transpositions in the entry of the Social Security number.

3. WHAT WERE EMPLOYERS’ GENERAL VIEWS OF THE MRDP DESIGNED AND IMPLEMENTED BY THE FEDERAL GOVERNMENT?

The two preceding sections addressed the extent to which the Legislative Branch specified provisions that would reach their intended goals and the Executive Branch designed and implemented a program consistent with statutory and stakeholder intent. This section examines two broad issues that can be viewed as the joint responsibility of the two branches:

- Was the MRDP an attractive option for a broad spectrum of employers?
- What did employers perceive as advantages and disadvantages of the MRDP?

a. WAS THE MRDP AN ATTRACTIVE OPTION FOR A BROAD SPECTRUM OF EMPLOYERS?

Two indicators of a program's attractiveness to its intended users are participants' responses to opportunities to enroll in the program and whether those that do sign up actually use it after they enroll. If few employers who learn about a program decide to participate, or if many of those who originally volunteer to participate fail to use the system, it is possible that the attractiveness of the program is limited. A program of limited appeal to employers may be effective in reducing unauthorized employment among those employers using it. However, if there are few MRDP users within a labor market, unauthorized workers detected by the MRDP will be likely to find work with other employers. In this situation, there is likely to be little programmatic impact on the number of unauthorized workers employed within the labor market. Widespread employer appeal leading to greater participation, even for a voluntary program, would increase the ability of the MRDP to achieve the goal of reducing unauthorized employment.

Congress and INS did not design and implement a program that most Iowa employers found attractive. The evaluation team compiled a list of 1,609 employers in Iowa that, based on information from the Basic Pilot program, would be relatively likely to be interested in the MRDP. The evaluation team attempted to recruit these employers into the MRDP as part of the quasi-experimental study. Only 96 employers (6 percent) actually enrolled (see Exhibit III-6). If a random sample of all employers had been selected, it is highly likely that participation rates would have been considerably lower than 6 percent. It is important to note that at the time of recruitment employers, were not yet aware of many of the practical problems with the system discussed earlier in this chapter. It is, therefore, likely that the program as established by IIRIRA is not attractive to most employers in Iowa.

Non-participants included establishments where contact had not been made even after seven or more attempts (400) and employers that were contacted but refused to participate (977). Approximately one-third of the establishments (311) refused because of "company policy" (see Exhibit III-7). The most common company policy mentioned was that the company would not implement a new program limited to Iowa branches. Fifty-nine establishments were not interested in implementing the MRDP because Form I-9 processing was done at company headquarters, and the card reader could not be used at the branch locations where hiring was done. Only 20 establishments indicated that they were worried about the amount of time they would have to spend on problem cases arising as a result of the MRDP program.

Exhibit III-6: Recruiting Employers to Participate in the MRDP and the Quasi-experiment

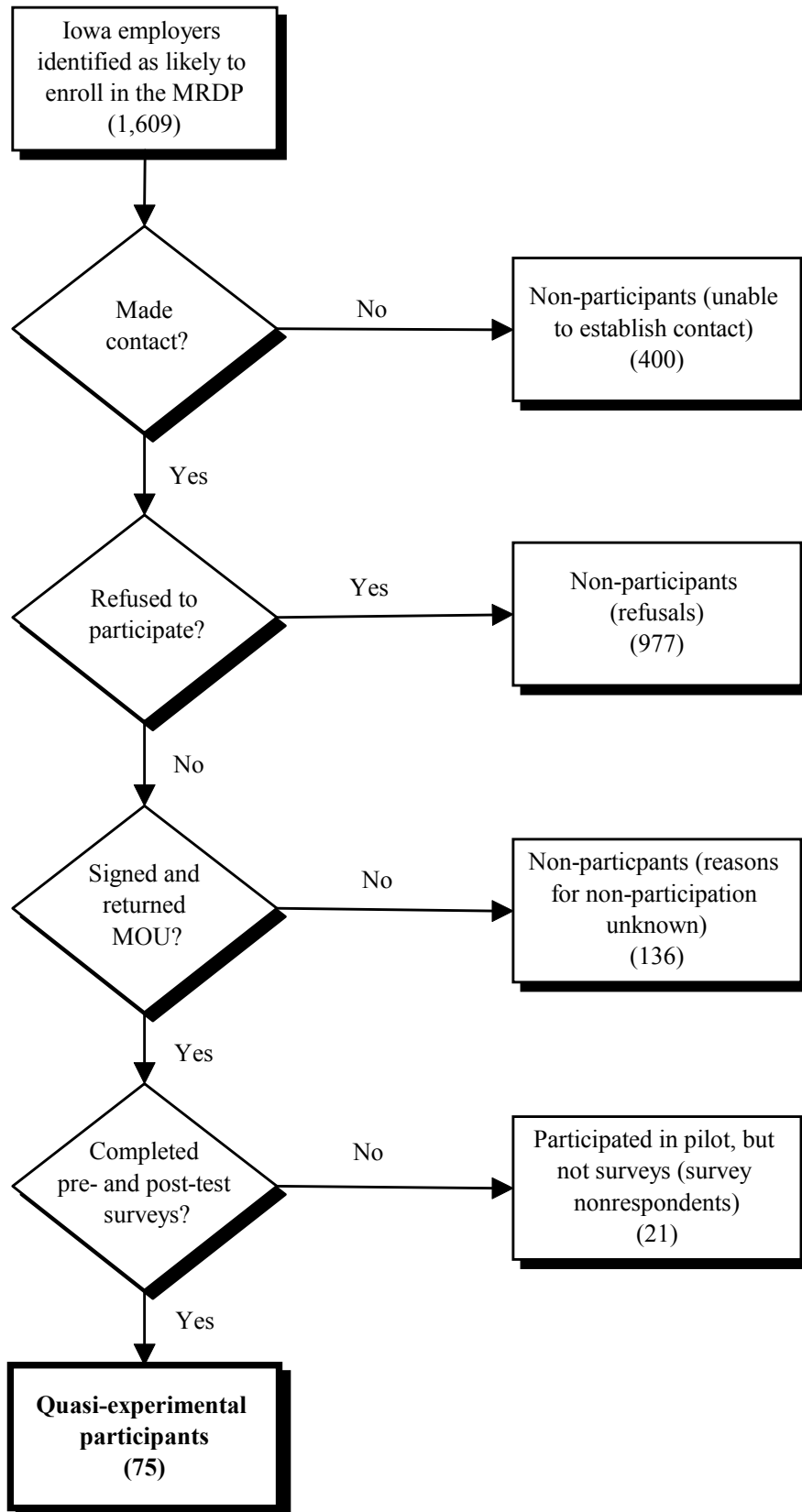


Exhibit III-7: Reasons for Not Participating in the MRDP Program*

	Number	Percent
Company-wide policy	311	32
Technology consideration	156	16
Redundant system	119	12
Few new employees	112	11
Not interested	162	17
Other	117	12
Total	977	100

* Based on responses from employers that refused to participate in the MRDP.

SOURCE: Statistics on employer recruitment for the MRDP.

Sixteen percent (156 establishments) refused to participate in the MRDP because of a technology-related reason. These refusals were usually due to personal computers (PCs) lacking a modem, or because there were no PCs at all where hiring paperwork is completed. The lack of dedicated telephone lines was also a concern for many businesses.

Twelve percent (119 establishments) refused participation because they used the Social Security number verification procedures offered by SSA, or because the establishment used a background check or other type of check of newly hired employees that they believed would identify employees unauthorized to work.

Eleven percent (112 establishments) refused participation because they felt that they hired too few employees to make the MRDP worthwhile. Other reasons given for not participating in the MRDP included not having problems with the immigration status of employees, concerns about confidentiality, and concerns about whether the INS database is up to date.

In addition to the employers that refused to participate in the MRDP and the quasi-experiment, the evaluation team was unable to reach 400 employers after seven or more telephone calls were made.⁹ Twenty-five employers had agreed to participate but had not signed an MOU as of the end of the recruitment period. The remaining establishments (111) were not recruited for other reasons.

⁹ Additional attempts at contact were made in situations in which the recruiter had some reason to believe that this would be productive, for example, when the interviewer had been told of a good time to reach the contact person.

Only a quarter of employers that participated in the quasi-experimental portion of the study used the MRDP with the card reader. Of the 75 quasi-experimental establishments surveyed, only 19 used the card reader that constituted the defining feature of the MRDP¹⁰ (see Exhibit III-8). Thus, of the 1,609 employers that the evaluation team tried to recruit into the quasi-experiment, only 1.2 percent actually used the MRDP system as it was intended to be used to test the feasibility of using a card reader as part of electronic verification.

b. WHAT DID EMPLOYERS PERCEIVE AS ADVANTAGES AND DISADVANTAGES OF THE MRDP?

Most employers found the MRDP to be an effective and reliable tool for employment verification. More than three-quarters of employers (77 percent) surveyed in the follow-up mail survey agreed that work authorizations obtained through the MRDP verification system are more reliable than those obtained through the Form I-9 process alone (n=29). In addition, 70 percent of these employers perceived the MRDP to be an effective tool for employment verification (see Exhibit III-9a). Moreover, 93 percent of the employers interviewed on site (n=41) stated that using the MRDP made them feel more comfortable about being in compliance with the law, and 87 percent said that using the MRDP increased their confidence in their ability to detect persons who are not authorized to work (see Exhibit III-9b).

Half of the employers reported that the MRDP added to their burden in processing newly hired employees but did not find it very burdensome. Approximately half of the 41 on-site respondents (51 percent) reported an increased burden to process newly hired employees. However, fewer employers (29 percent) agreed that the tasks required by the MRDP system overburden the staff (29 percent of the 29 mail respondents) or agreed that it is impossible to fulfill all of the employer obligations required by the MRDP verification process (12 percent of the mail respondents).

Some employers believe that they lose their training investment as a result of the MRDP process. IIRIRA requires employers to wait up to a total of 10 Federal working days for employees to contest their cases and for SSA or INS to issue a final case finding. The MRDP prohibits employers from dismissing or withholding training from these employees during this period. In the MRDP, 9 percent of all employees verified received tentative nonconfirmations. Twenty-six percent of the 41 employers interviewed on-site found this process disadvantageous because they had to invest in hiring and training employees without certainty that these new workers would be able to continue employment (Exhibit III-9a).

¹⁰ The reasons for employer non-participation, discussed earlier in this chapter, included technical problems with the card reader, other hardware and software problems, insufficient numbers of trained staff, and no new employees hired.

Exhibit III-8: System Use Among Quasi-experimental Employers

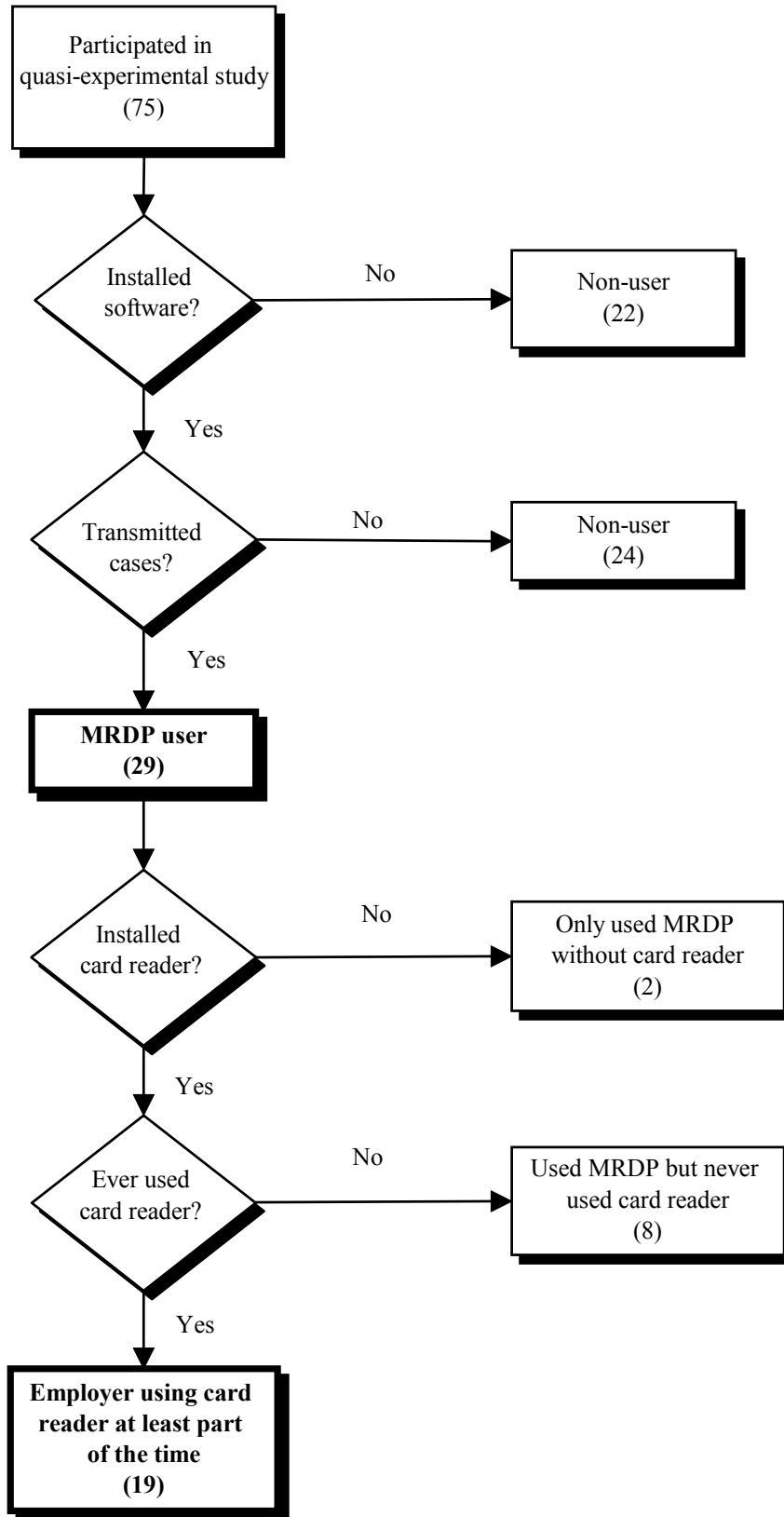


Exhibit III-9a: Employer Perceptions of Advantages and Disadvantages of MRDP Given by Quasi-experimental Users in the Follow-up Mail Survey (n=29)

	Percent who agreed or strongly agreed*
Work authorizations obtained through the MRDP are more reliable than they were prior to using the MRDP.	77
Overall, the MRDP is an effective tool for employment verification.	70
It is easier to confirm work authorization through the MRDP verification system than it was prior to using the MRDP.	50
The tasks required by the MRDP system overburden the staff.	29
It is impossible to fulfill all of the employer obligations required by the MRDP verification process.	12

* Percentages reflect both “agree” and “strongly agree” responses.

NOTE: Percentages do not add up to 100 due to multiple responses.

SOURCE: Follow-up Mail Survey

Exhibit III-9b: Employer Perceptions of Advantages and Disadvantages of MRDP Given by All Users in the On-Site Interview (n=41)

	Percent who said “yes”
Makes establishment feel more comfortable that it is in compliance	93
Increases confidence in ability to detect persons not eligible to work	87
Increases burden to process newly hired employees	50
Still requires additional manual data entry for most noncitizen employees	39
Lost work time when contesting tentative nonconfirmations	31
Lost training investments or work time when non-verified employees leave	26
Harder to find workers	7
Increased discrimination	0
Potential violation of employee privacy rights	0

NOTE: Percentages do not add up to 100 due to multiple responses.

SOURCE: On-Site Survey

Some employers also identified other disadvantages of the MRDP system, such as time lost from work or making it harder to find workers. A concern expressed by 31 percent of the 41 interviewed employers is time lost from work when employees need to contest tentative nonconfirmation findings. Seven percent of employers reported that the program made it harder to find workers.

Approximately 90 percent of employers reported that using the MRDP did not create either a competitive advantage or disadvantage for their establishment. One concern expressed by representatives of employer groups during stakeholder meetings was that employers using the pilot programs would find themselves at a competitive disadvantage

because of a reduction in their ability to attract employees. However, only 2 of the 29 quasi-experimental employers reported that the MRDP had made their establishments less competitive. Twenty-six mail respondents (90 percent) reported that the MRDP had no effect on their competitiveness, and one employer reported that the MRDP made it more competitive.

Most participating employers said that the MRDP discouraged unauthorized workers from applying to their establishments; however, a few employers reported that the process may have also discouraged some authorized employees from applying. A central goal of the MRDP is to reduce unauthorized employment without hindering the employment of authorized workers. In the mail survey, 79 percent of the 19 pilot employers that answered a question about their perceptions of the impact of the MRDP reported that the MRDP led to a decrease in job applicants who are not work-authorized. On the other hand, 5 percent of employers said that the number of authorized job applicants had decreased.

D. HAVE EMPLOYERS GENERALLY COMPLIED WITH MRDP REQUIREMENTS?

Employers are expected to meet both procedural and policy requirements for the MRDP. Procedural requirements direct employers in the use of the MRDP. Properly followed, these requirements can ensure that the work-authorization status of employees is verified efficiently and fairly. Noncompliance with policy requirements could result in discriminatory actions against employees or a specific class of employees, or the violation of an employee's rights to privacy. For example, giving employees written notification of their tentative nonconfirmation status and referring them to SSA or INS are two critical steps in the MRDP verification process. If employers fail to follow these steps, employees do not have an opportunity to correct employer data entry errors or INS database errors that may have led to the tentative nonconfirmation. These employees may be fired (or, in the case of employers who prescreen job applicants, denied employment) without due process.

This section answers the following questions:

- Did employers use the database to verify *all* newly hired workers and *only* newly hired workers?
- Did employers use the card reader to process all employees presenting State-issued driver's licenses and nondriver identification cards, as required by IIRIRA?
- Did employers terminate the employment of those employees who received final nonconfirmations or unauthorized findings?
- Did employers provide job applicants and employees with the information and assistance they needed?
- Did employers follow other MRDP verification procedures?

1. DID EMPLOYERS USE THE DATABASE TO VERIFY ALL NEWLY HIRED WORKERS AND ONLY NEWLY HIRED WORKERS?

Many employers used the MRDP to screen job applicants. Among the 41 interviewed employers that had used the MRDP, 25 percent reported that they had verified job applicants using the MRDP system. However, 49 percent of these 41 employers had cases on the transaction database with hire dates after the query dates, indicating that they were probably prescreening job applicants. Additionally, approximately 20 percent of the 542 interviewed employees with records on the transaction database reported that they had never been hired by the employer who had entered their information into the system. Thus, it is likely that the percentage of employers using the MRDP to screen job applicants is higher than was indicated by employer reports.¹¹

Employers who screened job applicants sometimes notified applicants who received tentative nonconfirmations, providing them with an opportunity to resolve problems. One of the reasons for prohibiting verification of job applicants is that these persons are likely to be denied employment without having an opportunity to contest tentative nonconfirmation findings. However, at least some employers who do verify prior to hiring employees also notify these job applicants of the problem. Two of the 24 interviewed employees receiving tentative nonconfirmation findings reported that they had been given written notice to go to INS and/or SSA but were never offered a job.

Approximately half of the employees in the quasi-experimental study reported being asked questions prohibited by law, both before and after the start of the MRDP. Prior to the start of the MRDP, 46 percent of interviewed employees in the quasi-experimental sample reported that they were asked prohibited questions¹² such as “Are you a U.S. citizen?” After the start of the program, the percentage was the same.

Although screening job applicants was common, it did not necessarily result in employees not being offered a job. Among the 34 employers for whom 10 or more employees were interviewed, only 10 employers had applicants who reported that the employer had never offered them a job.

Screening of job applicants is a more common practice among temporary help agencies than other employers. Interviewed employees from all 6 of the temporary help agencies in the study said that the employer had never offered them a job, compared with employees of 4 of the 35 other employers. The responses from temporary help agency employees may reflect difficulties in determining when the employer has made a job offer. A temporary help agency may consider the employee to be hired at the time the

¹¹ Other possible reasons for having a hire date after the query date include errors on the I-9 form and data input errors. On the other hand, employers may provide an incorrect date on the I-9 form to avoid the appearance of screening job applicants.

¹² This percentage includes employees who were asked these questions on the I-9 form, in an interview, or on a job application or were asked to show work documents prior to the job offer.

employee is deemed to be acceptable for job referral, while the employee probably considers hiring to start at the time a specific job assignment is made.

Most employers who used the MRDP did not verify all of their newly hired employees through the MRDP. Of the 32 employers who had cases in the Form I-9 sample and entries on the transaction database during the same period, only 3 employers had transaction database entries for all newly hired employees during the overlap period. In fact, 8 of the remaining 29 employers were missing transaction database entries for at least 90 percent of the I-9 forms collected for the overlap period. In some cases, employers reported having had good reasons for not using the system, such as a temporary lack of trained staff or technical problems with the MRDP.

Some employers used the MRDP to verify employees hired before the MRDP started. Eight percent of the employers interviewed who had used the MRDP reported using the electronic system to screen employees who had started working at their establishment before the initiation of the MRDP.

2. DID EMPLOYERS USE THE CARD READER TO PROCESS ALL EMPLOYEES PRESENTING STATE-ISSUED DRIVER'S LICENSES AND NONDRIVER IDENTIFICATION CARDS, AS REQUIRED BY IIRIRA?

Employers infrequently used the card reader to process employees presenting the State-issued license or nondriver identification card of the MRDP State (Iowa) in which the pilot was implemented. IIRIRA requires that:

If the individual whose identity and employment eligibility must be confirmed presents to the person or entity hiring (or recruiting or referring) the individual a license or other document described in paragraph (2) that includes a machine-readable Social Security account number, the person or entity must make an inquiry through the confirmation system by using a machine-readable feature of such document.... (section 403(c)(3))

Only 1 percent of cases (250) entered into the MRDP transaction database were entered by using the card reader, although the evaluation team estimates that roughly half of employees provided an Iowa driver's license or nondriver identification card. This finding is not surprising given all of the problems with the card reader that the evaluation has documented. This infrequent use of the card reader makes it difficult to determine such key statistics as the data entry error rate with and without the card reader.

3. DID EMPLOYERS TERMINATE THE EMPLOYMENT OF THOSE EMPLOYEES WHO RECEIVED FINAL NONCONFIRMATIONS OR UNAUTHORIZED FINDINGS?

Employers do not always follow the legal requirement to terminate the employment of employees receiving final nonconfirmations. Among the 16 interviewed employees who had been hired by an MRDP employer and had also received final nonconfirmation or unauthorized findings, no employees reported that they had been dismissed. Four of these employees claimed that they had contacted either INS or SSA and had been found to be work-authorized. In these cases, it is possible that the employee had shown the

employer proof of work authorization but the information was not correctly recorded in the transaction database.

4. DID EMPLOYERS PROVIDE JOB APPLICANTS AND EMPLOYEES WITH THE INFORMATION AND ASSISTANCE THEY NEEDED?

The MRDP MOU required employers to post MRDP and right-to-work posters to alert job applicants to the program and their rights. The MOU also requires employers to provide employees receiving a tentative nonconfirmation with written notice of this finding, along with notification of their right to contest.

Most employers failed to post the MRDP notice in an area where it is likely to be noticed by job applicants. Only 24 percent of the 41 employers surveyed on-site had the MRDP notice posted in an area where it could be easily noticed by applicants, and another 15 percent had it posted less visibly. Although only 8 percent of employees hired after the start of the MRDP recalled having heard of the MRDP, 48 percent of these employees reported that they had seen the poster when shown a picture of it.¹³

Some employers said they did not notify employees of tentative nonconfirmation findings at all or did not notify employees in writing. The tentative nonconfirmation notice provides employees with critical information about their right to contest the finding and the implications of not contesting. Employees deciding to contest are given a referral form that explains the procedures for resolving tentative nonconfirmation findings with INS.¹⁴ Both SSA and INS notices also explain that employers cannot take adverse actions against employees while they are contesting the tentative nonconfirmation. Eighteen of the 29 employers completing the follow-up mail survey (67 percent) reported having encountered one or more tentative nonconfirmation cases. Four of these reported that they usually do not inform their employees of a tentative nonconfirmation. Nine of these employers said that they always provide written notice of tentative nonconfirmations. Two employers reported that they never provided written notification, but always used in-person notification. One employer reported sometimes using in-person notification and sometimes using written notification. The remaining two employers did not respond to the questions about how they informed their employees.

Most interviewed employees who had received a tentative nonconfirmation reported that they had not been notified of having a problem. Among the 24 interviewed employees who had received a tentative nonconfirmation, only 9 said that they had been informed that there was a problem with their documents. Of the 23 tentative

¹³ This high a number does not seem consistent with the fact that only 8 percent of these employees remembered hearing about the MRDP program at all. The difference may be attributable to the picture being a powerful aid to recall. However, it is also possible that employees are looking at the poster but not remembering the program (or perhaps its name).

¹⁴ Refer to Appendix G for copies of the tentative nonconfirmation and referral notices.

nonconfirmation cases responding to the question of whether they had received the required form, 71 percent reported that they had not received it.

There was no evidence that MRDP employers discouraged employees with tentative nonconfirmations from contesting. None of the employers reported discouraging employees from contesting tentative nonconfirmations. Furthermore, none of the 24 interviewed employees with tentative nonconfirmations reported that they did not contest because their employers discouraged them from doing so.

Some employers took adverse actions against employees while they were contesting tentative nonconfirmations. Four of the 18 employers in the quasi-experimental group with employees receiving tentative nonconfirmations (22 percent) reported restricting work assignments while employees contested their tentative nonconfirmations. One employer reported reducing pay until the authorization was confirmed, and one delayed training during this time. These practices are not consistent with the MRDP guidelines for employers.

5. DID EMPLOYERS FOLLOW OTHER MRDP VERIFICATION PROCEDURES?

Employers often did not enter a referral date and therefore did not officially refer employees who received tentative nonconfirmation findings to SSA or INS. When employees inform employers that they will contest tentative nonconfirmation findings, employers are required to refer the case to SSA or INS and enter that date into the MRDP system. The referral date becomes the starting date for the 10 Federal-working-day period for resolution of tentative nonconfirmations. Transaction database analyses indicate that employers entered referral dates for only 13 percent (244 cases) of the 1,824 tentative nonconfirmation cases. From the information on the transaction database, it is not clear what percentage of the 1,570 tentative nonconfirmation cases without referral dates are attributable to employees not contesting the finding, what percentage are attributable to employers' not properly informing employees about their tentative nonconfirmation findings, and what percentage are due to failure to enter the date.¹⁵ When asked for their opinion about changing the software to not allow employers to enter new cases until they had input referral dates for all tentative nonconfirmation cases from 2 weeks earlier, 38 percent of the 29 employers responding to the second mail survey said that they were opposed to such a modification in the software, 20 percent favored the change, and 41 percent had no opinion.

Most employers did not comply with the INS request to enter closure codes for all cases. The MRDP manual requests employers to enter closure codes for all MRDP cases. These closure codes describe case outcomes at the end of the verification process. The codes available for employer input are (a) resolved authorized, (b) employee self-terminated/quit, (c) resolved unauthorized/terminated, (d) employee not terminated, and (e) invalid

¹⁵ These proportions cannot be determined because few closure codes were input to indicate the exit status of each employee. Chapter IV contains a more thorough discussion of this.

query/operator error. Missing closure codes in 95 percent of the cases that defaulted to final nonconfirmation (1,396 of 1,465 cases) impaired the evaluation team's ability to determine what proportion of these employees did not contest the tentative nonconfirmations and what proportion were unable to contest because their employers did not notify them of the nonconfirmations. When asked for their opinion about a possible change to the software that would not permit new cases to be entered onto the database until all cases from 2 weeks earlier had been closed, 45 percent of employers opposed the change, 17 percent supported it, and the remaining 38 percent had no opinion.

Whether employers enter closure codes for cases varied considerably with the case finding. Eighty-one percent of the quasi-experimental employers reported that they always put in closure codes when the employee is determined to be work-authorized. At the other extreme, only 17 percent reported always inputting closure codes for data entry mistakes. Approximately 40 percent reported that they always input codes for tentative nonconfirmation cases, and 25 percent reported always inputting closure codes for final nonconfirmations. Although failure to input codes has little consequence for employees, it reduces available information and therefore impedes the evaluation of the program and, potentially, future efforts to monitor the program using transaction database information.

INS did not require employers to input closure codes, to minimize the burden on employers who participated in the volunteer program. However, employers would have been more likely to comply with INS's request to input codes if the codes were clearer. For example, there is no specific code for employees whose employment was terminated because they decided not to contest the tentative nonconfirmation. There is also no code to indicate that employees quit working immediately after being notified that they received a tentative nonconfirmation.

Employers could do a better job of double-checking their MRDP data before sending the information to SSA and INS. As discussed in the preceding section, tentative nonconfirmations due to data entry errors are potentially costly for employers, employees, and the Federal Government. Among the 18 quasi-experimental employers reporting that they had tentative nonconfirmations, 5 reported that they had had cases caused by data entry errors. All of these employers had had tentative nonconfirmations due to errors that they discovered themselves. Three employers reported that they also had had data entry errors discovered by SSA or INS, and one employer reported having had a case in which the employee found the error.

E. SUMMARY

In summary, although employers were satisfied with many aspects of the MRDP program, it did not operate as intended. Most importantly, problems with the card reader and the changes in the Iowa driver's license made the program as implemented not a valid test of the feasibility and desirability of using a card reader to input employee data. In addition to changes to address the card reader problem, other significant changes need to be made to the MRDP before larger scale implementation could be considered. These include providing a more accurate, up-to-date INS database and developing the means to increase employer compliance.

CHAPTER IV. DID THE MRDP ACHIEVE ITS PRIMARY POLICY GOALS?

A. INTRODUCTION

This chapter evaluates whether the Machine-Readable Document Pilot (MRDP) program achieved its policy goals. The policy goals of each of the employment verification pilots authorized under the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) are to create a system that is effective in minimizing the employment of unauthorized workers, while being nondiscriminatory, protective of privacy, and non-burdensome for employers. This chapter addresses each of these policy goals by providing background information and highlighting relevant findings from the evaluation. Because, as discussed in Chapter III, the MRDP as implemented in Iowa was not a valid test of the effectiveness of a machine-readable program, Chapter IV emphasizes the implications for all programs that electronically verify the work-authorization status of employees.

B. IMPACT OF THE MRDP ON EMPLOYMENT OF UNAUTHORIZED WORKERS

1. BACKGROUND

As discussed throughout the report, all newly hired employees should provide their employers with valid legal documents to prove their identity and to demonstrate that they are authorized to work in the United States; however, there are many noncitizens who are employed without work authorization. One of the primary goals of the MRDP and the other IIRIRA pilots is to reduce the amount of such unauthorized employment. To understand the impact of the MRDP program on the employment of unauthorized workers, it is useful to understand the methods commonly used to obtain employment among noncitizens who are not work-authorized. Specific methods include using counterfeit documents, using borrowed or stolen documents, and looking for alternative employment where employers do not check documents. This section describes and discusses the expected impact of the MRDP on these methods of obtaining unauthorized employment.

In order to evaluate how effective the MRDP program is in deterring the employment of unauthorized workers, the evaluation relied on several sources of information that permitted making estimates of the number of employees with final nonconfirmations who are, in fact, work-authorized. These sources included analyses of the MRDP transaction database, employer surveys, and employee surveys. The evaluation team also developed a model for estimating the number of undocumented MRDP workers among those who received final nonconfirmation findings.¹

¹ See Appendix C for information about how these estimates were made.

a. **WAYS NONCITIZENS WITHOUT WORK-AUTHORIZATION CAN OBTAIN EMPLOYMENT**

Using counterfeit documents. Individuals without work authorization sometimes obtain work by presenting counterfeit or altered documents. These documents are reported to be readily available for purchase in immigrant communities.² Current employment verification procedures require the employer to certify on the I-9 form that the documents presented by the recent hire "...appear to be genuine."³ In this situation, the likelihood of employers detecting counterfeit documents depends on the quality of the documents, the employers' familiarity with various immigration and other documents, and employers' expertise in detecting fraudulent documents. INS expects employers to exercise reasonable diligence in reviewing documents but does not expect them to be experts or to question reasonable-appearing documents.

The MRDP program adds the extra step of checking whether the information on the documents presented by newly hired employees is consistent with information in the Social Security Administration (SSA) database and, when appropriate, INS records. Assuming that these checks work as intended, they will assist employers in detecting counterfeit documents containing information about nonexistent persons. However, if the counterfeit documents are manufactured with reasonable quality and contain information about actual work-authorized persons, the MRDP system will incorrectly confirm the individual as work-authorized. To the extent that the MRDP relies on information contained in a magnetic stripe, the difficulty in correctly replicating this feature on a counterfeit document could make the MRDP better than the Basic Pilot program at detecting counterfeit or altered Iowa driver's licenses and nondriver identification cards.

Borrowing or stealing documents. A second way for unauthorized workers to obtain employment is to use valid documents belonging to another person. For example, individuals may borrow documents belonging to relatives or friends with similar characteristics or use stolen documents. To decrease the probability of this happening, employers are required to certify on the I-9 form that the documents "...relate to the employee named..." However, the MRDP system is not designed to identify these documents as fraudulent since they are, in fact, genuine. Employers can only rely on the extent to which the document information, such as a photograph, fingerprint, and/or signature, resembles the employee and matches any other documents presented in the verification process, as well as information on the employment application.

² The magnitude of this business is reflected in a 1998 News Release in which INS reported seizing more than 2 million fraudulent identification documents, including high-quality Resident Alien Cards, Social Security cards, and driver's licenses from nine States. INS estimated the "street value" of these documents at between \$40 and \$200 each. INS continues to make regular seizures of fraudulent immigration and other documents that can be used to demonstrate identity and work authorization in the Form I-9 verification process.

³ An I-9 form is included in Appendix E.

Finding alternative employment. Another way that unauthorized workers can currently obtain employment is to take jobs where employment verification is not rigorous, either because the employer is ignorant of the law or because the employer is knowingly violating or neglecting the law. Undocumented immigrants who are self-employed⁴ are also able to circumvent the employment verification system since they are not required to complete the I-9 form for themselves. Other possible sources of alternative employment are the underground economy and criminal activities, neither of which will require any type of document review. There is no reason to believe that the MRDP or any employment verification system can prevent unauthorized employment when employers do not want to verify work authorization.

b. EXPECTED IMPACT OF THE MRDP VERSUS THE FORM I-9 PAPER PROCESS IN REDUCING THE EMPLOYMENT OF NONCITIZENS WITHOUT WORK AUTHORIZATION

The MRDP is designed to be more effective than the paper Form I-9 process in detecting counterfeit fraud in which the employee's documents contain information about nonexistent persons or, in some cases, where the information encoded in the magnetic stripe has not been accurately replicated. However, the MRDP, like the other pilots, is not expected to substantially improve employers' ability to detect fraud when borrowed or stolen documents are used to prove work authorization nor when employment is with employers who do not check work-authorization documents. It also cannot detect counterfeit documents when the face of the card and magnetic stripe, if available, contain information about real work-authorized persons (see Exhibit III-1). Thus, the MRDP program should decrease the ease with which noncitizens without work-authorization can obtain employment, but will not eliminate the employment of such workers.

2. DATA LIMITATIONS

This chapter includes model-based estimates that must be viewed as approximate, since, like any statistical model, they are based on simplifying assumptions.⁵ Similarly, it was necessary to make a number of assumptions when estimating some of the cost figures.⁶

⁴ According to the Small Business Administration, approximately 7.2 percent of the civilian workforce is self-employed ("Small Business Frequently Asked Questions Card," <http://www.sba.gov>, accessed March 20, 2001). However, the percentage of self-employed among undocumented workers may be quite different.

⁵ See Appendix B for additional information on the model.

⁶ See Appendix B for additional information on how cost estimates were made.

The employer findings in this chapter are based on data obtained from three groups of employers:

- Quasi-experimental⁷ employers that used the MRDP (n=29)
- Quasi-experimental employers that had not used the MRDP to transmit cases by the time of sample selection (n=46)
- Non-experimental employers that had used the MRDP to transmit cases (n=12)

Thus, employer survey statistics are based on small sample sizes (87 or fewer cases) and are subject to considerable sampling error.⁸

Analyses based on all 814 employees interviewed are not subject to large sampling errors; however, employees who are not work-authorized are harder to locate and interview than are work-authorized employees, resulting in considerable nonsampling error.⁹ Furthermore, some employee estimates are based on very small subsamples of the larger sample and are subject to considerable sampling error. Most importantly, a number of findings are only relevant for employees with tentative nonconfirmations. Only 24 of these employees were interviewed, and there is good reason to believe that these employees are not representative of all employees who received tentative nonconfirmations.¹⁰

Information obtained directly from the transaction database is based on the 21,422 employee cases on that database or a subgroup of these cases. This is a large sample and should, therefore, provide reasonably precise estimates of verification outcomes. A number of analyses are based on subgroups of the transaction database cases, such as the transactions transmitted by the 41 interviewed employers (7,493 transactions) or the transactions that received tentative nonconfirmations (719). Fortunately, even these subgroup samples are fairly large. However, the possibility of measurement error exists since the SSA and INS data provided to the evaluation team had to be merged and duplicate records had to be removed.

⁷ Quasi-experimental employers were surveyed before being sent the materials for the MRDP program, as well as approximately a year after receiving the materials. Non-experimental employers were surveyed only after they had started using the MRDP.

⁸ See Chapter II for additional information on this issue.

⁹ See Chapter II for a discussion of the effect of response rates on response bias in the employee survey.

¹⁰ See Chapter II for a discussion of the representativeness of the sample tentative nonconfirmation cases.

3. FINDINGS

The MRDP program rarely results in a conclusive finding that a noncitizen is not authorized to work, since individuals without work-authorization are unlikely to complete the verification process by contesting tentative nonconfirmation findings. To be in compliance with the law, employers are required to terminate the employment of employees who are classified by the MRDP as having final nonconfirmation findings. However, not all employees who fail to contest these findings lack work authorization. Work-authorized employees may not contest tentative nonconfirmations for a number of reasons. For example, some employers do not inform employees of tentative nonconfirmations or may inform them in ways that the employees do not understand. Other work-authorized employees do not contest because they decide it is easier to find work elsewhere than to contest the finding. Also, employees may quit or be fired during the verification process for reasons unrelated to the MRDP program.

Most employers believed that the MRDP has been effective in decreasing the employment of workers without work authorization. Two-thirds of employers that used the MRDP (66 percent) reported that they believed it reduced the employment of unauthorized workers. Primary reasons for the reduction were that the program deterred employees from applying, and the system made it easier for employers to detect employees who do not have work authorization. More specific examples of employer responses explaining why they believed it was effective include those listed below:

- “Because if the program shows they are not authorized to work we don’t see those people again.”
- “It catches things that employers would perhaps not have caught.”
- “The prospective new hires hear about the program before they ever come to our offices. So, they don’t even apply if they don’t have the right credentials, and those that do come to the office read the poster on the wall and see that we are going to check them, so they’ll turn around and don’t bother to apply if they don’t have proper ID.”

The following are examples of reasons given by the minority (34 percent) of MRDP employers that said the program was not effective:

- “...It was a real hassle. We had other means of checking people that were a lot faster, easier, and very effective, through SSA and INS and by visual checking of documents. As far as I know we did not hire any illegals.”
- “I don’t think anyone knew we were using the system, so I don’t think it was a deterrent for any new hires at this establishment. We don’t have a high number of immigrants or noncitizen workers...so there aren’t many people who would be concerned with having false documents. I would think it probably would reduce employment for those not legally authorized in cities where there are many more noncitizens not legally able to work.”

Employer estimates of the extent to which they encountered counterfeit or fraudulent documents before and after the start of the MRDP are consistent with the belief of many employers that employees without work authorization are less likely to apply to MRDP employers. Quasi-experimental employers were asked to estimate the frequency with which they encountered counterfeit and fraudulent documents both before the MRDP was implemented and again at the end of the study. The 23 users that responded at both times reported lower rates of having these documents presented at post-test than at pre-test (from 44 to 35 percent for counterfeit documents and from 61 to 30 percent for real documents belonging to someone else). At the same time, the 22 non-users responding both times reported an increase in such documents during the same time period (from 64 to 86 percent for counterfeit documents and from 59 to 91 percent for documents belonging to someone else) (see Exhibit IV-1). The rise in the percentage of perceived counterfeit and fraudulent documents among non-users is expected, given that many employers talked of a rise in the number of immigrant applications. The decline among users may be the result of employees avoiding MRDP employers or chance fluctuations due to the small sample size.

Exhibit IV-1: Percentage of MRDP Quasi-experimental Employers Reporting That Employees Have Presented Counterfeit or Fraudulent Documents Before and After the Implementation of the MRDP Program

Percent Reporting	Used MRDP and responded to question at pre- and post-test				Did not use MRDP but responded to question at pre- and post-test			
	Percent			Number of respondents	Percent			Number of respondents
	Pre-test	Post-test	Difference		Pre-test	Post-test	Difference	
Counterfeit documents	44	35	-9	23	64	86	22	22
Documents that belong to someone else	61	30	-31	23	59	91	32	22

SOURCE: Employer Mail (users) and Telephone (non-users) Surveys

Most, but not all, of the quasi-experimental employers that used the MRDP system reported that they had encountered no employees using fraudulent documents or making false claims to U.S. citizenship to obtain employment in the preceding 6 months. Seventy percent of the quasi-experimental employers using the MRDP reported encountering no employees using the documents of another person or counterfeit documents or making fraudulent claims to U.S. citizenship in the 6 months preceding receipt of the second mail survey. Among the nine employers that had encountered one or more cases of fraudulent documents, only two reported more than 1 percent of its new employees being in any of these three categories. One employer estimated that 3 to 5 percent of such employees used real documents belonging to someone else, 6 to 10 percent used counterfeit documents, and 6 to 10 percent falsely claimed to be U.S. citizens. The second employer reported no counterfeit documents and no false claims to U.S. citizenship and 1 to 2 percent of employees using documents belonging to someone else.

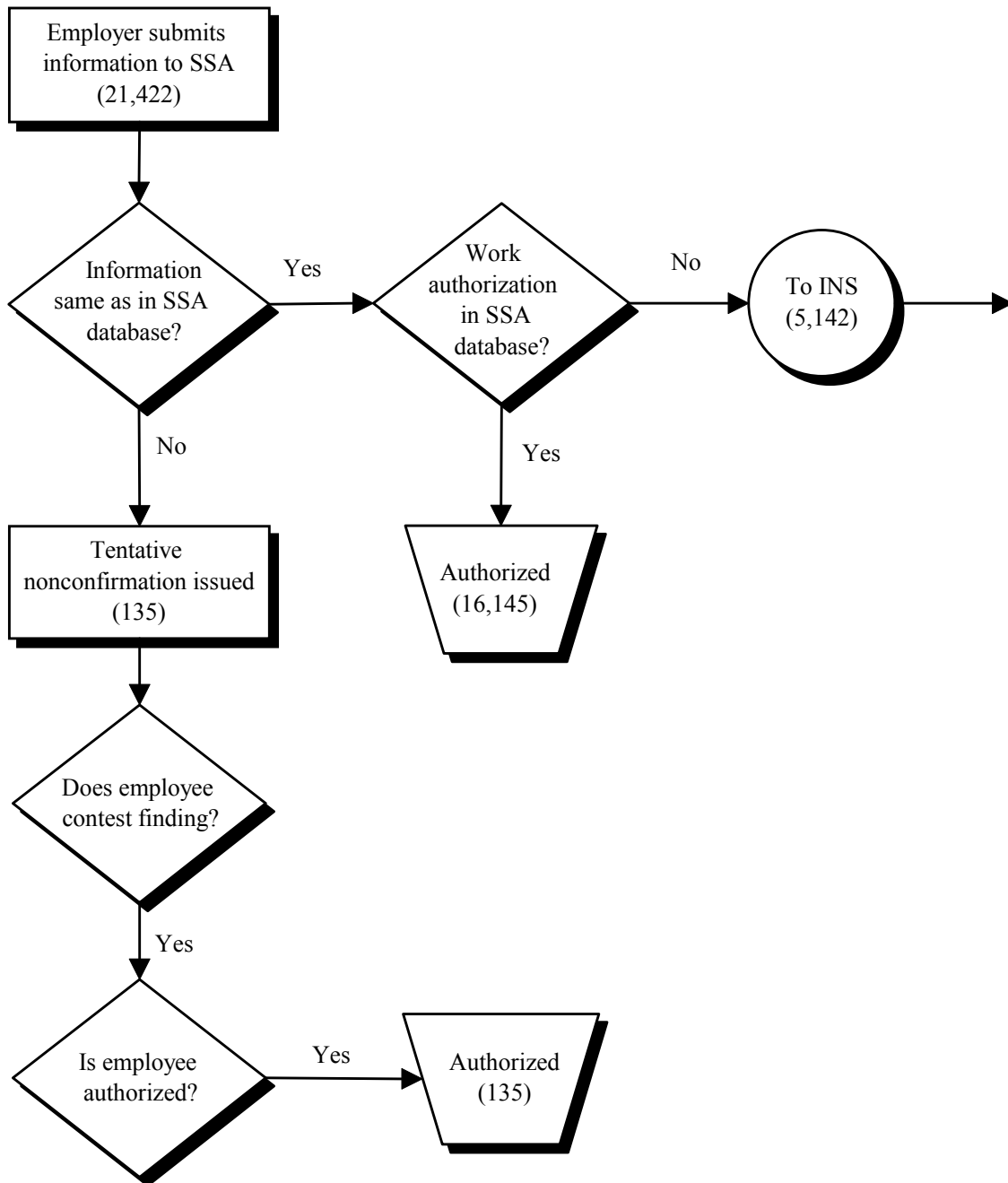
None of the employees interviewed reported that they gave employers counterfeit documents or documents belonging to another person. Moreover, only 1 of the 24 interviewed persons with tentative nonconfirmation findings reported not being work-authorized at the time they applied for the job with the MRDP employer. However, there are several reasons to expect that the employee survey underestimates the use of fraudulent documents to obtain unauthorized employment in comparison to other estimates.¹¹

The model developed by the evaluation team estimated that the MRDP would have found approximately 7 percent of verified employees to lack work authorization if the work-authorization status of all employees had been resolved. To determine the approximate proportion of MRDP employees without work authorization among final nonconfirmation cases, the evaluation team used a model developed for this purpose. The model was based on information from the transaction database about SSA and INS findings prior to the issuance of the tentative nonconfirmation findings compared with the final case resolution (i.e., authorized, not authorized, or final nonconfirmation). The model permits estimation of the percentage of final nonconfirmation cases that are not work-authorized, using reasonable estimates of the rate at which employers notified employees of tentative nonconfirmation findings and the percentage of *work-authorized* employees who contest a tentative nonconfirmation finding (see Exhibit IV-3). The model produced an estimate that 7 percent of the employees screened by the MRDP would have been found to lack work authorization if all final nonconfirmation cases had been resolved.

Exhibits IV-2a and 2b presents what the estimated flow of MRDP cases depicted in Exhibit III-2 would have been if all cases had been properly resolved. According to these estimates, slightly fewer than 20,000 employees would have been found to be work-authorized and approximately 1,400 employees (7 percent of the total) would have been found to lack work authorization.

¹¹ As discussed in Chapter II, employees without work authorization are underrepresented in the employee sample. Weighting is used to correct for some of this response bias, but it would not be expected to correct for all of it. Furthermore, employees without work authorization may believe it would be prudent not to report their status to an interviewer.

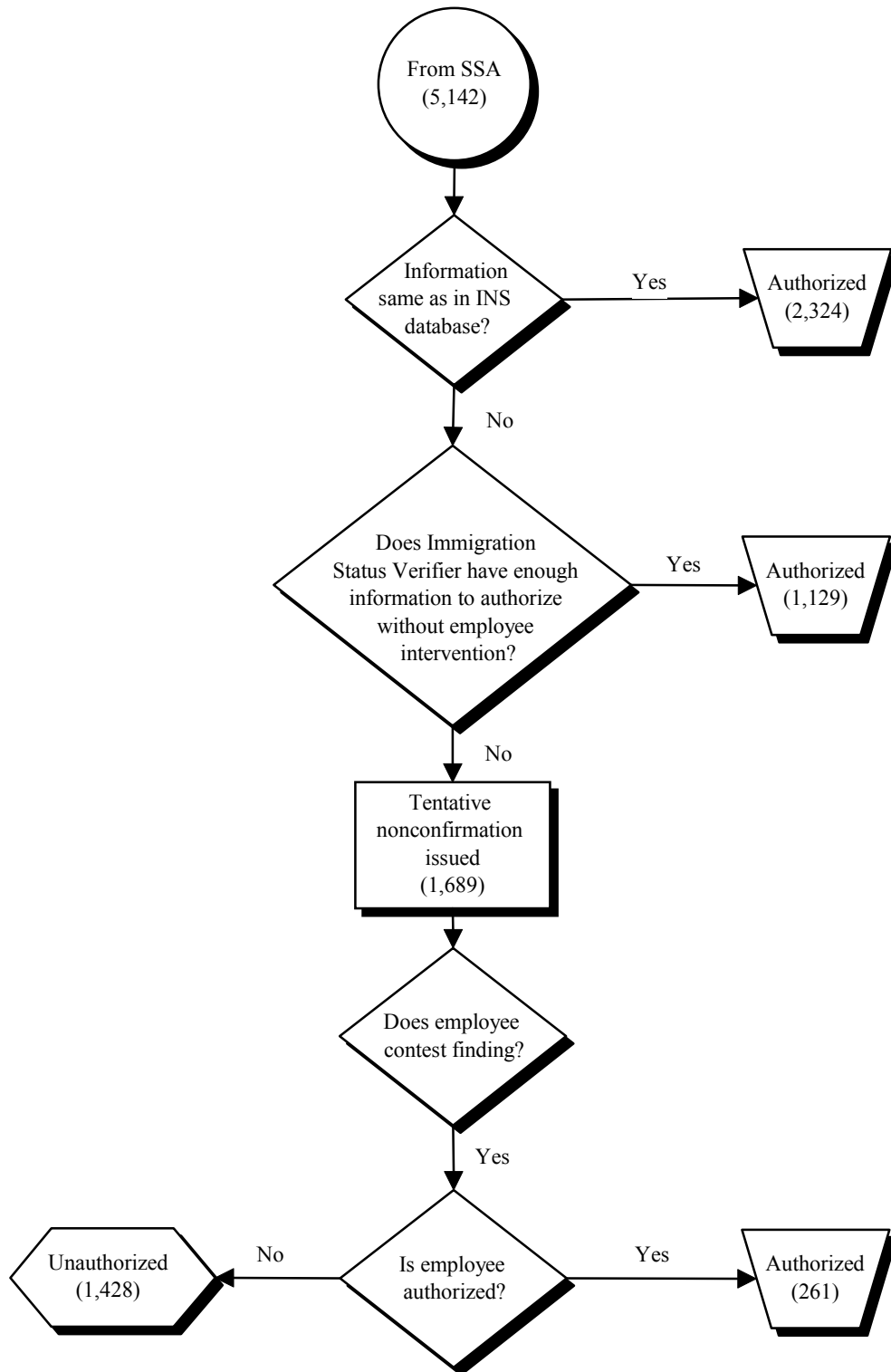
Exhibit IV-2a: Estimated SSA Pilot Program Verification Results for MRDP Cases If All Tentative Nonconfirmation Cases Had Been Resolved (April 1999-March 2003)*



* Under the assumptions of the model, all tentative nonconfirmations of unauthorized workers are sent to INS.

SOURCE: Model-based estimates

Exhibit IV-2b: Estimated INS Pilot Program Verification Results for MRDP Cases If All Tentative Nonconfirmation Cases Had Been Resolved (April 1999-March 2003)



SOURCE: Model-based estimates

C. IMPACT ON REDUCING DISCRIMINATION

1. BACKGROUND

One of the important Memorandum of Understanding (MOU) provisions is that employers should not discriminate “unlawfully against any individual in hiring, firing, or recruitment practices because of his or her national origin, or in the case of an individual protected by law...because of his or her citizenship status.” However, this provision does not impose new restrictions on pilot employers; it simply reiterates laws applicable to all employers, which both pilot and non-pilot employers may violate to some degree. This section focuses on the issue of whether the MRDP has impacted the level of discrimination against work-authorized foreign-born employees. Related issues such as determining the level of employment discrimination in the United States and any discriminatory impact of the Form I-9 employment verification system are beyond the scope of this evaluation and will, therefore, not be discussed in this report.

Discrimination is defined in this document as adverse treatment of individuals based on group identity. In employment, discrimination refers to differential treatment based on characteristics, such as citizenship or ethnicity, that are unrelated to productivity or performance. Discriminating in any way on the basis of spoken accent, facial or racial characteristics, or surname is also illegal.¹² Discrimination can occur because employers intentionally treat members of a group protected by law differently than others. However, it can also occur unintentionally if employers’ actions have a disparate impact on protected group members.

This report focuses on differences between work-authorized foreign-born employees and U.S.-born employees. The implicit assumption is that foreign-born employees are more likely than U.S.-born employees to be subject to discrimination based on one or more of the following characteristics that might lead employers to question whether the employees have work authorization: citizenship, ethnic identity, spoken accent, or surname. This does not mean that all employees within the foreign-born category have traits that would lead them to be characterized as belonging to one or more of the protected groups. It also does not mean that all U.S.-born employees are not in one of the protected groups. However, it is likely that there is a strong correlation between being in one of the protected groups of interest and place of birth. The evaluation team uses this approach because it is much easier to measure whether the employee was U.S.-born than to determine whether the employee has any of the indicated characteristics.

There are many ways that employers might discriminate against certain groups of job applicants or employees. Asking job applicants for documentation proving their identity and authorization to work; asking for specific types of documents, such as a driver’s license, Social Security card, or green card; or asking for extra documents when presented with documentation unfamiliar to the employer are all discriminatory and

¹² Brett, 1998.

illegal acts.¹³ Generally, statements in job advertisements or interviews that jobs are limited to U.S. citizens or permanent residents are illegal.¹⁴ During job interviews, illegal questions include asking applicants if English is a second language or what their native language is.¹⁵ It is also illegal to refuse to hire applicants based on the future expiration dates of work-authorization documents.¹⁶ Some authors have stated that asking applicants about work-authorization or immigration status is also illegal. However, the Office of Special Counsel for Immigration-Related Unfair Employment Practices in the Department of Justice says that it is not illegal to ask the more general question, “Are you authorized to work in the United States?” Additionally, any interview questions that are not work-related may constitute grounds for charges of illegal employment discrimination.

Employment discrimination can occur at all stages of employment, including recruitment, hiring, placement, compensation, training, evaluation, disciplinary action, treatment on the job, and dismissal. Conversely, employers can take actions designed to prevent employment discrimination by aggressively recruiting groups historically underrepresented in their industries. Since the MRDP procedures primarily affect recruitment, hiring, and the initial post-hiring period, this section of the report focuses on the effect of the MRDP program during these initial stages of the process.

One goal of automated employment verification as envisioned by the framers of IIRIRA was to reduce discrimination introduced by the Form I-9 verification process; however, there has not been consensus among stakeholders about the potential impact of the IIRIRA pilot programs on discrimination. The General Accounting Office (GAO) and others had reported that the employment verification procedures specified by the Immigration Reform and Control Act of 1986 led to an increase in discrimination, in large part because employers were unsure of their ability to correctly identify individuals without work authorization.¹⁷ In this situation, some employers found it easier not to recruit and hire noncitizens and/or individuals who appeared to be foreign-born. Giving employers a better employment verification tool should make them more comfortable with their ability to verify employees and, therefore, make them more likely to recruit and hire individuals who appear to be foreign-born.

On the other hand, advocates for immigrant rights have pointed out that the degree of harm engendered by the IIRIRA pilot programs could be considerable, even if employers completely follow the procedures designed to protect immigrant rights. They contend that work-authorized individuals born outside of the United States are more likely than U.S.-born workers to face the necessity of straightening out their SSA and/or INS

¹³ Brett, 1998; Karabetsos, 1995.

¹⁴ Brett, 1998; Karabetsos, 1995.

¹⁵ Brett, 1998.

¹⁶ Brett, 1998.

¹⁷ General Accounting Office, 1990a.

records, which could result in missed time at work or other inconveniences. Further, some foreign-born employees may quit their jobs rather than contact INS, because they are afraid that contacting INS may create problems for them or a family member or because they believe it is easier to find another job elsewhere than to contest their cases. Even greater harm to work-authorized noncitizens is likely when employers fail to follow the pilot procedures.

Compared to the Basic Pilot program, the MRDP could potentially result in less discrimination associated with tentative nonconfirmations issued to work-authorized employees because of the card reader. If successful, the MRDP should reduce data entry errors that would have otherwise led to tentative nonconfirmations. Particularly relevant are errors resulting from data entry personnel having trouble inputting names unfamiliar to them.

The next section first examines the question of whether the MRDP makes employers more willing to recruit and hire foreign-born workers. Next, it examines whether the MRDP verification process leads to discrimination against work-authorized employees after they are hired.

2. FINDINGS

Information in this section is based primarily on comparisons between employer and employee behavior and perceptions before the start of the MRDP program with similar information provided during the follow-up surveys. To ensure comparability of the data, most of these analyses are based on the 29 MRDP quasi-experimental users interviewed both before and after the start of the MRDP. Employee analyses are restricted to the 336 employees of these 29 employers. This includes 110 employees hired prior to the start of the MRDP and 226 hired after the start of the program. In addition to the information on the 29 quasi-experimental employers who used the MRDP and their employees, some analyses are based on retrospective questions asked of all 41 MRDP users interviewed at the end of the study.

a. DID THE MRDP MAKE EMPLOYERS MORE WILLING TO RECRUIT AND HIRE IMMIGRANT AND OTHER FOREIGN-BORN WORKERS?

Although employers did not report specific changes in their hiring and recruitment activities as a result of their participation in the MRDP, employee data indicate that the MRDP may have led to an increase in employer advertising targeted at immigrants or racial/ethnic minorities. Only 3 of the 41 employers that had used the MRDP reported that they had made any changes in hiring or recruitment procedures after starting the MRDP. When asked what kind of changes had been made, none of these employers reported that these changes included shifts in audiences targeted in their recruitment procedures. However, more employees hired after the start of the MRDP reported finding out about their jobs through advertisements or other job sources intended especially for immigrants or racial/ethnic minorities than was the case for employees hired before the MRDP started (8 percent versus 1 percent). Although this difference was not statistically significant, it is consistent with the expectation of some stakeholders

that MRDP users would be more willing to hire minority groups and, therefore, put greater efforts into recruiting these protected groups.

More than half of the MRDP users reported that the MRDP made employers more willing to hire immigrants. The interviewer asked “Do you think that the MRDP program makes participating employers more or less willing to hire immigrants?” Fifty-six percent of the users said that the MRDP makes employers more willing to hire immigrants. The main reasons cited for this opinion are that the MRDP is a valuable tool for employment verification; it provides security and confidence in hiring authorized workers, it offers immediate verification that results in a more efficient process, and it decreases employer liability. Only 3 percent of the users reported decreased willingness, while 41 percent reported that the MRDP neither increases nor decreases employers’ willingness to hire immigrants. Some of the respondents answering this question were clearly referring to employers in general. For example, one employer reported, “It doesn’t make a difference for us, but it makes other employers feel secure that authorized workers are legal, especially if INS shows up.” On the other hand, some employers were clearly answering about themselves. For example, one employer explained that they had a greater willingness to hire, “because I feel more confident I can be more thorough in hiring in an informed manner.” Employer responses are, therefore, consistent with the GAO premise that a better employment verification system is likely to make employers more comfortable in hiring immigrants.

The percentage of foreign-born employees working for MRDP employers increased between the pre- and post-test. Prior to the MRDP, 2 percent of newly hired employees of MRDP employers reported that they were foreign-born, compared to 8 percent after the start of the MRDP. Although this difference is statistically significant, it is not possible to be sure that this was a result of the MRDP. On the one hand, if the number of non-work-authorized employees, all of whom are foreign-born, decreased because of the MRDP, as employers reported,¹⁸ a decrease in foreign-born workers would not be surprising. On the other hand, the increasing immigrant population in Iowa noted by many employers in the study may have explained at least some of the increase.¹⁹ Thus, although this finding suggests that employers were more willing to hire work-authorized foreign-born workers after the start of the MRDP than they were previously, it is not possible to be sure that this was the case.

¹⁸ See the discussion of unauthorized employment earlier in Section B above.

¹⁹ Fifty-five percent of the quasi-experimental user group employers (n=29) reported that the greater availability of immigrants in the region was the main factor affecting the extent to which they rely on immigrant employees.

b. DID THE MRDP VERIFICATION PROCESS LEAD TO DISCRIMINATION AGAINST WORK-AUTHORIZED FOREIGN-BORN EMPLOYEES?

As anticipated by immigrant rights advocates, foreign-born work-authorized employees are more likely to receive tentative nonconfirmations than are U.S.-born employees, thereby subjecting a greater percentage of foreign-born work-authorized employees to potential harm arising from the MRDP process. Fewer than 1 percent of the U.S.-born interviewed employees screened by the MRDP received tentative nonconfirmations, compared to approximately 11 percent of interviewed work-authorized employees born outside of the United States. This statistically significant difference is not unexpected, since foreign-born employees are more likely than U.S.-born employees to require additional verification through the INS database, which is not always up to date. Furthermore, employers probably make more mistakes when entering foreign-sounding names than in entering names with which they may be more familiar, causing a non-match during the verification process.

Employers do not always adhere to MRDP procedures specified in the MOU, thereby increasing the possibility that work-authorized employees receiving tentative nonconfirmations will suffer adverse consequences. As described in Chapter III, the evaluation points to a number of ways in which employers fail to follow MOU provisions designed to protect work-authorized employees from harm. These infractions include using the MRDP to verify job applicants or persons hired prior to the start of the MRDP. They also include failing to notify employees of a tentative nonconfirmation finding and taking adverse actions, such as reduction in pay or training, during the time period in which the employee is entitled to contest the tentative nonconfirmation finding.

Neither employers that used the MRDP nor their employees reported significant changes between the pre-MRDP and post-MRDP interviews in how frequently employers made illegal requests for work-authorization information from job applicants. Slightly less than half of the employees hired during the pre-test period (46 percent) reported that their employers asked for prohibited work-authorization information prior to offering them employment, and the same percentage of those hired after the start of the MRDP reported such behavior.²⁰ Employer responses were consistent with these results. Twenty-three percent of employers reported requesting Form I-9 completion during the screening process prior to the start of the MRDP, and a similar percentage reported such behavior after the MRDP was instituted.

²⁰ The 46 percent includes employees reporting that they filled out an I-9 form, were asked to show work-authorization documents, or were asked illegal questions prior to hire.

D. IMPACT ON EMPLOYEE PRIVACY AND CONFIDENTIALITY

1. BACKGROUND

One of the IIRIRA requirements for the MRDP is that it provide a verification system that protects the privacy and confidentiality of employees. The MRDP system was, accordingly, designed to protect the confidentiality and privacy of employee information against unauthorized use at both the Federal and employer levels. These protections are in addition to the multiple barriers SSA and INS employ to prevent unauthorized external access to their systems. This section summarizes the evaluation findings related to data privacy and confidentiality.

The employer data in this section are based on information provided by the 18 quasi-experimental employers that had used the MRDP. Employee data are based on only eight interviewed employees. Since these are very small sample sizes, the estimates are subject to considerable sampling error and need to be viewed as approximate.

2. FINDINGS

a. FEDERAL SAFEGUARDS AGAINST PRIVACY VIOLATIONS

The following safeguards are built into the MRDP system to protect against possible security breaches:

Federal privacy responsibilities. Federal Government safeguards protect access to SSA and INS databases by limiting their use to authorized SSA and INS personnel and contractors. In addition, the Federal Government processes queries only for authorized employers that have signed an MOU. These employers are identified through establishment access and user identification codes.

Hardware/software. MRDP software used by employers is installed on stand-alone rather than networked computers so that other personnel at the work site cannot gain access to the computer(s) through a network connection. The MRDP pilot requires employers to ensure the security of the computers they use, to prevent unauthorized access to MRDP data. Furthermore, MRDP software permits employers to have only one-way access to the SSA and INS databases, and information is provided only for the fields and from records needed for employment verification. This prevents employers from modifying the SSA or INS databases or gaining access to more information than they need.

Passwords. Each employer is assigned an access code and provided with software for installation on one computer. If additional computers are needed to run the pilot, additional access codes must be requested from INS. Each person using the system is expected to have an individual user identification number and password. The passwords must be changed every 45 days. The employer is required to notify INS and remove old user identification numbers and passwords from the system when personnel leave employment or no longer perform verifications as part of their job responsibilities.

There is little increased risk of misuse of MRDP information by Federal employees. Use of the MRDP increases the risk of improper disclosure or use at the Federal level only to the extent that it slightly increases the number of Federal employees and contractors who have access to systems information. The security procedures that SSA and INS use to protect all of their databases continue to be in effect when their personnel and contractors use MRDP data. These security procedures limit access and safeguard employee and employer information provided by MRDP users.

The MRDP system design made it difficult for unauthorized users to access and manipulate employee information at the employer's site. The MRDP data on employers' computers is encrypted. This makes it difficult for unauthorized users to view or modify information input by the employer and the work-authorization statuses provided by the MRDP system. This encryption is an enhancement to security features provided with the CAVP and Basic Pilot software.

b. EMPLOYER BEHAVIOR DESIGNED TO PROTECT EMPLOYEE PRIVACY

Although most employers reported following reasonable procedures to prevent unauthorized access to the database they use in the MRDP verification process, not all employers follow the basic security procedures. MRDP users were asked how easy it would be for an unauthorized person to gain access to the MRDP computer or program. None of the respondents reported that it would be easy. Most employers (63 percent) indicated that the computer used for verification was located in a room that can be locked, and most employers (75 percent) said they secured their passwords by memorizing them, keeping them in a secure location such as a locked drawer, or both. However, 10 percent reported they did not keep the password and the instructions in secure locations and also did not keep them in a locked room.

Employers did not consistently convey information about MRDP tentative nonconfirmations in a private setting. Employers may also violate employees' privacy by not being sensitive to the need to be discreet in discussing verification problems with their employees. Among the 11 employers reporting that they provided employees with information about tentative nonconfirmations in person, 1 employer reported not always telling employees in private. Among the eight employees who received a tentative nonconfirmation and also reported that their employers had informed them of the tentative nonconfirmation, two reported that this information was not given to them in private.

E. IMPACT ON BURDEN AND COST

1. BACKGROUND

One of the stated goals of the IIRIRA pilot programs is to avoid unnecessary burden on employers. The card-reading feature of the MRDP has the potential to make this program less burdensome to employers than the Basic Pilot, both because the card reader is used to input data electronically and because the card reader automatically transmits information input to the MRDP system for checking against the SSA database.

In addition to examining employer cost and burden, it is useful to examine costs incurred by the Federal Government and employees during the verification process. If a larger scale version of the MRDP were to be implemented, employers might be asked to absorb a larger share of the costs to offset some or all Federal and employee expenses. Further, it is necessary to consider all costs to determine whether the pilot is cost-effective.

One of the key questions related to the burden and cost of the MRDP is whether using the card reader would decrease data input errors, resulting in a reduced burden to employers, employees, and the Federal Government. Because of the problems in implementing the MRDP that were discussed in Chapter III, this question could not be adequately addressed in the evaluation.

The cost figures in this section must be viewed as estimates. Although much of the cost information provided by Federal officials is based on actual financial records, the evaluation team made informed but subjective judgments to allocate costs between the MRDP and other related verification programs.²¹

The cost information provided by employers is sometimes based on actual records and sometimes on their best estimates. Furthermore, most of the employer burden and cost data are based on information reported by the 41 employers that used the MRDP. This is a fairly small sample.

Most of the employee information presented in this section refers to employees who received tentative nonconfirmations, since they are the only employees who could have costs attributable to the pilot. Not only were there few of these employees interviewed (24), but these cases are not representative of all tentative nonconfirmation cases.²²

2. FINDINGS

a. EMPLOYER BURDEN AND COST

Employers reported that the MRDP increased employer burden compared to the procedures they previously used. Only 12 percent of the 41 employers that used the MRDP agreed that it reduced the work associated with collecting and reviewing the documents required for employment verification. On the other hand, almost half (49 percent) of these MRDP users reported that the MRDP increased the burden to process newly hired employees. One specific complaint that many of these employers had was that employment authorization using the MRDP was burdensome because so many employees received tentative nonconfirmations. If the MRDP had not encountered so many problems during implementation,²³ these responses might have been quite different.

²¹ For additional information about how the costs were estimated, see Appendix B.

²² See Chapter II for a discussion of this issue.

²³ Chapter III contains more detailed discussion on the problems employers faced while installing and using the card reader.

Employers were more likely to report that using the MRDP was at least moderately burdensome when using the card reader compared to when they did not use the card reader. Among employers who reported that they sometimes used the card reader when transmitting cases (n=21), 48 percent reported that using the card reader was either moderately or very burdensome, compared to 29 percent that reported at least moderate burden in using the MRDP without the card reader. The remaining employers reported that using the card reader was somewhat burdensome or not at all burdensome. There is no way of knowing what the results would have been if there had been fewer problems, particularly with the card reader, in implementing the MRDP program.²⁴

Approximately half of employers reported that they spent \$100 or less in initial set-up costs for the MRDP and a similar amount annually for operating the system. Fifty-six percent of employers that used the MRDP reported spending \$100 or less for start-up costs, and 54 percent reported spending \$100 or less annually for operating the system. However, 8 percent of employers reported that they spent \$500 or more for start-up costs, and a third reported spending \$500 or more annually for operating costs.

The most frequently mentioned specific start-up costs were for training (34 percent), telephone hook-up (31 percent), and computer hardware (24 percent). The most frequently mentioned operating costs were related to wages for verification staff (35 percent), telephone charges (21 percent), and computer maintenance (11 percent). However, not all costs associated with a new system can be easily quantified. Employers may also incur indirect costs for start-up, such as reassignment of employees, additional recruitment, and delayed production.²⁵ Approximately 85 percent of the establishments reported that the indirect start-up costs were either not a burden or were only a slight burden, and a similar percentage of the employers reported that indirect costs associated with maintaining the system were either not a burden or were only a slight burden (88 percent).

It is important to note that INS paid for the card readers during the pilot test. If employers had been required to buy the card readers, their start-up costs for the card reader would have averaged approximately \$400 per employer and their annual operating costs for the device would have averaged approximately \$100 per employer for maintenance, repair, and replacement. Thus, requiring employers to purchase their card readers would significantly increase their costs and could make them less likely to find that the benefits of the MRDP outweighed the costs.

²⁴ See Chapter III for a discussion of this issue.

²⁵ Delayed production occurs when employers have to slow production for some reason. For example, this could occur with the MRDP if employers fired someone because of a final nonconfirmation, and production slowed while the employer looked for a replacement.

Although the MRDP was not burden free for employers that used it, most employers reported that the benefits of using the MRDP outweighed its disadvantages. Most employers using the MRDP (72 percent) reported that the benefits of the MRDP are stronger than its disadvantages. Another 18 percent believed that the benefits and disadvantages were of approximately equal value. For these employers, any increased employment verification burden is presumably more than offset by the benefits obtained from the program, and it is reasonable to conclude that these employers believed that any extra burden of the MRDP was justified by its benefits. However, it is also reasonable to believe that employers that did not use the system would have had different views on this issue if they had used the MRDP.

b. FEDERAL GOVERNMENT COSTS

Based on information provided by SSA and INS officials, the Federal Government spent approximately \$1.4 million on the MRDP program²⁶ between April 1999 and March 2001²⁷ (see Exhibit IV-3). These costs can be broken into two broad types:

- Start-up costs, such as development of manuals and software, of approximately \$465,000
- Annual operating costs of approximately \$450,000, totaling almost \$900,000 over the period

Annual operating costs can be further broken down into fixed annual costs and costs that vary with the size of the MRDP program²⁸ (see Exhibit IV-4). Annual fixed costs account for most of the annual operating costs (\$381,000 out of a total of \$446,000). Most of these fixed costs were for INS Headquarters (approximately \$191,000) and INS field personnel (approximately \$166,000). If the MRDP had attracted more employers, the fixed costs would have been the same, but the variable costs would have increased. For example, if the MRDP had served 1,000 employers, annual fixed costs would have remained at \$381,000, while variable costs would have increased to an estimated \$500,000.

²⁶ Additional information about how cost estimates were made is provided in Appendix C.

²⁷ Many expenses are estimated, and judgments were made about allocation of certain expenses among the various pilot programs and between the pilots and other programs. In making this allocation, the evaluation team decided not to include any systems development work that was also necessary to support verification of eligibility for government benefit programs. This systems development work would have been required with or without the employment pilot programs. Among these excluded costs were development costs for the Verification Information System (VIS) (\$6.25 million) and the web access method of employment verification (\$510,000). VIS and web access comprise the new equipment and software platform that will support SAVE and employment verification pilot processing in the future.

²⁸ This breakdown is an important first step in understanding the likely long-term costs of employment verification if the MRDP program were to be expanded to include additional employers.

Exhibit IV-3: Estimates of MRDP Pilot Costs to the Federal Government, April 1999-March 2001 (in thousands)

	Total Costs	Annual Costs
Start-up costs		
MRDP software and system development	\$163	
Development of computer-based tutorials	35	
Development of MRDP manuals and pilot notices	10	
Publicity campaign	101	
SSA implementation costs	101	
Computer equipment – Headquarters and Immigration Status Verifiers	55	
Total	\$465	
Operating costs		
INS Headquarters salaries	\$409	\$205
INS field personnel	363	182
SSA salaries for district office staff, telephone, and travel	22	11
Card readers	78	39
Verification query costs	11	5
Production of computer disks, manuals, and pilot notices	5	2
Systems operation and maintenance	4	2
Total	\$892	\$446
Grand total	\$1,356	

NOTE: Numbers in this table were rounded to the nearest \$1,000 after calculations were made, potentially creating the appearance of minor miscalculations.

SOURCE: Estimates prepared by the evaluation team, derived from information provided by SSA and INS.

Exhibit IV-4: Breakdown of Total Annual Operating Costs

	Costs/ Unit	No. of Units	Annual Costs (in thousands)
Fixed costs			
INS Headquarters			\$191
SSA salaries			\$10
INS field personnel			166
Card readers			10
Verification queries			1
Computer disks, manuals, and pilot notices			1
Systems operations			2
Total			\$381
Variable costs			
Proportional to the number of:			
INS implementing offices	\$1,073.00	10	11
SSA cases contested	\$10.81	73	1
INS secondary referrals	6.64	715	5
Establishments	166.00	129	20
New establishments	760.00	32	24
Queries	0.30	16,332	4
Total			65
Grand total			\$446

NOTE: Numbers in the last column of this table were rounded to the nearest \$1,000 after calculations were made, potentially creating the appearance of minor miscalculations.

SOURCE: Estimates prepared by the evaluation team, derived from information provided by INS.

The Federal Government spent approximately \$65,000 a year for variable operating costs during the first 2 years of MRDP operation. The single largest component of Federal operating costs was for those costs proportional to the number of new establishments (\$24,000 in total and \$760 per new employer). This expense includes an estimated cost of \$500 for the card reader and related expenses, such as programming and shipping the machine. Estimated costs proportional to the total number of employers on the system during the year accounted for approximately \$20,000, with a per-establishment estimated cost of \$155. The third largest component of annual variable costs (approximately \$11,000) entailed costs proportional to the number of INS offices (a little more than \$1,000 per office) (see Exhibit IV-4). Costs that vary with the number of INS secondary referrals accounted for \$5,000 (\$6.64 per referral). The total operating cost proportional to the number of queries was also approximately \$5,000 in total, or \$0.30 per query. The costs proportional to the number of SSA cases contested was estimated as \$1,000 (\$10.81 per case).

c. EMPLOYEE BURDEN AND COST

Given the small number of employees interviewed who reported having contested a tentative nonconfirmation finding (24 employees), it is not possible to develop a dollar estimate of employee costs for the MRDP. However, on the basis of information from the MRDP and Basic Pilot employee surveys, combined with the MRDP transaction database information and knowledge of the MRDP program, it is possible to make a number of statements with reasonable confidence about the costs incurred by citizens and work-authorized noncitizens.²⁹

Most work-authorized employees screened by the MRDP incurred no costs attributable to the pilot. The evaluation team estimated that 98 percent of the work-authorized employees verified through the MRDP were electronically verified as work-authorized and did not receive tentative nonconfirmations. Therefore, these employees incurred no costs (Exhibit III-2).³⁰

Most interviewed employees who received tentative nonconfirmations reported no costs associated with resolving the finding; however, some employees did incur tangible costs, and other employees may have incurred costs that they were not aware of. Among the 24 interviewed employees who had received tentative nonconfirmations, only 3 reported having any specific costs. The largest reported cost was incurred by an employee who spent \$175 for someone else to straighten out his record.³¹ A second

²⁹ Non-work-authorized employees also incur costs; however, these costs are the result of the MRDP operating as intended.

³⁰ This estimate uses the model discussed in Section A of this chapter and further documented in Appendix C.

³¹ From the employee interview, it seems that the employee may actually have had expired work authorization at the time of employment.

employee spent approximately \$23 to go to INS to resolve his problem and lost approximately \$45 because of missed time at work. The third employee who reported costs lost \$56 because of missed time from work. One additional employee reported a delay in starting work because of the problem, but did not provide an estimate of the cost of this.

It is also highly likely that some employees were not aware of costs incurred because of tentative nonconfirmation findings. Employees are likely to be unaware of costs associated with tentative nonconfirmations if they are not offered jobs because of these findings. Employees may also be unaware of adverse actions such as being assigned to work fewer hours during the time while they are contesting tentative nonconfirmations.

F. SUMMARY

Chapter III concluded that the MRDP program as implemented in Iowa did not constitute a valid test of a machine-readable program, because of technical and procedural problems. Therefore, relatively little was learned about the use of a card reader as part of an electronic verification program. However, since the implemented MRDP program was essentially the same as the Basic Pilot, the evaluation did provide additional general information about the ability of electronic employment verification programs to meet the basic goals of all of the IIRIRA pilot programs. These policy goals are to create a system that is effective in minimizing the employment of unauthorized workers and that is nondiscriminatory, protective of privacy, and not burdensome. This chapter has presented the following conclusions:

- Although the MRDP provides employers with a tool for identifying employees who have presented counterfeit or altered documents indicating that they are work-authorized, it generally does not detect identity fraud that occurs when borrowed or stolen documents are used or when counterfeit documents with information about real persons are used.
- The MRDP appears to be effective in reducing the level of unauthorized employment at participating establishments. However, the failure of employers to consistently terminate the employment of workers who received final nonconfirmations would threaten the effectiveness of a larger scale electronic employment verification program.
- The MRDP apparently decreased discrimination in recruiting and hiring foreign-born employees because of increased employer willingness to hire *work-authorized* foreign-born employees; this willingness resulted from employers' increased confidence in their ability to distinguish between employees with and without work authorization. However, the MRDP increased discrimination against work-authorized foreign-born employees after employment, because foreign-born employees are more likely than U.S.-born employees to receive tentative nonconfirmation findings, with the attendant burdens that entails. Tentative nonconfirmations were more common than necessary because the INS database is not up to date.

- SSA and INS took reasonable precautions to protect the security of the MRDP Federal databases. However, a few employers did not adequately protect the security of the computers they used for the MRDP, and some employers did not consistently inform employees of tentative nonconfirmation findings in private.
- It appears that most employers that used the MRDP did not find it unduly burdensome; however, they also reported that using the MRDP with the card reader was more burdensome than using it without the card reader. Given the problems in implementing the MRDP, it is not possible to conclude whether the extra Federal costs of the card reader would be justified if a properly functioning MRDP program were implemented.

CHAPTER V. CONSIDERATIONS AND RECOMMENDATIONS FOR THE FUTURE

A. INTRODUCTION

The language of the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) called for a Machine-Readable Document Pilot (MRDP) program that differed from the much larger Basic Pilot program in its use of a card reader to input data from encoded information on a State driver's license or nondriver identification card. The primary specific goals of the MRDP are to increase data accuracy by reducing the data entry errors caused by manual data input, to decrease employer burden associated with electronic employment verification, and to decrease unauthorized employment by using encoded information that would be hard to counterfeit.

As discussed in Chapter III, there were a variety of reasons why the MRDP program as implemented in Iowa did not constitute a valid test of a machine-readable employment verification system. Because of the limitations of the pilot program, this chapter focuses only tangentially on whether future electronic employment verification procedures should rely on machine-readable documents. Instead, the chapter's primary focus is on what the evaluation has added to what is known about the general usefulness of electronic employment verification. This additional knowledge stems from the following factors:

- Iowa differs significantly from the States participating in the Basic Pilot and the Citizen Attestation Verification Pilot (CAVP). Most importantly, as discussed in Chapter I, the concentration of undocumented immigrants and of foreign-born individuals is considerably lower in Iowa than in the other pilot States. This provides the evaluation with an opportunity to assess the likely appeal and usefulness of electronic employment verification in a State with a very different environment than was tested in the other two IIRIRA pilots.
- The MRDP evaluation was the only IIRIRA pilot evaluation for which the evaluation team was able to implement a baseline study before employers started the pilot program. As discussed in Chapter II, such a baseline study provides better insights into the impacts of the pilot than designs that restrict data collection to one point in time.
- The evaluation team was able to modify its survey instruments in light of the results of the Basic Pilot and CAVP evaluations. Employee and, to a lesser extent, employer instruments were modified to collect information related to questions that could not be fully answered in the Basic Pilot or CAVP evaluations.

This chapter focuses on making recommendations for improving future electronic employment verification programs. It therefore discusses only those findings that suggest a need for improvement. Those evaluation findings that indicate that no improvements are needed are, therefore, not summarized here.¹

Section B summarizes major MRDP findings and recommendations that reinforce the findings and recommendations of the previous IIRIRA pilot evaluations. Section C emphasizes results from the MRDP evaluation that have provided the evaluation team with new insights into the nature of electronic employment verification and makes recommendations related to these new observations. Section D presents a general discussion of the feasibility of implementing a viable machine-readable document program for electronic employment verification.

B. MAJOR FINDINGS ABOUT ELECTRONIC EMPLOYMENT VERIFICATION THAT REINFORCE THE FINDINGS OF THE BASIC PILOT AND/OR CAVP EVALUATIONS

This section and the next are organized around three of the four primary goals of the IIRIRA pilot programs: deterring unauthorized employment, reducing discrimination, and preventing undue burden on employers. The fourth goal, ensuring privacy, is not discussed because the evaluation team believes that the current system has adequate safeguards to ensure data privacy and confidentiality and that further discussion is unnecessary. Since some recommended improvements would affect more than one of the three goals discussed, the report lists the recommendation under one of the goals and cross-references it elsewhere.

1. DETECTING UNAUTHORIZED EMPLOYMENT

Both the Basic Pilot and the MRDP have the potential to detect employees using counterfeit documents with information about fictitious persons. Neither, however, provides significant assistance to employers when employees commit identity fraud by providing the employer with real or counterfeit documents containing information about real persons, unless a card reader used in the MRDP identifies counterfeit documents because the information in the magnetic stripe was not correctly replicated. Like the paper Form I-9 process, detection of identity fraud relies primarily on the employer's ability to detect differences in the characteristics of the person presenting the document and the person depicted in the document presented.

Although the MRDP is restricted to States with driver's licenses and nondriver identification cards containing certain information in a machine-readable format, employees are not required to present these documents in the verification process. Moreover, workers often cross State borders to obtain employment and may have a

¹ The Executive Summary contains a summary of all key evaluation findings, both positive and negative.

license or identification document from another State. Therefore, requiring that a machine-readable document be presented is impractical unless all States issued documents with the requisite machine-readable information to both drivers and nondrivers, and unless the card readers used were able to decipher information on all of these State-issued documents. However, as long as machine-readable documents are not required, it is possible for employees to obtain and use fraudulent identity cards other than the machine-readable driver's license or nondriver identification card.

Recommendation 1: INS should not use a machine-readable document as part of the electronic verification process because it is not a practical approach for reducing the number of undocumented workers at this time.

2. DECREASING DISCRIMINATION

a. IMPROVING DATA ACCURACY

Like the other electronic employment verification programs, the MRDP results in discrimination because of INS's problems in keeping its verification database up to date. The evaluation team estimated that approximately 2 percent of all work-authorized employees verified by the MRDP received tentative nonconfirmations. However, the rate of such errors is disproportionately concentrated among work-authorized foreign-born employees, who have an estimated error rate of 11 percent.

Even though INS has taken steps to improve the timeliness of data, further improvements are needed to achieve the level of accuracy that will support an electronic verification system that is not discriminatory. INS will have to make data entry and system improvements an operational priority to minimize the time between arrival in the United States or field office action on a person's immigration or work-authorization status and availability of that information on the Alien Status Verification Index (ASVI) database.

Recommendation 2: To avoid discrimination, INS must minimize the time lag between a person's arrival in the United States or change of immigration or work-authorization status and the availability of data on the ASVI database. These changes must be undertaken before considering implementation of a larger scale electronic employment verification system. (See also Section B2b.)

b. PROTECTING EMPLOYEES' DUE PROCESS RIGHTS

The MRDP and other pilot programs include procedures to protect the rights of work-authorized individuals who receive tentative nonconfirmations. Employers are required to give these employees information about the finding and the procedures to follow if they wish to contest it. Furthermore, when employees choose to contest, employers are not permitted to take adverse actions against them, such as cutting their pay or postponing training. All three IIRIRA pilot evaluations have found that some employers do not consistently follow these required procedures, which results in some work-authorized employees being denied their due process rights. INS does not monitor employers to ensure that they protect employees' due process rights.

INS could take a number of actions in future programs to either decrease the frequency of employer noncompliance or mitigate its negative impacts. One major action, discussed in Section B2a, is to improve the accuracy of the INS database. However, there are practical limits that prevent any database from being totally accurate. It is, therefore, necessary to consider additional actions aimed at reducing employer noncompliance or reducing the effects of noncompliance on employees.

First, INS could work on further educating employers about their responsibilities to protect employee rights under the pilot program. This is especially important when there has been turnover among staff members responsible for employment verification.

Second, INS could monitor employers to ensure that they follow proper procedures and thus protect employees' due process rights. This monitoring should be facilitated by adoption of the management information reports recommended in Section B3c. However, additional administrative monitoring actions, such as random reviews of Form I-9 files, could also be conducted.

Third, INS could modify the software to remind employers of their responsibilities under the MRDP. For example, 3 days after a tentative nonconfirmation, the employer could be prompted to provide an update on the employee's status by entering an appropriate case closure or referral code.

Fourth, the system currently relies solely upon employers to give employees crucial information about their work-authorization status and rights. To augment this procedure, it would be desirable to program the MRDP system to mail a notification directly to the employee.

Each of these four possible program modifications has costs that could be considerable. There are also other possible drawbacks to implementing them. For example, implementation of a monitoring system that includes random reviews might well create such negative reactions among employers that they would not volunteer for the program. Similarly, to send a notification directly to employees, employers would need to input employee address information into the pilot database, thereby increasing employer burden.

Recommendation 3: INS should explore alternative ways of ensuring employer compliance with pilot procedures and ways of decreasing the negative impact of noncompliance on employees. These should include better employer education, monitoring of employer compliance with pilot procedures, software modifications to prompt employers for information, and direct notification of employees who have received tentative nonconfirmations. (See also Recommendation 9.)

3. ENSURING THAT PROGRAM COSTS AND BURDENS ARE NOT UNDULY BURDENSOME

One of the goals for the employment verification pilot programs is to avoid undue burden on employers. Although neither the 1996 legislation establishing the pilot programs nor the conference report explicitly states that Federal costs should be minimized, it is reasonable to expect any Federal program to be as cost-effective as possible.

Previous sections of this chapter made recommendations for ways of decreasing pilot discrimination and improving the ability of electronic employment verification programs to prevent unauthorized employment. These improvements would also increase the benefits of the system. Furthermore, decreasing the number of tentative nonconfirmations issued to work-authorized noncitizens would decrease the workload of employers, employees, and the Federal Government, because these are the most costly cases for each of these participants.

Measures discussed in this section focus on operational ways of making the pilot more efficient. The following topics are discussed: making the system software more user friendly, improving training and technical support, and providing more management information reports to employers and the Federal Government.

a. MAKING THE SYSTEM SOFTWARE MORE USER FRIENDLY

The software system used in the IIRIRA pilot programs was developed from a DOS system that was upgraded, and, as such, it is not sufficiently user friendly. It also lacks adequate edit checking and other features that would improve system performance by preventing, detecting, and anticipating common data entry errors. In the on-site survey, employers reported that some tentative nonconfirmations are generated because of simple data entry errors. Knowing this, software designers should apply technology and software solutions that prompt users to detect data inconsistencies and that reject data that are outside acceptable parameters, such as dates like February 30 and June 31.

In developing a more user-friendly system, INS should make the system as intuitive as possible so that users will need a minimal amount of formal instruction in its use. For example, there has been major progress in the computer field with self-installed software, including different versions for users of various operating systems and platforms. When recent developments are incorporated, technical difficulties will be minimized. This will help to minimize training costs and should further reduce employer data entry errors.

INS is moving toward an Internet-based system for the Basic Pilot program. INS has reported that this new system will include at least some of the changes recommended through the pilot evaluations and should incorporate edit-checking features. The web-based program would eliminate set-up, modem, and compatibility requirements that have been a problem for many employers.

Recommendation 4: MRDP system software needs to be enhanced with improved editing and other features to make it easier to install and operate. If INS implements an Internet-based verification system as planned, these enhancements should be implemented as part of the new system.

b. IMPROVING TRAINING AND TECHNICAL SUPPORT

Developing a user-friendly system, particularly one that is web-based, would decrease the need for user training and technical assistance; however, it would not eliminate these needs entirely. Although most employers reported that they were satisfied with INS training materials and technical assistance, a number of complaints were voiced about these services. Furthermore, many employers reported that they had confronted technical difficulties when installing and using the MRDP system. It is likely that at least some of these problems could have been avoided or ameliorated by better training materials and improved technical assistance.

INS reports that it plans some improvements to the instruction manual. A technical appendix on hardware, software, and compatibility issues could be developed to instruct technical personnel on installation of the modem and to resolve other technical problems that employers frequently cannot manage on their own. The training materials should also incorporate frequently asked questions reported by customer service and technical support staff, which would decrease the amount of time needed for responding to common problems. Such improvements might also increase employer compliance when using the system by reducing mistakes made unwittingly when employers lack a clear understanding of procedures.

In the future, Internet approaches may solve a range of problems employers had with the current MRDP system. Internet-based accessibility to technical information and to educational and training materials could be substituted for traditional types of technical support. Web pages can be designed to be user friendly and also are more easily updated and distributed than hard-copy materials, since universal distribution is automatic. Such technical support could include electronic reference manuals and frequently asked questions. In addition, the ability to send a question via e-mail could help employers obtain technical support. While the availability of competent technical support is essential to the successful operation of any system, some of the technical improvements to the system software suggested above should alleviate much of the need for technical support.

Recommendation 5: In future electronic verification programs, training materials need to provide more detail, especially on technical matters pertaining to system set-up and operation.

Recommendation 6: The technical requirements for future electronic verification programs should be simplified and made more user friendly, and technical support should be available to resolve problems that arise. These services should be incorporated into the Internet system currently being developed.

c. IMPROVING MANAGEMENT INFORMATION REPORTS

The MRDP could be made more efficient by designing and implementing management information reports of interest to employers and the Federal Government. For example, pilot program managers should evaluate regular management reports that identify the types of technical problems reported to technical support staff. These reports should then be used to remedy systemic problems. Additional reports should be generated from the transaction database to monitor system usage, outcomes, and irregularities, such as the frequent omission of information in data fields or query dates that are earlier than hire dates. These reports should be used to develop program improvements and to monitor employers' compliance with pilot requirements.

System monitoring reports should also provide employers with feedback on how well they are doing. For example, INS should develop and provide activity reports that track employer use of the system and final verification information for individual employees. These reports would allow employers to self-monitor and improve their compliance with pilot requirements. For example, employers often fail to complete all data entry steps during the final stages of employee verifications, especially entry of referral and closure codes. The current system allows employers to circumvent this requirement. There are many reasons why this may occur. The absence of a referral code may be inadvertent or indicate that the employer was not certain of the appropriate next step in verifying the work authorization of an employee. However, it may indicate that the employer did not provide the employee with an opportunity to contest a tentative nonconfirmation finding. It is also possible that some employers omitted this step because the available closure codes did not seem relevant to their situation.

An improved system should require the employer to enter codes for all tentative nonconfirmation cases, indicating whether the employee was informed and, if so, whether the employee wanted to contest the finding. Improved closure codes developed with employer input should also be required. Not only would such a system provide better information for evaluation and monitoring, it would ensure that employers know the steps that they should be following during the process.

Recommendation 7: INS should design any future electronic employment verification system to generate quality control and monitoring reports that would provide INS and employers with a clearer picture of how well the system is operating. As part of this process, INS should consider making these reports more useful by revising the information employers are required to enter into the MRDP system. For example, employers could be required to enter closure and referral codes for all cases not resolved by the Social Security Administration (SSA) or INS as work-authorized or not work-authorized.

d. REDESIGNING THE WAY DATABASE CHECKING IS DONE

The evaluation team believes that it is possible to redesign the database checking procedures used in the IIRIRA pilots to make the electronic verification system more efficient. First, the ASVI database used in the automated work verification process does not capture all information available in INS databases that may be used to verify work authorization. When ASVI data do not indicate that the person is work-authorized, Immigration Status Verifiers (ISVs) manually check other INS databases that may have information not contained on the ASVI. It should be possible to design the system to do these additional database checks automatically, thus reducing the number of cases going for ISV review.

INS should also evaluate the cost-effectiveness of electronically checking noncitizen employees against both SSA and INS databases prior to either agency issuing a tentative nonconfirmation. Since SSA and INS use different fields for matching, INS may be able to verify some noncitizens whose records did not match the SSA database because of input errors in their Social Security numbers.

Recommendation 8: INS should examine system improvements that would make the electronic verification process more cost-effective. One example of such an improvement is automating the database checks currently done manually by the ISVs. A second possible change would be to match Form I-9 information against both the SSA and INS databases prior to issuing a tentative nonconfirmation.

C. NEW FINDINGS AND RECOMMENDATIONS ABOUT ELECTRONIC EMPLOYMENT VERIFICATION STEMMING FROM THE MRDP EVALUATION

1. DETECTING UNAUTHORIZED EMPLOYMENT

a. TERMINATING THE EMPLOYMENT OF EMPLOYEES RECEIVING FINAL NONCONFIRMATIONS

One issue explored in this report that was not explored in prior reports was whether employers actually terminate the employment of employees receiving final nonconfirmations, as required by law. Although there were not a sufficient number of employee cases to provide accurate estimates of the frequency with which this happens, it is clear that at least some employers are not terminating the employment of employees receiving final nonconfirmations. It is possible that in some cases there are good reasons for not terminating employment. For example, employees may have provided their employer with additional documentation that the employer accepted. It is also possible that employees straightened out their records with SSA or INS after the 10-day period when cases default to final nonconfirmations. However, if employers fail to terminate employees with final nonconfirmations without good cause when using a larger scale version of the program, it is likely that the impact of electronic employment verification

on undocumented employment would be significantly lower than it would otherwise be. This problem could presumably be remedied by better education and monitoring of employers.

Recommendation 9: INS should explore ways of ensuring employer compliance with the legal requirement to terminate the employment of workers who are not verified as work-authorized. For example, better education and monitoring of employers should be helpful.

b. ESTABLISHING SPECIAL PROCEDURES FOR USE WITH EMPLOYEES HIGHLY LIKELY TO BE UNDOCUMENTED WORKERS

Even if Congress establishes a mandatory national employment verification system, it would be possible for employees without work authorization to work for a succession of employers during the time allotted for verification. If a larger scale electronic employment verification system were to be implemented, this possibility would reduce the effectiveness of the system. From a technical point of view, it is possible to change the verification system to handle cases differently when an employee has had repeated final nonconfirmation findings. Furthermore, it would also be possible to use the program to monitor other indicators of possible fraud. For example, the Commission on Immigration Reform recommended identifying multiple verification queries for an employee that are unlikely to be explained by system errors, job changes, or the simultaneous holding of multiple jobs.

One possible approach to implementing such a recommendation on a test basis would be to use a tentative nonconfirmation letter designed to require an expedited review of these cases. Final nonconfirmations could then be issued within a shorter period than the 10 Federal working days allowed to other employees receiving tentative nonconfirmations. If an electronic employment eligibility program were to be designed to identify certain cases as especially likely to be non-work-authorized workers, procedures must be developed to ensure that the rights of authorized workers are protected.

Recommendation 10: Congress, SSA, and INS should consider the feasibility of using the electronic employment verification system to require expedited resolution in certain cases highly likely to be undocumented workers using fraudulent documents. If this is done, appropriate measures must be taken to ensure that work-authorized employees' rights are protected.

c. INCREASING EMPLOYER PARTICIPATION IN THE PILOT PROGRAMS

When participation in electronic employment verification is restricted to a small number of employers, non-work-authorized noncitizens who would be detected by the electronic verification program have the option of finding employment with non-participating employers. In this situation, the number of workers without employment authorization may drop among participating employers, but overall reduction is likely to be minimal.

If electronic employment verification continues to be voluntary, it is necessary to design a program with widespread appeal to employers. Alternatively, widespread employer participation in an electronic employment verification program could presumably be obtained by mandating participation in the program by all employers or all employers with a certain minimum number of employees. However, even if electronic employment verification were mandatory, it is likely that many employers would avoid full implementation unless they found it appealing or unless stringent enforcement techniques were implemented.

A unique feature of the MRDP program evaluation was the inclusion of intensive recruitment efforts by staff trained in gaining cooperation from study respondents. This methodology provided better estimates of the appeal of electronic employment verification to most employers than was available from the earlier evaluations. The results of this effort indicated that the MRDP did not have widespread appeal to employers in Iowa – a finding that is consistent with observations of SSA and INS staff responsible for recruitment.

Some factors affecting the pilots' appeal to employers are clear from the evaluations. All of these factors identify employers that are relatively likely to benefit from the program. For example:

- Small establishments tend to be less interested in the program than large establishments.
- Employers hiring (or expecting to hire) large numbers of new employees are more likely to be interested in the program.
- Establishments in industries that currently hire large numbers of immigrants are more likely to be interested in the program.
- Companies are more likely to be interested when they can enroll establishments in States that were not targeted for the pilot.
- The requirement for special equipment, such as a dedicated telephone line and a specific type of modem, discourages employers from participating.
- Employers already using other screening mechanisms, such as checks with SSA or commercial background checks, are less likely to be interested in the pilot programs.

Many of the program improvements outlined above that would make installation and operation of the program easier are also likely to broaden the appeal of the MRDP (see Recommendations 4, 5, and 6). In addition to the preceding recommendations for making electronic employment verification more attractive to employers, Congress and INS may wish to consider whether future pilot programs can be modified to give employers added incentives for enrolling.

One incentive that Congress could consider is permitting employers to use the pilot to screen job applicants. The pilot evaluations have documented that one of the most unpopular aspects of the pilots is the need to continue the employment of employees receiving tentative nonconfirmations while they contest the finding. If employers were allowed to screen job applicants this barrier would be lifted. Major reasons for not permitting prescreening in the pilot programs were the concerns that if employers prescreened job applicants, they would not do it consistently for all applicants and would not notify the applicants of tentative nonconfirmations. Some work-authorized persons would, therefore, be deprived of their due process rights. In addition to being unfair, this practice would, it is reasonable to believe, make the pilots more discriminatory. However, based on the results of this evaluation, it is not clear that such negative consequences are inevitable.

The IIRIRA pilot evaluations have documented that use of prohibited screening techniques, such as having job applicants fill out an I-9 form or answer questions about their citizenship status, is fairly common among employers regardless of their participation in an electronic employment verification program. It also appears that the MRDP makes employers more willing to hire foreign-born job applicants. Therefore, it is unclear whether permitting employers to use the system to prescreen job applicants would result in the hiring of more or fewer foreign-born employees.

If Congress were to decide to permit the screening of job applicants, it would be necessary to institute safeguards to ensure that employee due process rights are protected. For example, employers should be required to use the same screening procedures for all job applicants or all applicants meeting clearly specified minimal job qualifications. Employers should also be required to inform applicants promptly of any tentative nonconfirmations and permit them to contest these findings, as it appears that some MRDP employers that currently screen job applicants are doing. Similarly, employers could be given an opportunity to apply one of the following two options to all applicants who express a desire to contest a tentative nonconfirmation: (1) delay hire until the case has been resolved or (2) hire the applicant and permit him or her to work while contesting the case.

A second possible employer incentive is to permit employers to verify employees working at the establishment prior to the start of the pilot. Although employers did not complain about or breach this pilot restriction as often as the restriction on prescreening, permitting verification of these additional employees when the employer enrolled in the program would presumably make electronic verification more attractive to employers that have lower turnover in their workforces.

Recommendation 11: If Congress and INS wish to continue exploration of electronic employment verification, they should consider ways of making the program more attractive to employers. Examples of possible legislative changes that might serve this end include permitting pilot participants to use the pilot to screen job applicants and permitting employers to verify employees hired prior to the start of the program. In considering these possibilities, Congress and INS must address potential negative consequences, such as

increased discrimination resulting from the disproportionate number of tentative nonconfirmations among foreign-born individuals.

2. DECREASING DISCRIMINATION

One major unsettled issue in the Basic Pilot report was whether electronic employment verification made employers more willing to hire foreign-born applicants. The modifications in the MRDP evaluation design and survey instruments allow the evaluation team to provide a tentative answer to this question. At least some employers do appear to be more willing to hire foreign-born job applicants after implementation of the MRDP than they were before the start of the program. This willingness should balance at least some of the increased post-hiring discrimination attributable to the higher incidence of tentative nonconfirmations among foreign-born employees. Moreover, discrimination associated with tentative nonconfirmations can be reduced by implementing a number of the previous recommendations. Even though the small sample sizes of this evaluation preclude the evaluation team from estimating whether the net impact of the MRDP was to increase or decrease discrimination, the evaluation results at least confirm that an electronic employment verification program could potentially result in a net decrease in discrimination.

Recommendation 12: Congress, SSA, and INS should not be deterred from continued exploration of the feasibility of electronic employment verification programs because the impact of electronic verification on discrimination is not conclusive. Although these programs increase post-hiring discrimination against foreign-born employees, there is evidence that the pilots may reduce discrimination related to the hiring of foreign-born job applicants. Nevertheless, Congress and INS need to take recommended actions to decrease discrimination during the post-hiring process. (See also Section B2.)

3. EXPLORING FURTHER THE FEASIBILITY OF MACHINE-READABLE DOCUMENT PILOTS

As stated earlier in Section A, the MRDP pilot as implemented in Iowa is not an adequate test of a machine-readable document program. It is, however, possible that some of the States currently using bar-code technology could be certified for a new test and/or that other States could be certified in the future. It is also possible that INS, other Federal agencies, or States could decide, for reasons unrelated to the pilot programs, to issue documents that would be of use in a machine-readable program. If such a program were to be implemented, it would have the potential to decrease data input errors that have been shown to have adverse effects on employees and that create burdens for employers and the Federal Government. It might also be more effective than the Basic Pilot in deterring unauthorized employment, since it may be hard to counterfeit the magnetic stripe or bar code. However, the evaluation team believes that the effect of using machine-readable technology on reducing unauthorized employment would not be significant as long as employees are permitted to use documents other than those with the requisite embedded information. Additionally, the issue of case-by-case versus batch

electronic verification needs to be addressed if employers do not find the card reader to be as efficient a method of sending queries.

Recommendation 13: If INS determines that there are one or more States that would provide a viable test of an alternative machine-readable document program, INS should consider the following factors before implementing another program:

- ***Do the States that can be certified have a sufficient number of establishments that are likely to be interested in a machine-readable program for the program to be effectively evaluated? Information from the recruitment efforts of the existing pilot programs should provide some of the information needed to answer this question.***
- ***Can INS provide employers with the hardware necessary to operate the program that could easily be installed by employers with minimal computer skills, or is INS willing to provide staff to do the installation? This would require significant modifications to the current card reader and software, as discussed in Chapter III; however, such technical problems should be solvable.***

D. CONCLUSIONS AND RECOMMENDATIONS

This report presents the following conclusions that *reinforce* the conclusions of the Basic Pilot and CAVP reports:

- Electronic employment verification has the potential to reduce counterfeit fraud but is likely to have, at most, a minor impact on identity fraud.
- The INS database used for electronic employment verification is not up to date; as a result, an unacceptably high percentage of work-authorized foreign-born employees receive tentative nonconfirmations.
- There is a considerable amount of employer noncompliance with required pilot procedures.
- The software used by the IIRIRA pilots is not as user friendly as is desirable, does not incorporate generally available edit checks, and does not provide management information reports that would be of use to both employers and the Federal Government.

The following major conclusions of this report *go beyond* the conclusions of the Basic Pilot and CAVP reports:

- The MRDP as implemented in Iowa was not a valid test of a machine-readable program and cannot be modified to provide such a test, because Iowa no longer qualifies for participation in the pilot.

- IIRIRA electronic employment verification is not appealing to many employers, at least in a State such as Iowa that does not have a large foreign-born population. This situation has implications for the consideration of a larger scale program.
- It appears that electronic employment verification reduces discrimination in the recruitment and hiring processes by making employers more comfortable in hiring foreign-appearing job applicants. However, the amount of discrimination shortly after hire increases because foreign-born employees are more likely than U.S.-born employees to receive tentative nonconfirmation findings and the burdens associated with resolving their work-authorization problems.
- Many employers violate the requirement of the MRDP and other IIRIRA pilots to terminate the employment of employees receiving final nonconfirmations, thereby reducing the effectiveness of the pilot in reducing unauthorized employment.

The major recommendations of this report are as follows:

- To reduce the number of work-authorized individuals receiving tentative nonconfirmations, INS should reduce the lag time between arrival in the United States or modification of a noncitizen's work-authorization status and availability of that information on the ASVI database.
- Quality control and monitoring efforts, as well as improved training, must be designed to maximize employer compliance with policies and procedures.
- Measures to make electronic verification programs more attractive to employers should be considered.
- The software used in the electronic verification process by employers and the Federal Government should be improved to increase the data accuracy and cost-effectiveness of the pilots.
- The current MRDP program in Iowa should be ended. However, INS may want to determine whether other States now qualify and would be viable candidates for testing the MRDP.

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GLOSSARY

Term	Definition
Alien	Any person who is not a citizen or a national of the United States. Because the term is found objectionable by some people, it is not generally used in this report.
Alien Number	A unique identification number INS assigns to aliens (noncitizens) when any one of several INS actions occurs that results in the creation of a file on or issuance of secure documentation for the person. Such actions include admission as a permanent resident, asylee, or refugee and issuance of an employment authorization document.
Alien Status Verification Index (ASVI)	An INS database containing information necessary to confirm the immigration and work-authorization status of noncitizens. The database is an extract of the information in the comprehensive INS Central Index System and, for some users, the Nonimmigrant Information System.
Authorized worker	An individual who is allowed to work legally in the United States.
Basic Pilot Integrated program/system	A revised version of the original Basic Pilot program that requires employers to enter Form I-9 data only once to initiate both SSA and INS verification. The computer system forwards relevant information from the employer to SSA and, if necessary, to INS.
Basic Pilot program	The first of three pilot projects for employment verification mandated by Congress in the Illegal Immigration Reform and Immigrant Responsibility Act. It verifies the status of all newly hired employees employed by participating employers in six States.
Biometrics	Biological identifiers, such as fingerprints and retinal scans, that can be used to establish identity with a high degree of certainty.
Breeder documents	Documents used to obtain other documents. For example, a birth parentage certificate is a breeder document for a driver's license.
Card reader	The device that was used for the MRDP program that read information contained in a magnetic stripe on Iowa driver's licenses and nondriver identification cards. The card reader scans the card and immediately transmits the information to SSA.
Card swiping	When employees presented Iowa licenses and nondriver identification cards, the employer would swipe the card through the card reader. Since not all employees provide an Iowa driver's license or nondriver identification card, the MRDP also allows for the employer to input the information manually using the Basic Pilot procedures.

GLOSSARY (continued)

Term	Definition
Central Index System (CIS)	The INS database that is the primary source of information about noncitizens other than nonimmigrants.
Citizen	A person owing loyalty to a particular State, usually by virtue of birth, parentage, or naturalization. Generally used in the report to mean a U.S. citizen.
Citizen Attestation Verification Pilot (CAVP)	The second of three pilot employment verification projects mandated by Congress in the Illegal Immigration Reform and Immigrant Responsibility Act. The CAVP differs from the Basic Pilot in that employees who attest to being U.S. citizens are not verified electronically by the pilot system.
Computer-Based Tutorial (CBT)	A computer-based training program that guides and tests employer representatives on the use of and procedures for the pilot system. INS provides it to employers on a compact disc.
Computer-Linked Application Information Management System (CLAIMS)	An umbrella system that incorporates casework processing and tracking related to INS benefits.
Database	An electronic catalogue of information.
Discrimination	Adverse treatment of individuals based on group identity. In employment situations, discrimination is defined as differential treatment based on individual characteristics, such as race or gender, that are unrelated to productivity or performance.
Employment authorization document (EAD)	A document that is used to verify work authorization. The EAD application is processed at INS field offices and service centers.
Employment authorized	The designation that an employee is authorized to work in the United States. Persons authorized to work include U.S. citizens and nationals and noncitizens in various employment-authorized statuses.
Employment verification	Process of verifying authorization to work in the United States.
Employment Verification Pilot (EVP)	One of the early verification pilot programs instituted under the demonstration authority of the Immigration Reform and Control Act of 1986, as authorized under Executive Order 12781, dated November 20, 1991. This pilot verified the employment status of noncitizens only.
Equal Employment Opportunity (EEO) notices	Posted notices distributed by the Equal Employment Opportunity Commission saying that the employer does not discriminate.

GLOSSARY (continued)

Term	Definition
Establishment	A location where an employer's business is conducted. A single employer can have many establishments.
Executive Order 12781	The Executive Order signed on November 20, 1991, authorizing INS to conduct demonstration projects for alternative employment verification systems. The Telephone Verification Pilot, the Employment Verification Pilot, and the Joint Employment Verification Pilot were conducted under this authority.
Final nonconfirmation	A result on the pilot transaction database indicating that the employee's work eligibility was not established because the employee or the employer did not take the necessary action to resolve a tentative nonconfirmation. This result is only issued after the employer has been notified of a tentative nonconfirmation response.
Firm	Used in this report to refer to the corporate entity associated with establishments in the study. A firm may operate one place of business or more, such as a chain of restaurants. A firm contrasts with an establishment, which is a single physical location at which business is conducted.
Foreign-born	An individual who was born outside of the United States. American citizens can be foreign-born, either because they were born abroad to at least one parent of U.S. citizenship or because they were naturalized or derived U.S. citizenship through their parents.
Foreign national	An individual who is a citizen of a country other than the United States.
Form I-551	A permanent resident card (green card) issued to lawful permanent residents (immigrants) that fulfills both registration and work-authorization requirements.
Form I-551 stamp	A stamp placed in the foreign passport to serve as temporary proof that the holder has been admitted for lawful permanent residence and is authorized to work.
Form I-688B	The older, less secure employment authorization document (EAD) INS issues. It is produced on stand-alone machines at local offices. Over time, INS intends to eliminate the I-688B EAD and issue only the more secure I-766 EAD.
Form I-766	An employment authorization document produced at the four INS service centers. Form I-766 is a state-of-the-art, counterfeit-resistant card that includes a hologram, a photograph, and a fingerprint, among other security features.

GLOSSARY (continued)

Term	Definition
Form I-9	The INS form employers use to verify the work-authorization status of all newly hired workers in the United States. The form was developed following passage of the Immigration Reform and Control Act of 1986. See Appendix E for an example of this form.
Form I-94	An arrival-departure document issued to nonimmigrants, refugees, and asylees and used to fulfill documentary requirements. With an unexpired foreign passport, it can serve as proof of work authorization for certain groups of nonimmigrant workers, primarily those who are admitted to the United States to work for a specific employer.
Fraudulent documents	Documents that are counterfeit or are legitimate but have been altered to change the identifying information or images to represent another person. In this report, the term refers to identity and/or employment authorization documents.
GENESYS	A database, maintained by Marketing Systems Group, that contains demographic and business characteristics of establishments in the United States. It was used in the Basic Pilot program as a sampling frame for non-pilot employers. Information from this database was also used to compare pilot employers with non-pilot employers.
Illegal alien	A noncitizen who has not been lawfully admitted to the United States or who has violated the terms of his/her lawful admission.
Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA)	A major immigration law enacted on September 30, 1996. Among other things, IIRIRA mandated that INS conduct and evaluate three pilot verification programs, including the MRDP.
Immigrant	A noncitizen who has been granted lawful permanent residence in the United States and is issued a Form I-551 (green card). An immigrant may either obtain an immigrant visa at a consular office overseas or, if a visa number is immediately available, adjust status at an INS office in the United States. Also refers to an individual who has moved to a new country with the intent of remaining there for 1 year or more. (See also Lawful permanent resident alien.)
Immigration and Nationality Act of 1952 (INA)	The major body of law that includes provisions relating to immigration and nationality. It has been amended several times, most prominently in 1965, 1976, 1978, 1980, 1986, 1990, and 1996.

GLOSSARY (continued)

Term	Definition
Immigration and Naturalization Service	An agency of the U.S. Department of Justice that was responsible for enforcing the laws regulating the admission of foreign-born persons (i.e., aliens) to the United States and for administering various immigration benefits, including the naturalization of qualified applicants for U.S. citizenship. INS also worked with the U.S. Department of State, the U.S. Department of Health and Human Services, and the United Nations in the admission and resettlement of refugees. After this evaluation was completed, INS was reorganized into several bureaus within the Department of Homeland Security.
Immigration Reform and Control Act of 1986 (IRCA)	A major immigration law enacted on November 6, 1986, to gain control over illegal immigration. It provided for the legalization of certain long-term undocumented aliens and agricultural workers and for increased border enforcement and made it unlawful to hire undocumented workers. It also required that U.S. employers verify the identity and work-authorization status of all persons they hire.
Immigration Status Verifiers (ISVs)	INS field office employees who verify immigration status for participating benefit and licensing agencies and pilot employers. One of their functions is to verify the status of individuals receiving a tentative nonconfirmation from INS.
Indirect costs	A cost that is not identifiable with a specific function, product, or activity. For example, indirect costs associated with setting up the employment verification program can include reassignment of employees, additional recruitment, and delayed production.
Insecure documents	Documents that can easily be altered or counterfeited.
Joint Employment Verification Pilot (JEVP)	A pilot employment verification program, tested with 38 employers in the Chicago area under INS's demonstration authority, that was the precursor to the Basic Pilot program. All newly hired employees were verified with SSA, and the work authorization of noncitizens was verified by INS.
Lawful permanent resident alien	A noncitizen who is admitted to the United States to reside permanently. A green card holder. (See also Immigrant .)
Machine-readable	A magnetic stripe on a driver's license or nondriver identification card that includes a person's name, date of birth, and Social Security number.
Machine-Readable Document Pilot (MRDP)	The third of three pilot employment verification projects mandated by Congress in the Illegal Immigration Reform and Immigrant Responsibility Act. The MRDP is identical to the Basic Pilot except that a machine-readable driver's license may be used to enter employee information into the computer. This pilot was tested only in Iowa.

GLOSSARY (continued)

Term	Definition
Memorandum of Understanding (MOU)	A signed document in which an employer agrees to abide by the provisions of the pilot program and in which INS and SSA agree to provide certain materials and services. See Appendix H.
Nonimmigrant	A noncitizen admitted to the United States with a nonimmigrant visa or under the visa waiver program for a specified temporary purpose and time period. Common examples are tourists, students, and foreign government officials.
Nonimmigrant Information System (NIIS)	This database provides information on nonimmigrant arrivals and departures to support the controlled admission of nonimmigrants to the United States through ports of entry and to track nonimmigrant departures for identifying potential overstays.
Non-pilot employer	An employer who is not participating in the MRDP program.
No show	A result on the transaction database indicating that an employee did not contact SSA or INS to pursue the resolution of a tentative nonconfirmation within the allotted timeframe.
Notice of tentative nonconfirmation	The printed form a pilot employer is to provide notifying an employee that a tentative nonconfirmation has been issued by the verification system and informing the employee of his/her rights and responsibilities with respect to the problem. The employee must sign the form, indicating whether he/she wishes to contest the finding.
Numerical Identification File (NUMIDENT)	The SSA database containing information on all persons issued Social Security numbers. In the employment verification pilots, employers access the NUMIDENT database to confirm the accuracy of the employee's reported Social Security number, name, date of birth, and citizenship/immigration status.
Office of Special Counsel (OSC) for Immigration-Related Unfair Employment Practices	Office established in the U.S. Department of Justice by the Immigration Reform and Control Act of 1986 to provide remedies for immigration-related discrimination related to employer sanctions and employment verification. The office provides a mechanism for dealing with discriminatory employment practices, including hiring and discharge from employment based on citizenship status or national origin.
Operating costs	Recurring costs associated with program operations.
Operator error	An entry incorrectly keyed into an employment verification database by an employer.
Original Basic Pilot States	The five States initially selected for employer participation in the Basic Pilot program – California, Florida, Illinois, New York, and Texas.

GLOSSARY (continued)

Term	Definition
Original Basic Pilot system	The system initially used in the Basic Pilot to confirm employee eligibility. The employer input information to the SSA database by touchtone telephone. If INS contact was necessary, the employer entered additional Form I-9 information using a PC and a modem.
Out-of-status worker	A noncitizen who does not currently have authorization to work in the United States.
Pilot community	The community within which a pilot employer conducts business.
Pilot employee	An individual working for an MRDP employer.
Pilot employer	An employer that has signed a Memorandum of Understanding agreeing to participate in the MRDP program. Not all of these employers are actively using the system at any point in time.
Pilot non-users	Employers who signed the Memorandum of Understanding but are not actually using the MRDP system. In this report, pilot non-users are employers who reported in the employer mail survey that they were not using the system.
Pilot State	A State in which a pilot program is operating. For the MRDP program, the pilot State was Iowa.
Pilot users	Pilot employers who are actually using the MRDP system. In this report, pilot users are employers who reported in the employer mail survey that they are using the system.
Point-of-sale device	A device that is used to record a transaction (usually sale of a product at a retail establishment).
Prescreen	To evaluate the employment authorization status of an individual before hiring him/her. This practice is prohibited.
Primary query	The first step in the computerized pilot employment verification process. The employer enters information from the employee's completed I-9 form and transmits it to SSA and, if necessary, INS.
Probability of selection	The probability of a unit being selected into a sample. For example, if all pilot employers are included in the sample, the probability of selection is 1; if half are included, the probability of selection is 0.5.
Process evaluation	An evaluation to determine if a program is operating efficiently and in a way that is consistent with the original program requirements.
Query	The action of keying information and accessing a database to verify employment eligibility. A single employment verification may involve multiple queries.

GLOSSARY (continued)

Term	Definition
Referral notice	The official notice an employer provides to an employee who wishes to contest a tentative nonconfirmation finding in the verification process. It explains what procedures the employee must follow to resolve his/her case.
Sampling frame	The list from which a sample is selected. For example, for the on-site employer survey the sampling frame was all MRDP establishments that were actively using the pilot system.
Sanctions (of employers)	A provision in section 274A of the Immigration and Nationality Act that makes it unlawful to hire or continue to employ workers who are not authorized to work in the United States. It provides penalties for employers who knowingly hire workers who are not work-authorized.
Secondary verification	The second stage of verification under the pilot programs, in which an INS Immigration Status Verifier seeks additional information relevant to an employee's work-authorization status. This step is required if the electronic SSA and INS verification process cannot confirm work authorization.
Secure documents	Documents that have special features such as holograms, embedded images, biometric identifiers, or other security features that make them difficult to counterfeit. Such documents are issued through processes that are also secure.
Self-terminated	Generally, this means that the employee resigned. However, some employers use this category when they fire an employee for reasons unrelated to the MRDP process.
Social Security Administration (SSA)	An agency of the U.S. Government that is responsible for administering several Federal programs. SSA issues Social Security numbers to eligible persons; provides financial protection to workers and their families, as well as retirement, disability, or survivors benefits; and pays monthly benefits to the aged, blind, or disabled who have few or no resources.
Stakeholders	Individuals and organizations with an interest in a program or issue.
Standard Industrial Codes (SIC)	A standard set of codes developed by the Federal Government to classify industries.
Start-up cost	The costs incurred by a business or the Federal Government to initiate and implement a new program.
Systematic Alien Verification for Entitlements (SAVE)	A program administered by INS and used by benefit-issuing agencies, licensing bureaus, and employment verification pilot employers to determine a noncitizen's immigration status.

GLOSSARY (continued)

Term	Definition
Target population	The individuals or groups of interest to a study. For the MRDP program, the target population consisted of establishments that were mailed surveys, hired at least one person during a specified period of time, and used the MRDP system.
Telephone Verification Pilot (TVP)	The second pilot program initiated in 1995 under INS's demonstration authority. The pilot used Systematic Alien Verification for Entitlements (SAVE) procedures to enable the 238 participating employers in the Los Angeles area to verify the employment eligibility of newly hired noncitizens using personal computers and modems to access the INS database.
Telephone Verification System (TVS)	The first pilot program initiated under INS's demonstration authority in 1992. The pilot used Systematic Alien Verification for Entitlements (SAVE) procedures to enable the nine participating employers to verify the employment eligibility of newly hired noncitizens via telephone.
Tentative nonconfirmation (of work authorization)	The initial response from the employment verification pilot system when an employee's work authorization cannot be immediately confirmed. There are many possible reasons that an employee may receive a tentative nonconfirmation, ranging from employer keying errors to an employee's lack of authorization to work.
Transaction database	The administrative database that captures all MRDP transactions by employers and INS.
Triangulation	The general approach used by the evaluation team to analyze the multiple data sources available. Triangulation involves comparing the results of the analyses of multiple data sources and reconciling or explaining inconsistencies among the findings from the different sources.
Unauthorized worker	A noncitizen who does not have legal permission to work in the United States because of his/her immigration status or because he/she has applied and been found ineligible for work authorization.
Underground economy	Economic activity that is unrecorded in the gross domestic product figures. It includes illegal and criminal activities such as gambling and drug dealing, as well as income that goes unreported to avoid taxation.
Undocumented immigrant	See Illegal alien .

GLOSSARY (continued)

Term	Definition
U.S. citizen	An individual who is born in the United States or attains U.S. citizenship by birth abroad to U.S citizen parents, naturalization, or derivation of citizenship following his/her parents' naturalization.
Verification transaction record	A record in the MRDP transaction database capturing employer-entered information to determine an employee's work authorization.
Web access method of employment verification	A system under development that will allow SSA and INS to administer and employers to participate in the employment verification pilots through the Internet.

APPENDIXES

- A Methodological Notes
- B Cost Estimates for the Federal Government
- C Estimation of the Work-Authorization Status of Unresolved Cases
- D Supplemental Information on Demographic Characteristics of Relevance to the Machine-Readable Document Pilot (MRDP) Program
- E Form I-9
- F Questionnaires
- G Tentative Nonconfirmation and Referral Notices
- H Memorandum of Understanding

Appendix A
Methodological Notes

APPENDIX A. METHODOLOGICAL NOTES

These methodological notes provide additional details on the methods used in the evaluation, including information about weighting, variance estimation, and statistical testing. This section supplements the information outlined in Chapter II.

A. BACKGROUND

The sample selection and estimation used for data collection for the pre- and post-test employer mail surveys, employer on-site interview, Form I-9 sample, and employee on-site interview are based on probability sampling methods. Probability samples allow the evaluation team to compute sampling weights, estimate the precision of sample estimates, and test the statistical significance of study hypotheses. Nonresponse adjustment through weighting implies that, within adjustment cells, nonrespondents are similar to respondents in the characteristics or behavior reported in the surveys or interviews. To the extent that this assumption does not hold, bias in the estimates may result.

B. EMPLOYER WEIGHTING

1. FIRST EMPLOYER MAIL SURVEY

Data from a sample survey typically need to be weighted to achieve an unbiased estimator of the population characteristics. The completed interviews formed the basis of an analytic data set, which required weighting to produce unbiased estimates of the eligible target population of establishments. The following subsections describe the calculation of the weights, including nonresponse adjustment and the calculation of initial weights.

a. INITIAL WEIGHTS

Let p_i^{M1} be the selection probability of the i th establishment for the first mail survey. The initial weight of the i th establishment, $W_{1,i}^{M1}$, for the first mail survey is equal to the inverse of the selection probability, that is,

$$W_{1,i}^{M1} = 1 / p_i^{M1}.$$

Since all 96 establishments were selected to be included in the survey, p_i^{M1} is 1 and the initial weight is equal to 1.

b. NONRESPONSE ADJUSTMENT

In the presence of nonresponse, statistics calculated from a survey may be biased as estimators of the corresponding population characteristics if the nonrespondents and respondents have different characteristics. Therefore, for each sample member on the file,

a weight is produced that adjusts for establishment nonresponse. The nonresponse-adjusted weights were based on weighting-cell adjustment methods,¹ which are described below.

The nonresponse adjustment cells were constructed by classifying the sample establishments by size.² Each eligible establishment was classified into one of several mutually exclusive adjustment cells based on its size. Within each adjustment cell, if there were at least 20 establishments and the response rate was not less than two-thirds of the overall response rate, the nonresponse adjustment factor was calculated. When a given cell did not meet these criteria, a new set of adjustment cells was constructed.

Let $I_i^{M1} = 1$ if the i th employer responded to the mail survey; otherwise, $I_i^{M1} = 0$. The cell-specific response rate ($R_{W.C}^{M1}$) in the c th cell is

$$R_{W.C}^{M1} = \frac{\sum_{i=1} (W_{1.ci}^{M1} \cdot I_{ci}^{M1})}{\sum_{i=1} W_{1.ci}^{M1}},$$

where the summation is over the eligible units. Exhibit A-1 shows the cell-specific response rates and the number of eligible establishments in each cell.

Exhibit A-1: Response Rates by Establishment Size in the MRDP First Mail Survey of Employers

Establishment Size (employees)	Response Rate (%)	Number of Eligible Employers
1-99	84.5	33
100-249	91.7	36
250 and over	81.0	21
Total	86.7	90

The nonresponse-adjusted weight, $W_{2.i}^{M1}$, for the i th responding establishment is

$$W_{2.i}^{M1} = \frac{W_{1.ci}^{M1}}{R_{W.C}^{M1}}.$$

The nonresponse-adjusted weights should be used for unbiased estimation of statistics for the first mail survey.

¹ Little and Rubin, 2002.

² The establishment size was also used for nonresponse adjustment for Basic Pilot surveys.

2. SECOND EMPLOYER MAIL SURVEY

All employees using the pilot and responding to the first mail survey were included in the second mail survey. All 29 eligible establishments responded to the survey. The nonresponse-adjusted weight, $W_{2,i}^{M2}$, for the i th establishment is

$$W_{2,i}^{M2} = W_{2,i}^{M1}.$$

The nonresponse-adjusted weight was used for unbiased estimation of statistics for the second mail survey.

3. TELEPHONE SURVEY OF EMPLOYER NON-USERS

Employers that responded to the first mail survey but had never used the pilot were included in the telephone survey. All 46 eligible establishments responded to the survey. The nonresponse-adjusted weight, $W_{2,i}^P$, for the i th establishment is

$$W_{2,i}^P = W_{2,i}^{M1}.$$

The nonresponse-adjusted weights were used for unbiased estimation of statistics for the telephone survey.

4. EMPLOYER ON-SITE INTERVIEW

All 29 quasi-experimental employers responding to the second mail survey were visited for the on-site interview. An additional 12 non-experimental employers were also included in the on-site interview. All 41 employers participated in the on-site interview. The nonresponse-adjusted weight, $W_{2,i}^O$, for the i th establishment is

$$W_{2,i}^O = W_{2,i}^{M1} \text{ for the 29 respondents to the second mail survey and}$$

$$W_{2,i}^O = 1 \text{ for the additional 12 establishments.}$$

The nonresponse-adjusted weights were used for unbiased estimation of statistics for the on-site interview.

5. LIMITATION OF WEIGHTING

The nonresponse-adjusted mail and on-site weights were constructed by weighting the respondents to known population totals in the given size categories. To the extent that there are differences in the survey items or variables between the respondents and nonrespondents in each size category, however, some nonresponse bias will remain.

C. ANALYSIS OF I-9 FORMS

The first step in selecting I-9 forms was for the interviewer to locate I-9 forms for all employees receiving tentative nonconfirmations at the establishment visited for an on-site

interview, using a list compiled for that purpose from the transaction database. These cases were not eligible for selection during the second and third steps in the process.

The second step consisted of sampling I-9 forms for the pre-test sample of employees. The number of forms to be selected was based on the estimated number of employees hired in the 6 months before the date that the employer received MRDP materials. The number of I-9 forms collected was based on an estimate reported by pilot employers. If the employer reported that 190 or fewer employees had been hired in the 6-month period prior to the start of the MRDP, the interviewer was to photocopy all I-9 forms for these employees. If more than 190 employees were hired during this period, the interviewer selected a systematic random sample from among the I-9 forms.

The third step consisted of sampling I-9 forms for the post-test sample of employees. The same general procedures were used to select these forms that were used for the pre-test sample except for the period for which cases were sampled. For quasi-experimental employers, the post-test included employees hired from the start of the MRDP to the date of the interview. For the 12 non-experimental employers, I-9 forms were collected for employees hired during the 6 months preceding the interview.

Weights for the I-9 forms collected during steps two and three were set equal to the product of the on-site employer survey weight and the inverse of the Form I-9 sampling rate used by the interviewer in selecting the forms for the specified time period. For I-9 forms collected during the first step, the case was given a Form I-9 weight equal to the transaction database weight, if the case was in scope for the Form I-9 sample. Being in scope meant that an I-9 form was found for the employee during step one and that the employee was hired during the time period used for selecting I-9 forms for that employer. If the employee was out of scope, the Form I-9 weight was set to 0.

D. ANALYSES OF THE TRANSACTION DATABASE

INS provided the evaluation team with a data file consisting of 32,663 records from the contractor responsible for capturing information input by employers and Immigration Status Verifiers, as well as the results of the automated verification processes. The file contains data from the inception of the MRDP program until March 18, 2002. The evaluation team merged multiple records for the same hiring event [e.g., a Social Security Administration (SSA) finding and an INS finding] and eliminated duplicate records. The resulting file, referred to in this report as the transaction database, contains data for 21,422 hiring situations (defined as a unique employer/employee combination).

Because basic information is available for all cases transmitted to the transaction database, the resulting sample can be viewed as constituting a census of all transmitted cases and is therefore not subject to sampling error. However, nonsampling errors cannot be completely eliminated. One source of nonsampling error resulted from inaccuracies that occurred during the resolution of duplicate cases. Identification of duplicate cases was not always straightforward. When the employee's name and Social Security number did not match exactly, data coders had to scan the cases visually to determine whether they were duplicates. Thus, the unduplication process was subject to classification errors.

1. EMPLOYEE WEIGHTING

The MRDP evaluation also included in-person interviews with employees of those employers that used the system. Employees were selected from two separate but overlapping sampling frames: the employee transaction database sample and the Form I-9 sample.

a. EMPLOYEE TRANSACTION DATABASE SAMPLE

Sampling Frame

The first sampling frame consisted of all employees having records on the transaction database as of January 2002³ who met one or both of the following criteria:

1. All employees electronically verified through the MRDP on or after June 2001. This sample was restricted by time rather than taking a random sample because older cases are harder to locate than more recent cases (approximately 3,600 cases).
2. All employees who received tentative nonconfirmations from the program (i.e., those who were not immediately verified by the MRDP as work-authorized). These cases are of greatest interest to the evaluation (approximately 600 additional cases).

The transaction database contains the information electronically transmitted by employers during the automated verification process (the database contains limited information such as Social Security number, name, and verification results). This database also includes information from the INS contractor that manages the database of employer queries for new employees' work authorizations.

Base Weights

The base weight for a transaction database employee sample record is computed as the inverse of the selection probability.⁴ The base weight for the i th employee in the transaction database sample is given by

$$w_i = \frac{1}{p_i},$$

where p_i is the overall probability of including the i th employee in the sample.

³ The evaluation team excluded 13,184 employees of employers under investigation by INS. These employees constitute 62 percent of employees screened by the MRDP.

⁴ The sample was not selected on a probability basis, but is treated as a probability sample for weighting purposes.

Nonresponse Adjustment

The total number of cases selected from the transaction database was 4,402. However, only 2,044 cases were assigned for interview. The remaining cases had no addresses or addresses outside of the interview area (Iowa and locations close to Iowa in neighboring States). The weights assigned to the 532 respondents in the employee sample are based on information about all 4,402 cases. To conduct nonresponse adjustment for the transaction database sample, a response status was assigned to every sample record based on the final field disposition documented in the receipt control file. Since the eligibility of some nonrespondents was not known, one of the following four response status groups was assigned to each sample record:

Group 1: Responding records. This group consists of sample records for all eligible employees who provided substantially complete and usable survey data (n=532).

Group 2A: Eligible nonresponding records. This group consists of sample records for all employees who were eligible but did not provide substantially complete and usable survey data, such as employees who refused, were not at home, or lived in Iowa but could not be located (n=88).

Group 2B: Other nonresponding records. This group consists of sample records for all nonresponding employees whose eligibility could not be ascertained (n=1,415).

Group 3: Ineligible records. This group consists of all sample records that are ineligible for the study (n=2,366).

Stratification by outcome. The first step in the weighting process was to divide employee cases into strata on the basis of case outcomes. Since 487 of the 532 interviewed employees had received immediate clearance from SSA, only two strata were used: SSA first-stage employment authorized and all other findings. Since there were only 45 cases in the second stratum, further division of this stratum was not feasible. The following weighting steps were then performed for each of the two strata separately.

First-stage adjustment. The record-level nonresponse adjustment was made in two stages. The first stage distributed the weights of Group 2B to the remaining three groups, for which eligibility had been determined. That is, the first-stage nonresponse adjustment factor within an adjustment class c is defined as the following ratio of sums:

$$F_c^{(1)} = \frac{\sum_{i=1}^{n_1} w_i + \sum_{i=1}^{n_{2A}} w_i + \sum_{i=1}^{n_{2B}} w_i + \sum_{i=1}^{n_3} w_i}{\sum_{i=1}^{n_1} w_i + \sum_{i=1}^{n_{2A}} w_i + \sum_{i=1}^{n_3} w_i},$$

where the sums extending over n_1, n_{2A}, n_{2B} , and n_3 correspond to each of the four groups.

The adjustment factor $F_c^{(1)}$ was then applied to the base weight of the $n_1 + n_{2A} + n_3$ sample records for which eligibility could be determined; that is, the first-stage nonresponse-adjusted weight, w_i^{A1} , is calculated as follows:

$$w_i^{A1} = F_c^{(1)} w_i \text{ for records with eligibility status determined (Groups 1, 2A, and 3)}$$

and

$$w_i^{A1} = 0 \text{ for "other nonresponding" records (Group 2B).}$$

Second-stage adjustment. At the second stage, the previously adjusted weight was distributed to the responding records in the sample (Group 1). The second-stage nonresponse adjustment factor within an adjustment class c is defined as the following ratio of sums:

$$F_c^{(2)} = \frac{\sum_{i=1}^{n_1} w_i^{A1} + \sum_{i=1}^{n_{2A}} w_i^{A1}}{\sum_{i=1}^{n_1} w_i^{A1}},$$

where the sums extending over n_1 and n_{2A} correspond to the responding and eligible nonresponding groups.

Final weights. Analysts applied the second-stage adjustment factor to the first-stage nonresponse-adjusted weight of the n_1 responding records (Group 1) in the sample. That is, the final nonresponse-adjusted weight, w_i^{A2} , for the transaction database is calculated as follows:

$$w_i^{A2} = F_c^{(2)} w_i^{A1} \text{ for responding record (Group 1);}$$

$$w_i^{A2} = 0 \text{ for an eligible nonresponding record (Group 2A); and}$$

$$w_i^{A2} = w_i^{A1} \text{ for an ineligible record (Group 3).}$$

b. THE FORM I-9 SAMPLE

The second sampling frame consisted of I-9 forms (which are supposed to be completed by all new employees and only new employees, whether or not they are participating in a pilot program) collected from the 41 employers interviewed on-site. The interviewers were guided by the sampling forms in selecting the I-9 forms. For the 29 quasi-experimental employers, two samples were selected:

- The Form I-9 pre-test sample, which consisted of employees hired during the 6 months prior to the receipt of the MRDP materials
- The Form I-9 post-test sample, which covered the time from the receipt of the MRDP materials to the time of the interview.

For the 12 non-experimental employers, I-9 forms were selected for the 6 months preceding the interview date.

Initial Weights

The base weight for a Form I-9 employee sample record is computed as the inverse of the selection probability. The base weight for the i th employee in the Form I-9 sample is given by

$$w_i = \frac{1}{p_i},$$

where p_i is the probability of selecting the I-9 form during sample selection.

Final Weights

The final weights for the Form I-9 cases were calculated by multiplying the base weight for the employee by the employer's on-site weight.

Combined Weights

In some cases, statistics are based on information from all respondents in either the Form I-9 or transaction database sampling frame. To prevent undue weight from being given to employee cases in both the Form I-9 sample and the transaction database sample, cases included in both sampling frames were given a combined weight equal to their transaction database weight. For the Form I-9 cases that were not on the transaction database, the Form I-9 weight was used as the combined weight.

E. VARIANCE ESTIMATION AND TESTS OF SIGNIFICANCE

In sample surveys, the variance is used to estimate the precision of the survey estimates. This is especially important when the researcher wants to know whether any differences observed can be explained by chance. Tests of significance indicate the likelihood that observed differences occurred by chance.

Statistical software packages such as SPSS and SAS permit variance estimation for equal probability samples when there is no nonresponse weighting adjustment. These variance estimates are not appropriate for use with the sampling and nonresponse adjustment methods used for the employer surveys and the employee interviews. Instead, in computing test statistics the evaluation team used WesVarPC for variance adjustment among respondent subgroups.

The variance estimates generated by WesVarPC were used for statistical tests of significance. The significance level for the statistical tests was set at 0.05 ($\alpha=5\%$), a commonly used significance level.

Appendix B
Cost Estimates for the Federal Government

APPENDIX B. COST ESTIMATES FOR THE FEDERAL GOVERNMENT

Estimated Federal costs for the MRDP were presented in Chapter IV. This appendix provides information on how these estimates were made.

A. COST ESTIMATES FOR THE MRDP PROGRAM AS IMPLEMENTED

1. OBTAINING PRELIMINARY ESTIMATES

The first step in calculating Federal estimates was to obtain from INS staff estimates of total costs for the three pilot programs authorized under the Illegal Immigration Reform and Immigrant Responsibility Act. These preliminary estimates covered the period from January 1997 through April 2000. As noted in Chapter IV, no formal records were available for estimating many of these costs.

2. BREAKDOWN OF CURRENT COSTS INTO START-UP COSTS AND OPERATING COSTS

The evaluation team made a preliminary attempt to divide the costs provided by INS into start-up costs and operating costs. They then met with INS staff to review these estimates and to clarify what information was included in the various categories. For example, some but not all of INS's original cost estimates were for all Systematic Alien Verification for Entitlements (SAVE) programs. INS and the evaluation team discussed the best way to allocate these costs across programs. Fixed costs that would have been incurred in the absence of the pilot programs (e.g., development costs for software used by SAVE to administer both the benefit-related programs and the pilot programs) were excluded from the cost figures.¹ Other costs (e.g., Headquarters salaries for pilot program staff) were prorated among the pilot programs.

3. FURTHER BREAKDOWN OF OPERATING COSTS

Once a total operating cost for each major item had been estimated, the evaluation team annualized the operating costs by dividing the historical costs by the number of years on which they were based. At that point, no adjustment was made for inflation.

¹ Excluded were costs for developing the Verification Information System (VIS) (\$6.25 million) and the web access method of employment verification (\$510,000). VIS and web access comprise the new equipment and software platform developed for all of the SAVE programs.

For each of the major cost categories listed in Exhibit IV-4, the evaluation team broke the estimated annual cost into the following types of costs related to the MRDP program:²

- Fixed costs
- Cost per establishment
- Cost per new establishment
- Cost per SSA office
- Cost per INS office
- Cost per query
- Cost per SSA referral visit
- Cost per INS second-stage verification

For each cost category, the average annual number of units was also estimated.

4. ADDITIONAL NOTES ON SPECIFIC COSTS

a. INS HEADQUARTERS SALARIES AND EXPENSES

INS was able to provide a good estimate for the total salaries of SAVE staff working on the pilot employment verification projects. SAVE staff estimated that approximately 10 percent of their time was devoted to the MRDP program at the time of the interview. This percentage seems reasonable, given that the MRDP program was far smaller than the Basic Pilot program during this time. The primary task of INS Headquarters staff is to develop policies and systems for the pilot programs. These functions should not be particularly sensitive to measures of pilot program size, such as the number of employers. The evaluation team therefore estimated that 85 percent of INS Headquarters annual costs were for fixed expenses.

Because of the way that budgeting is performed at INS, individual operating units are aware of their total salary costs but not all of the non-salary expenses associated with their employees. Many indirect costs, such as employee benefits, are included in other budget lines. INS provided an internal report that broke down total costs for different types of employees into salary, overhead items (such as training, communications equipment, and office supplies), and employee benefits. An analysis of this information indicated that total INS costs per employee were approximately 2.5 times the employee's base salary. Therefore, the evaluation team estimated that total salary and other costs were 2.5 times the INS estimate of salary costs.

² For any major cost category, only some of the types of costs were applicable. The relevant types of costs were INS Headquarters salaries; INS field personnel; verification query costs; production of computer disks, manuals, and pilot notices; and systems operation and maintenance costs. Costs related to the Social Security Administration (SSA) were excluded.

INS staff also estimated the percentage of their time spent in dealing with establishments, but they could not estimate how their time was split between new establishments and ones that had been in operation for a longer time. The evaluation team believed that establishments new to the pilot program would have more questions than establishments that had more experience with the program. The total expenditure for answering questions was therefore broken down into costs per new employer and costs per experienced employer; costs for new employers were estimated to be five times those of more experienced employers.

b. INS FIELD PERSONNEL

INS was able to provide the evaluation team with the number and approximate grade levels of Immigration Status Verifiers (ISVs) and their supervisors who were responsible for processing most of the tentative nonconfirmation cases in the Los Angeles office.³ To estimate the total salary expense for these employees, the evaluation team used Federal salary levels for Los Angeles in 2000 for employees at step 3 in their respective grades.

The Los Angeles ISVs and their supervisors both indicated that the normal workload for an ISV was 70 cases a day. The average ISV was assumed to work 218 days a year (i.e., 261 total weekdays a year minus 13 sick days, 20 vacation days, and 10 holidays). Thus, the average ISV was assumed to complete 15,260 cases a year. Because there were 3 supervisors for 21 ISVs⁴ in the Los Angeles office, one-seventh of the salary of a GS-9 was added to the ISV salary to estimate the total cost of completing 15,260 cases. The same ratio of total employee-related costs to salaries (2.5) that was used for Headquarters staff was used for field staff. The above information yielded an estimated per-case cost of \$5.62 for the Los Angeles ISVs, as follows:

$$[(\$28,770 + \$38,945/7)*2.5]/15,260$$

The estimate of \$5.62 does not include costs associated with ISVs in other offices because, according to the Los Angeles ISVs, these other staff were involved only in “walk-in” cases in their offices (a fairly rare occurrence) and in cases where the Los Angeles ISV needed information from the noncitizen’s local office to complete the case. It therefore seemed reasonable to estimate that the costs for these other ISVs would add 10 percent to the employee costs for Los Angeles ISVs, for a total per-case cost of \$6.19 for cases that go to secondary verification at INS.⁵

³ INS indicated that the ISVs were at either the GS-5 or GS-7 level but did not indicate what percentage were at these levels. The evaluation team therefore used a salary level halfway between the GS-5 and GS-7 levels in its estimates. Supervisors were at the GS-9 level.

⁴ The total salaries for these staff could not be used, because the ISVs also handled verification for benefit-related programs and for a State-run pilot program, in addition to the INS employment verification programs.

⁵ This cost includes any work that the ISVs must do for cases that are contested by employees, since Los Angeles ISVs are responsible for following an assigned case to its conclusion whether or not it is contested.

c. SSA SALARIES AND EXPENSES

SSA's primary cost for the pilots was the cost of handling cases that were contested at its field offices. SSA estimates that it spent \$10.81 for each case contested.

d. VERIFICATION QUERY COSTS

Because a contractor performed most of the verification query work, INS had good estimates of these costs.

e. PRODUCTION OF COMPUTER DISKS, MANUALS, AND PILOT NOTICES

Tasks such as producing computer disks, manuals, and notices typically entail a fixed cost for setting up the production process, plus a per-item cost. However, the breakdown of the costs into these components is not known precisely.

f. SYSTEMS OPERATION AND MAINTENANCE

INS reported that the systems operation and maintenance costs depended on the number of problems encountered. The evaluation team assumed that most problems would arise regardless of the size of the system. However, it also seems reasonable that the likelihood of problems occurring (or being detected) increases with the number of system users. Therefore, the evaluation team assumed that some of the systems costs would be proportional to the number of establishments enrolled in the pilot program. The proration of fixed and variable costs was approximate.

g. CARD READER COSTS

According to INS, the cost of a card reader is approximately \$400. However, some establishments have more than one card reader. It was estimated that the average Federal expense for providing the card reader to an establishment was \$500 for the initial year. Annual expenses for maintenance and replacement were estimated at \$100 per establishment participating in the program.

5. INFLATION ADJUSTMENT

Because the cost estimates for the MRDP were derived in large part from cost figures provided early in the implementation of the pilot, the evaluation team adjusted all of the cost estimates for inflation, using the Consumer Price Index for 1997-2000.

6. ESTIMATION OF RELEVANT UNITS

a. ESTABLISHMENTS

The number of establishments in the MRDP program was calculated from the information INS maintained on the number of signed Memorandums of Understanding (MOUs) on a monthly basis. These monthly figures were cumulated to estimate the

average number of employers with signed MOUs during the period for which the evaluation team had cost figures.

b. NEW ESTABLISHMENTS

The number of establishments newly enrolled in the MRDP program was estimated by annualizing the number of monthly enrollments recorded by INS during the base period.

c. INS OFFICES

INS provided a list of ISVs within INS district offices. Fifty field offices had ISVs who serviced all three pilot programs. The evaluation team assumed that 25 of these offices serviced MRDP cases, since the MRDP was considerably smaller than the MRDP program.

d. QUERIES

The annual number of queries for the MRDP program was obtained from the MRDP transaction database.

Appendix C

Estimation of the Work-Authorization Status of Unresolved Cases

APPENDIX C. ESTIMATION OF THE WORK-AUTHORIZATION STATUS OF UNRESOLVED CASES

A. BACKGROUND

Several of the pilots' key goals, as articulated in the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) and by stakeholders, required the evaluation team to estimate work-authorization rates for various groups of newly hired employees in establishments participating in the Machine-Readable Document Pilot (MRDP). Examination of the transaction database provided only limited information of use in meeting these goals. The work-authorization rate could not be accurately estimated, since only 0.07 percent of all cases were determined by the MRDP system to be unauthorized, while 7.16 percent of the cases were final nonconfirmation cases. In other words, on the basis of this information alone, the estimated percentage of screened employees who were not work-authorized was between 0.07 and 7.23 percent. This range is too broad to provide a meaningful estimate.

Information from employer and Federal interviews indicated that the final nonconfirmation cases included a mix of work-authorized and non-work-authorized employees. However, this information was not specific enough to provide precise estimates of the percentage of the cases in each category. The evaluation team therefore developed a model for estimating the work-authorization status of employees who had information transmitted to the MRDP. Information about the model is provided in this appendix.

B. MODEL-BASED ESTIMATION FOR SSA CASES

For employees whose records were never sent to INS, the model used information on the observed relationship between the initial findings of the Social Security Administration (SSA) database match and final case resolution (i.e., authorized, not authorized, or final nonconfirmation) to estimate the percentage of unauthorized employees. The model also included assumptions that have not been empirically tested.

Exhibit C-1 provides the basic model for cases in which SSA issues a tentative nonconfirmation. The bold letters in parentheses on the exhibit are for reference purposes.

The purpose of this model is to estimate how many employees who received final nonconfirmation outcomes from SSA would have been found to be work-authorized, given what is known about the cases and a set of "reasonable assumptions." For each SSA tentative nonconfirmation case, the transaction database provides the following information:

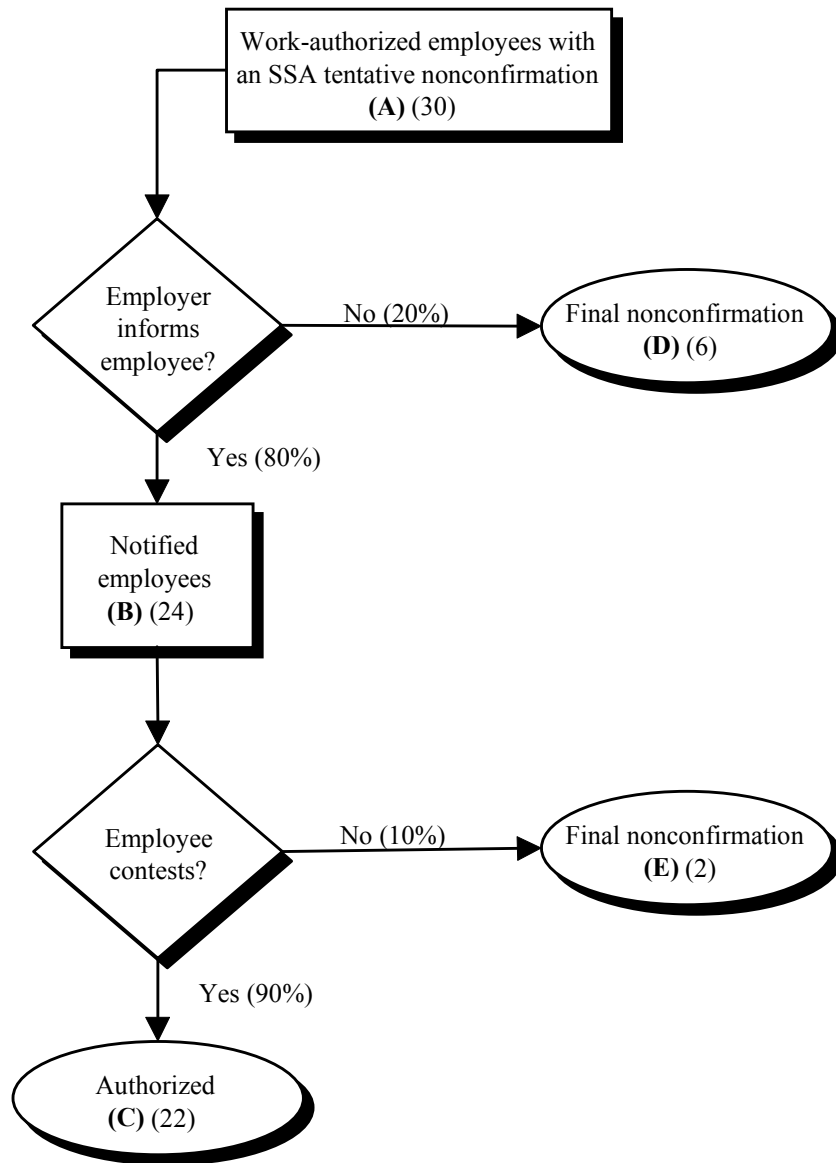
- Final case disposition (i.e., authorized or final nonconfirmation)
- Initial SSA finding (i.e., why the computer match failed)

This information is insufficient for estimating how many work-authorized employees are in the final nonconfirmation category. Therefore, the evaluation team had to use additional reasonable assumptions to estimate the number of employees with final nonconfirmations who would have been determined to be work-authorized by the MRDP system if all cases had been resolved. The following assumptions were used:

1. The probability that an employee receiving a final nonconfirmation from SSA is actually work-authorized¹ depends on the initial reason for the case not being matched on the SSA database. For example, it is reasonable to believe that there are more work-authorized individuals among those non-matched cases for which the employee's name did not match the SSA database than among those for whom both the name and date of birth disagreed. This assumption is consistent with data on the percentage of employees in each category who contested tentative nonconfirmations, assuming that employees in categories with high concentrations of authorized employees are more likely to contest than those in categories with few authorized employees. Employees with employer-input names that disagreed with SSA names were more likely to contest than were employees with a date of birth that did not match the SSA database (18 percent compared to 1 percent) (Exhibit C-2).
2. The percentage of employees informed by their employers of a tentative nonconfirmation from SSA does not depend on the reason for issuing the tentative nonconfirmation, since the employer does not know the reason for the tentative nonconfirmation finding. For example, employees not matched because of an invalid Social Security number were no more or less likely to have been informed of nonconfirmation than were employees whose names did not match the SSA database. In the model, the user estimates this percentage, so alternative scenarios can be tested. Exhibit C-1 models the probability that the employee will move from **(A)** to **(B)** (from tentative nonconfirmation to notification). The illustration assumes that the user has set the percentage of notified employees equal to 80 percent.
3. The percentage of *work-authorized* employees contesting SSA tentative nonconfirmations does not depend on the reason for issuing the tentative nonconfirmation. For example, work-authorized employees not matched because of an invalid Social Security number are no more or less likely to contest than are employees who did not match on date of birth. In the model, the user estimates this percentage, so alternative scenarios can be tested. Exhibit C-1 models the probability that the employee will move from **(B)** to **(C)** (from notification to authorization). The illustration assumes that the user has set the percentage of employees who contest tentative nonconfirmations equal to 90 percent.

¹ To simplify the explanation of the model, employees who were or would have been authorized by the system are referred to as work-authorized. In reality, as discussed in the report, some employees determined to be work-authorized were not actually work-authorized.

Exhibit C-1: MRDP Process Between SSA Tentative Nonconfirmation and Final Determination for Work-Authorized Employees*



* The numbers refer to employees with an initial SSA determination of “name disagrees with SSA” and assume that 80 percent of employees are informed of the tentative nonconfirmation and that 90 percent of work-authorized employees contest the tentative nonconfirmation.

SOURCE: The number authorized (C) is from the transaction database. The remaining numbers are estimated.

Exhibit C-2: Percentage of Employees Receiving Tentative Nonconfirmations from SSA Whose Cases Were Resolved, by Initial SSA Finding*

Initial SSA Finding	Percent of Tentative Nonconfirmation Cases Resolved	No. of Tentative Nonconfirmations
Invalid Social Security number	0.0	170
Date of birth disagrees with SSA database	1.3	310
Name disagrees with SSA database	17.7	124
Name and date of birth disagree with SSA database	0.6	640
Missing initial Social Security Code or Social Security number belongs to deceased person	0.0	70
Unlawful permanent resident – INS must confirm work authorization	32.1	209
Total	6.4	1,523

* The table includes only cases that were verified only by SSA.

SOURCE: Transaction Database

The number of employees determined to be work-authorized for a given SSA initial finding is known. For example, 22 employees with “name disagrees with SSA database” were authorized (**C**).

Mathematically, the number of authorized cases (**C**) is equal to the number of contested cases (**B**) multiplied by the probability that a work-authorized employee will contest the finding. The probability that a work-authorized employee will contest a finding is a user-driven input. For illustrative purposes, assume that the model user has estimated that 90 percent of work-authorized employees will contest an SSA tentative nonconfirmation. In this case, $(C) = 0.9 * (B)$. Mathematically, this is equivalent to $(B) = (C)/0.9$. In the example, $(B) = 22/0.9 = 24$.

The number of employees who were informed of a tentative nonconfirmation can be estimated in a similar fashion, given the user-input assumption of the percentage of work-authorized employees with tentative nonconfirmations who are informed of their status. Continuing with the example and assuming that 80 percent of employees with SSA tentative nonconfirmations are notified, the number of work-authorized employees can be estimated as $(A) = (B)/0.8 = 30$. Thus, the model estimates that the MRDP would have found 30 employees with employer-input names that did not match their SSA names initially to be authorized, if all employees had been properly notified and had chosen to contest their cases.

C. MODEL-BASED ESTIMATES FOR INS

The basic model for cases in which INS issues a tentative nonconfirmation is the same as the model for the SSA cases except that the estimates of final case outcomes are based on the relationship between the initial ISV finding and the final case finding.

1. RANGE ESTIMATION

To obtain a preliminary estimate of the range of possible values for the percentage of unauthorized employees, two scenarios were tested. In the first, all of the user-input parameters were set to 100 percent. This scenario assumes that all work-authorized individuals have already been identified by the system. As expected, this results in an estimate of the percentage unauthorized of 7.2 percent. This is the maximum value.

To obtain a reasonable minimum value, the evaluation team assumed that the product of the percentage of tentative nonconfirmation cases who are informed and the percentage of informed tentative nonconfirmation cases who contest is set equal to the minimum value consistent with the observed rate of employees who actually contested. This resulted in an estimate of 5.9 percent. Thus, the range of estimated values is from 5.9 to 7.2 percent.

2. MATHEMATICAL FORMULATION OF THE MODEL

The tentative nonconfirmation cases were assigned to k strata, based on the reason they were classified as tentative nonconfirmations (see Exhibit C-2).

Assuming that a work-authorized finding occurs only when work-authorized employees are told that they have tentative nonconfirmations and when the employees contest their cases, the observed percentage of work-authorized cases in stratum k can be defined as described below:

The total number of work-authorized employees is equal to

$$N_{\bullet}^{WT} = \sum_k N_k^{WV} + N_{\bullet}^{WI}, \quad (1)$$

where

N_{\bullet}^{WT} = the total number of work-authorized employees in the population;

N_k^{WV} = the number of work-authorized employees who received tentative nonconfirmations in stratum k ; and

N_{\bullet}^{WI} = the total number of work-authorized employees in the population who were resolved as work-authorized without a tentative nonconfirmation.

Since N_{\bullet}^{WI} is observed, N_{\bullet}^{WT} can be estimated from an estimate of $\sum_k N_k^{WV}$.

A formula for estimating N_k^{WV} can be derived by solving the following equation for N_k^{WV} :

$$N_k^{WR} = N_k^{WV} \bullet t_k \bullet c_k, \quad (2)$$

where

- N_k^{WR} = the number of tentative nonconfirmations in stratum k that were resolved as work-authorized;
- t_k = the percentage of work-authorized employees with tentative nonconfirmations who were told of the tentative nonconfirmation; and
- c_k = the percentage of work-authorized employees told of a tentative nonconfirmation who contested and resolved the finding.

Equation (2) can be solved for N_k^{WV} as follows:

$$N_k^{WV} = N_k^{WR} / t_k \bullet c_k. \quad (3)$$

The maximum value of N_k^{WV} is the total number of tentative nonconfirmations in stratum k (N_k^{TV}). This maximum occurs when $t_k \bullet c_k = N_k^{WR} / N_k^{TV}$:

$$N_k^{WV} = N_k^{WR} / (N_k^{WR} / N_k^{TV}),$$

which is equivalent to

$$N_k^{WV} = N_k^{WR} \bullet N_k^{TV} / N_k^{WR}.$$

Further, the value of $(t_k \bullet c_k)$ cannot be greater than 1, since both t_k and c_k are proportions.

Thus, the range of $t_k \bullet c_k$ is given as

$$(N_k^{WR} / N_k^{TV}) \geq t_k \bullet c_k \geq 1. \quad (4)$$

To simplify the model, assume that the initial reason for receiving the tentative nonconfirmation affects neither the probability that the employer will tell the work-authorized employee of the tentative nonconfirmation nor the probability that the employee will contest the finding after being informed. In this situation, t_k and c_k are constant across strata (i.e., $t_k \bullet c_k = t \bullet c$ for all k).

Given this assumption, equation (3) becomes

$$N_k^{WV} = N_k^{WR} / t \bullet c, \quad (5)$$

and summing both sides of the equation leads to

$$\sum_k N_k^{WV} = \sum_k N_k^{WR} / t.c. \text{ and} \quad (6)$$

$$\sum_k N_k^{WV} = (1/t.c.) \cdot \sum_k N_k^{WR} . \quad (7)$$

$\sum_k N_k^{WR}$ is known and is equal to 22 in the example used in Exhibit C-2.

Appendix D

Supplemental Information on Demographic Characteristics of Relevance to the Machine-Readable Document Pilot (MRDP) Program

APPENDIX D. SUPPLEMENTAL INFORMATION ON DEMOGRAPHIC CHARACTERISTICS OF RELEVANCE TO THE MACHINE-READABLE DOCUMENT PILOT (MRDP) PROGRAM

This appendix is designed to supplement Chapter I by presenting more detailed information on relevant demographic characteristics likely to be of interest to some readers. In some cases, comparative information for the Basic Pilot program and the Citizen Attestation Verification Pilot (CAVP) program are also presented. In evaluating pilot programs, it is important to understand their environment to have a better understanding of the context in which a program is implemented.

Environmental context is of particular concern when determining the impact of a larger scale program, if one were to be proposed. For example, a pilot program might be cost-effective only when certain conditions are present, such as the automated management information systems used by large businesses. Policymakers may then use the information to refine the proposed verification system, either by limiting it to certain employer groups or by modifying the procedures employers use.

Only by understanding these contextual issues can the evaluation team identify the effects of the MRDP on factors such as employer targeting of immigrants for recruitment or the extent of hiring discrimination. Chapter I highlights the characteristics of Iowa, where the MRDP program is being conducted, and describes the employers enrolled in the MRDP program. Because the number of characteristics is extensive, the chapter focuses on those that the evaluation team believes to be the most relevant.

A. BACKGROUND

The MRDP program was limited by statute to implementation in States that had driver's licenses and nondriver identification cards meeting certain standards. Iowa was the only State that met these standards at the start of the program and, therefore, was the only State in which the MRDP was implemented. This appendix provides some basic descriptive information about Iowa in comparison to the Nation as a whole and, in some cases, in comparison to the Basic Pilot and CAVP States.

B. STATE SIZE

Exhibit D-1 shows the proportion of the population, the proportion of establishments, and the proportion of the unemployed in Iowa compared to the United States as a whole. Iowa comprises about 1 percent of the U.S. population, business establishments, and the unemployed within the Nation.

Exhibit D-1: Percentage of Population, Establishments, and Unemployment in the MRDP State of Iowa and the United States: 1999

	Iowa	U.S.
Population	1.0	100
Establishments	1.2	100
Unemployment	0.8	100

SOURCE: U.S. Census Bureau, *Statistics of U.S. Businesses, 1999*.

C. FOREIGN-BORN POPULATION

Among the States selected to test the pilot programs authorized by the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA), Iowa is quite different in terms of its foreign-born population than the States participating in the Basic Pilot and CAVP programs. The percentage of the foreign-born population that resides in Iowa (0.3 percent) is lower than in any other pilot State (see Exhibit D-2). Similarly, the percentage of foreign-born persons in Iowa is 3.1, a percentage that is also lower than that observed in the other pilot States as well as the aggregate for the non-pilot States (4.6 percent). However, the foreign-born population has been growing more rapidly in Iowa than in the Nation. Between 1990 and 2000, the foreign-born population in Iowa increased by 110 percent, compared to a national 57 percent increase. However, Iowa's U.S.-born population rose less rapidly than is true for the Nation (4 percent versus 9 percent).

D. UNDOCUMENTED RESIDENT POPULATION

The distribution of the undocumented resident population, as estimated by INS, is similar to the distribution of the total foreign-born population counted in the 2000 Census. Iowa had an estimated 24,000 undocumented residents in 2000. This was less than half the number in Maryland (56,000), which is the smallest of the other pilot States. Iowa's undocumented immigrant population constituted only 0.3 percent of the estimated undocumented immigrant population in the United States (Exhibit D-3).

E. RACIAL/ETHNIC COMPOSITION

According to the 2000 Census, 13 percent of the U.S. population is Hispanic. The corresponding percentage for Iowa is 3 percent (see Exhibit D-4). The racial distribution of Iowa's population is also markedly different than that of the U.S. population as a whole. In Iowa, 94 percent of residents classify themselves as white, compared to 75 percent of U.S. residents (see Exhibit D-5).

Exhibit D-2: Foreign-Born Population of Basic Pilot, CAVP, MRDP (Iowa), and Non-pilot States: 2000

States	Total State Population	Total Foreign-Born Population in State	Percent of State Population Who Are Foreign-Born	Percent of U.S. Foreign-Born Population Residing in State
Basic Pilot States				
California	33,871,648	8,864,255	26.2	28.5
Texas	20,851,820	2,899,642	13.9	9.3
New York	18,976,457	3,868,133	20.4	12.4
Florida	15,982,378	2,670,828	16.7	8.6
Illinois	12,419,293	1,529,058	12.3	4.9
Total	102,101,596	19,831,916	19.4	63.8
CAVP States				
Arizona	5,130,632	656,183	12.8	2.1
Massachusetts	6,349,097	772,983	12.2	2.5
Virginia	7,078,515	570,279	8.1	1.8
Maryland	5,296,486	518,315	9.8	1.7
Michigan	9,938,444	523,589	5.3	1.7
Total	33,793,174	3,041,349	9.0	9.8
MRDP State (Iowa)	2,926,324	91,085	3.1	0.3
Non-pilot States				
Washington	5,894,121	614,457	10.4	2.0
Colorado	4,301,261	369,903	8.6	1.2
New Jersey	8,414,350	1,476,327	17.5	4.7
Remaining States	123,991,080	5,682,852	4.5	18.3
Total	142,600,812	8,143,539	5.7	26.2
U.S. Total	281,421,906	31,107,889	11.1	100.0

SOURCE: U.S. Census Bureau, Census 2000; and U.S. Immigration and Naturalization Service, *Estimates of the Unauthorized Immigrant Population Residing in the United States: 1990 to 2000*, January 2003.

Exhibit D-3: Estimated Undocumented Immigrant Population Residing in Basic Pilot, CAVP, MRDP (Iowa), and Non-pilot States: 2000

States	Total State Population	Total Undocumented Population in State	Percent of State Population Who Are Undocumented Immigrants	Percent of All Undocumented Immigrants Residing in State
Basic Pilot States				
California	33,871,648	2,209,000	6.5	31.6
Texas	20,851,820	1,041,000	5.0	14.9
New York	18,976,457	489,000	2.6	7.0
Florida	15,982,378	337,000	2.1	4.8
Illinois	12,419,293	432,000	3.5	6.2
Total	102,101,596	4,508,000	4.4	64.5
CAVP States				
Arizona	5,130,632	283,000	5.5	4.0
Massachusetts	6,349,097	87,000	1.4	1.2
Virginia	7,078,515	103,000	1.5	1.5
Maryland	5,296,486	56,000	1.1	0.8
Michigan	9,938,444	70,000	0.7	1.0
Total	33,793,174	599,000	1.8	8.5
MRDP State (Iowa)	2,926,324	24,000	0.8	0.3
Non-pilot States				
Washington	5,894,121	136,000	2.3	1.9
Colorado	4,301,261	144,000	3.3	2.1
New Jersey	8,414,350	221,000	2.6	3.2
Remaining States	123,991,080	1,368,000	1.1	19.5
Total	142,600,812	1,869,000	1.3	26.7
U.S. Total	281,421,906	7,000,000	2.5	100.0

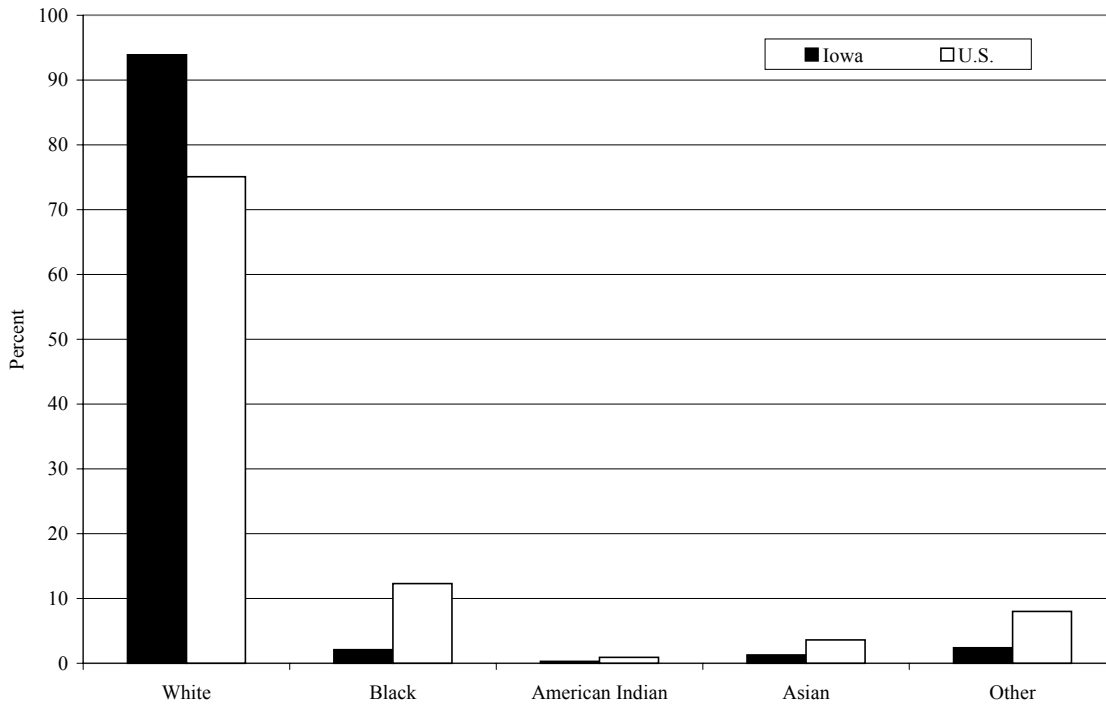
SOURCE: U.S. Census Bureau, Census 2000; and U.S. Immigration and Naturalization Service, *Estimates of the Unauthorized Immigrant Population Residing in the United States: 1990 to 2000*, January 2003.

Exhibit D-4: Hispanic Origin in the Basic Pilot, CAVP, MRDP (Iowa), and Non-pilot States: 2000

States	Total State Population	Total Hispanic Population in State	Percent of State Population Who Are Hispanic	Percent of U.S. Hispanic Population Residing in State
Basic Pilot States				
California	33,871,648	10,966,556	32.4	31.1
Texas	20,851,820	6,669,666	32.0	18.9
New York	18,976,457	2,867,583	15.1	8.1
Florida	15,982,378	2,682,715	16.8	7.6
Illinois	12,419,293	1,530,262	12.3	4.3
Total	102,101,596	24,716,782	24.2	70.0
CAVP States				
Arizona	5,130,632	1,295,617	25.3	3.7
Massachusetts	6,349,097	428,729	6.8	1.2
Virginia	7,078,515	329,540	4.7	0.9
Maryland	5,296,486	227,916	4.3	0.6
Michigan	9,938,444	323,877	3.3	0.9
Total	33,793,174	2,605,679	7.7	7.4
MRDP State (Iowa)	2,926,324	82,473	2.8	0.2
Non-pilot States				
Washington	5,894,121	441,509	7.5	1.3
Colorado	4,301,261	735,601	17.1	2.1
New Jersey	8,414,350	1,117,191	13.3	3.2
Remaining States	123,991,080	5,606,583	4.5	15.9
Total	142,600,812	7,900,884	5.5	22.4
U.S. Total	281,421,906	35,305,818	12.5	100.0

SOURCE: U.S. Census Bureau, Census 2000; and U.S. Immigration and Naturalization Service, *Estimates of the Unauthorized Immigrant Population Residing in the United States: 1990 to 2000*, January 2003.

Exhibit D-5: Racial Distribution of the Population in Iowa and the United States: 2000



NOTE: Hispanic individuals are classified by race in this chart.

SOURCE: U.S. Census Bureau, Census 2000.

F. POPULATION DENSITY

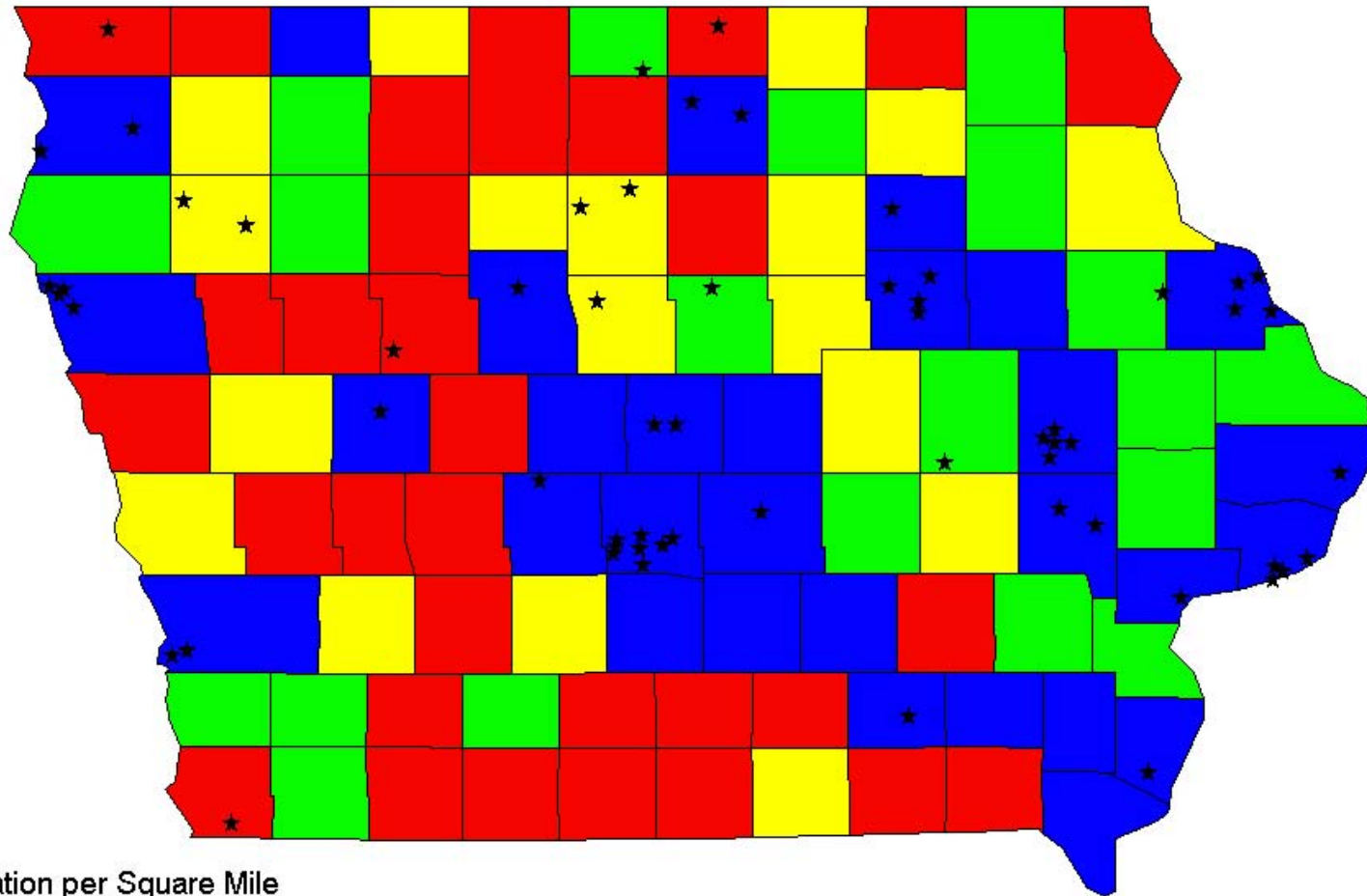
Iowa is considerably less densely populated than the United States overall. Iowa’s population density is 52 persons per square mile, compared to an average of 80 people per square mile in the United States as a whole.¹

G. COMMUNITY CHARACTERISTICS

Iowa has a land area of 55,869 square miles. Much of Iowa is rural and agricultural. Within the United States, Iowa ranks 30th in population and 23rd in land area. The three largest cities are Des Moines (population 198,682), Cedar Rapids (population 120,758), and Davenport (population 98,359). The pilot programs tend to be clustered around these major cities (Exhibit D-6).

¹ U.S. Census Bureau, 2000.

Exhibit D-6: Population Density and Location of INS Pilot Firms in Iowa, by County



Population per Square Mile

- 22 or less
- 23 to 28
- 28 to 33
- 34 or more

Appendix E

Form I-9

Employment Eligibility Verification

INSTRUCTIONS

PLEASE READ ALL INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS FORM.

Anti-Discrimination Notice. It is illegal to discriminate against any individual (other than an alien not authorized to work in the U.S.) in hiring, discharging, or recruiting or referring for a fee because of that individual's national origin or citizenship status. It is illegal to discriminate against work eligible individuals. Employers **CANNOT** specify which document(s) they will accept from an employee. The refusal to hire an individual because of a future expiration date may also constitute illegal discrimination.

Section 1 - Employee. All employees, citizens and noncitizens, hired after November 6, 1986, must complete Section 1 of this form at the time of hire, which is the actual beginning of employment. **The employer is responsible for ensuring that Section 1 is timely and properly completed.**

Preparer/Translator Certification. The Preparer/Translator Certification must be completed if Section 1 is prepared by a person other than the employee. A preparer/translator may be used only when the employee is unable to complete Section 1 on his/her own. However, the employee must still sign Section 1.

Section 2 - Employer. For the purpose of completing this form, the term "employer" includes those recruiters and referrers for a fee who are agricultural associations, agricultural employers or farm labor contractors.

Employers must complete Section 2 by examining evidence of identity and employment eligibility within three (3) business days of the date employment begins. If employees are authorized to work, but are unable to present the required document(s) within three business days, they must present a receipt for the application of the document(s) within three business days and the actual document(s) within ninety (90) days. However, if employers hire individuals for a duration of less than three business days, Section 2 must be completed at the time employment begins. **Employers must record: 1) document title; 2) issuing authority; 3) document number, 4) expiration date, if any; and 5) the date employment begins.** Employers must sign and date the certification. Employees must present original documents. Employers may, but are not required to, photocopy the document(s) presented. These photocopies may only be used for the verification process and must be retained with the I-9. **However, employers are still responsible for completing the I-9.**

Section 3 - Updating and Reverification. Employers must complete Section 3 when updating and/or reverifying the I-9. Employers must reverify employment eligibility of their employees on or before the expiration date recorded in Section 1. Employers **CANNOT** specify which document(s) they will accept from an employee.

- If an employee's name has changed at the time this form is being updated/ reverified, complete Block A.
- If an employee is rehired within three (3) years of the date this form was originally completed and the employee is still eligible to be employed on the same basis as previously indicated on this form (updating), complete Block B and the signature block.

- If an employee is rehired within three (3) years of the date this form was originally completed and the employee's work authorization has expired or if a current employee's work authorization is about to expire (reverification), complete Block B and:
 - examine any document that reflects that the employee is authorized to work in the U.S. (see List A or C),
 - record the document title, document number and expiration date (if any) in Block C, and complete the signature block.

Photocopying and Retaining Form I-9. A blank I-9 may be reproduced, provided both sides are copied. The Instructions must be available to all employees completing this form. Employers must retain completed I-9s for three (3) years after the date of hire or one (1) year after the date employment ends, whichever is later.

For more detailed information, you may refer to the INS Handbook for Employers, (Form M-274). You may obtain the handbook at your local INS office.

Privacy Act Notice. The authority for collecting this information is the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 USC 1324a).

This information is for employers to verify the eligibility of individuals for employment to preclude the unlawful hiring, or recruiting or referring for a fee, of aliens who are not authorized to work in the United States.

This information will be used by employers as a record of their basis for determining eligibility of an employee to work in the United States. The form will be kept by the employer and made available for inspection by officials of the U.S. Immigration and Naturalization Service, the Department of Labor and the Office of Special Counsel for Immigration Related Unfair Employment Practices.

Submission of the information required in this form is voluntary. However, an individual may not begin employment unless this form is completed, since employers are subject to civil or criminal penalties if they do not comply with the Immigration Reform and Control Act of 1986.

Reporting Burden. We try to create forms and instructions that are accurate, can be easily understood and which impose the least possible burden on you to provide us with information. Often this is difficult because some immigration laws are very complex. Accordingly, the reporting burden for this collection of information is computed as follows: **1) learning about this form, 5 minutes; 2) completing the form, 5 minutes; and 3) assembling and filing (recordkeeping) the form, 5 minutes, for an average of 15 minutes per response.** If you have comments regarding the accuracy of this burden estimate, or suggestions for making this form simpler, you can write to the Immigration and Naturalization Service, HQPDI, 425 I Street, N.W., Room 4034, Washington, DC 20536. OMB No. 1115-0136.

Employment Eligibility Verification

Please read instructions carefully before completing this form. The instructions must be available during completion of this form. **ANTI-DISCRIMINATION NOTICE:** It is illegal to discriminate against work eligible individuals. Employers **CANNOT** specify which document(s) they will accept from an employee. The refusal to hire an individual because of a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Verification. To be completed and signed by employee at the time employment begins.

Print Name: Last	First	Middle Initial	Maiden Name
Address (Street Name and Number)		Apt. #	Date of Birth (month/day/year)
City	State	Zip Code	Social Security #
I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.		I attest, under penalty of perjury, that I am (check one of the following): <input type="checkbox"/> A citizen or national of the United States <input type="checkbox"/> A Lawful Permanent Resident (Alien # A _____) <input type="checkbox"/> An alien authorized to work until ___/___/___ (Alien # or Admission #) _____	
Employee's Signature			Date (month/day/year)

Preparer and/or Translator Certification. (To be completed and signed if Section 1 is prepared by a person other than the employee.) I attest, under penalty of perjury, that I have assisted in the completion of this form and that to the best of my knowledge the information is true and correct.

Preparer's/Translator's Signature	Print Name
Address (Street Name and Number, City, State, Zip Code)	
Date (month/day/year)	

Section 2. Employer Review and Verification. To be completed and signed by employer. Examine one document from List A OR examine one document from List B and one from List C, as listed on the reverse of this form, and record the title, number and expiration date, if any, of the document(s)

List A	OR	List B	AND	List C
Document title: _____		_____		_____
Issuing authority: _____		_____		_____
Document #: _____		_____		_____
Expiration Date (if any): ___/___/___		___/___/___		___/___/___
Document #: _____				
Expiration Date (if any): ___/___/___				

CERTIFICATION - I attest, under penalty of perjury, that I have examined the document(s) presented by the above-named employee, that the above-listed document(s) appear to be genuine and to relate to the employee named, that the employee began employment on (month/day/year) ___/___/___ and that to the best of my knowledge the employee is eligible to work in the United States. (State employment agencies may omit the date the employee began employment.)

Signature of Employer or Authorized Representative	Print Name	Title
Business or Organization Name	Address (Street Name and Number, City, State, Zip Code)	Date (month/day/year)

Section 3. Updating and Reverification. To be completed and signed by employer.

A. New Name (if applicable)	B. Date of rehire (month/day/year) (if applicable)
C. If employee's previous grant of work authorization has expired, provide the information below for the document that establishes current employment eligibility.	
Document Title: _____	Document #: _____
Expiration Date (if any): ___/___/___	
I attest, under penalty of perjury, that to the best of my knowledge, this employee is eligible to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.	
Signature of Employer or Authorized Representative	Date (month/day/year)

LISTS OF ACCEPTABLE DOCUMENTS

LIST A	LIST B	LIST C
<p>Documents that Establish Both Identity and Employment Eligibility</p>	<p>Documents that Establish Identity</p>	<p>Documents that Establish Employment Eligibility</p>
OR	AND	
<ol style="list-style-type: none"> 1. U.S. Passport (unexpired or expired) 2. Certificate of U.S. Citizenship (<i>INS Form N-560 or N-561</i>) 3. Certificate of Naturalization (<i>INS Form N-550 or N-570</i>) 4. Unexpired foreign passport, with <i>I-551 stamp</i> or attached <i>INS Form I-94</i> indicating unexpired employment authorization 5. Permanent Resident Card or Alien Registration Receipt Card with photograph (<i>INS Form I-151 or I-551</i>) 6. Unexpired Temporary Resident Card (<i>INS Form I-688</i>) 7. Unexpired Employment Authorization Card (<i>INS Form I-688A</i>) 8. Unexpired Reentry Permit (<i>INS Form I-327</i>) 9. Unexpired Refugee Travel Document (<i>INS Form I-571</i>) 10. Unexpired Employment Authorization Document issued by the INS which contains a photograph (<i>INS Form I-688B</i>) 	<ol style="list-style-type: none"> 1. Driver's license or ID card issued by a state or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color and address 2. ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color and address 3. School ID card with a photograph 4. Voter's registration card 5. U.S. Military card or draft record 6. Military dependent's ID card 7. U.S. Coast Guard Merchant Mariner Card 8. Native American tribal document 9. Driver's license issued by a Canadian government authority <p style="text-align: center; font-weight: bold; margin: 5px 0;">For persons under age 18 who are unable to present a document listed above:</p> <ol style="list-style-type: none"> 10. School record or report card 11. Clinic, doctor or hospital record 12. Day-care or nursery school record 	<ol style="list-style-type: none"> 1. U.S. social security card issued by the Social Security Administration (<i>other than a card stating it is not valid for employment</i>) 2. Certification of Birth Abroad issued by the Department of State (<i>Form FS-545 or Form DS-1350</i>) 3. Original or certified copy of a birth certificate issued by a state, county, municipal authority or outlying possession of the United States bearing an official seal 4. Native American tribal document 5. U.S. Citizen ID Card (<i>INS Form I-197</i>) 6. ID Card for use of Resident Citizen in the United States (<i>INS Form I-179</i>) 7. Unexpired employment authorization document issued by the INS (<i>other than those listed under List A</i>)

Illustrations of many of these documents appear in Part 8 of the Handbook for Employers (M-274)

* In 1996, the old version of the permanent resident card, the Form I-151, was deleted as an acceptable List A document and the new employment authorization document, the Form I-766, was added as a List A document. In 1997, INS published an interim rule removing four documents from List A, including the Certificate of United States Citizenship, the Certificate of Naturalization, the Re-entry Permit, and the Refugee Travel Document. INS does not take enforcement action against employers who accept any of these documents.

Appendix F
Questionnaires



(AFFIX LABEL HERE)

The 1996 Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) (P.L. 104-208) that mandated the evaluation of pilot employment verification programs authorizes collection of data for this study. In signing the Memorandum of Understanding agreeing to participate in the Machine-Readable Document Pilot, you also agreed to participate in this mandated program evaluation. All information collected in this evaluation will be treated as confidential by the study contractors (Temple University and Westat). They will use the information solely for statistical purposes and will not release information in a form that would permit the respondent to be identified. Information you provide will not be used by INS or other organizations for enforcement purposes. If you have any questions about this study, please contact Louise Hanson, Temple University, 1-800-827-5477 or contact the INS Clearance Officer, Mr. Robert B. Briggs, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW, Washington, DC 20530; OMB No. 1115-0234.

INSTRUCTIONS

This questionnaire includes a number of questions about employment verification at your establishment. You may not be the person who is most knowledgeable about all aspects of the process. If there are others at your establishment who are better able to answer some of these questions, we would appreciate your obtaining the necessary information from them. Please return the entire package to us in the enclosed envelope.

Thank you for your help.

A. MACHINE-READABLE DOCUMENT PILOT PARTICIPATION

A1. Prior to this current Machine-Readable Document Pilot (MRDP) survey, has this establishment ever participated in an INS pilot employment verification program?

1 Yes

5 No → **GO TO QUESTION A5**

A2. Which one or ones?

[Please mark all that apply]

- a TVP (Telephone Verification Pilot)
- b EVP (Employment Verification Pilot)
- c JEVP (Joint Employment Verification Pilot)
- d BASIC Pilot Program - original
- e BASIC Pilot Program — integrated
- f Don't Know

A3. When did this establishment first start using this/these pilot system(s)?


<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
MONTH		YEAR			

A4. When did this establishment last use this/these pilot system(s)?


<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
MONTH		YEAR			

A5. What was the main reason this establishment agreed to participate in the Machine-Readable Document Pilot (MRDP)?

[Please mark only one main reason]

- 1 To avoid INS audit, raid or fine
- 2 To improve work eligibility screening
- 3 To satisfy a client's request
- 4 Other - **Specify** 

A6. Please indicate whether or not each of the following was a reservation or concern that this establishment had about participating in the MRDP?

	Yes	No
a. Equipment or remodeling costs	a. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
b. Reliability of SSA/INS databases	b. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
c. The need for a modem	c. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
d. Need for a dedicated phone line	d. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
e. Anticipated difficulty in holding on to employees licenses until verification	e. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
f. Components of our company outside Iowa could not participate	f. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
g. Concerns about Memorandum of Understanding (MOU)	g. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
h. Concerns about employee burden when employees need to contact SSA/INS	h. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
i. Concerns about work interruptions when employees need to contact SSA/INS	i. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
j. Do not feel comfortable confronting newly hired employees who are not found to be work eligible	j. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
k. Staffing (e.g., new position, reassignment of employees)	k. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
l. Time constraints	l. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
m. Increased burden on human resources staff	m. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
n. Company hires very few new employees	n. 1 <input type="checkbox"/>	5 <input type="checkbox"/>
o. Other - Specify 	o. 1 <input type="checkbox"/>	5 <input type="checkbox"/>

A7. Which reason given in question A6 was the main reservation or concern that this establishment had about participating in the MRDP?

- 1 All answers to question A6 are 'No.'
- 2 Enter the letter that corresponds to the main concern.
Please choose only one main concern.

(Letter)

B. EMPLOYMENT VERIFICATION PROCEDURES

Please think about the I-9 procedures that are currently in place at your establishment.

B1. During the past six months, for which employees did this establishment verify work authorization?

[Please mark all that apply]

- a Employees who work at this establishment
- b Employees who work at other establishments or branches of this firm
- c Employees who work at other companies
- d There were no verifications

B2. During the past six months, approximately what percent of the work authorization verifications for this establishment were conducted by another establishment or firm?

- 0 None
- 1 30 percent or less
- 2 31-60 percent
- 3 61-90 percent
- 4 Over 90 percent

B3. During the past six months, approximately how many people were hired by this establishment?

, PEOPLE HIRED

B4. During the past six months, approximately how many people were verified by this establishment?

, EMPLOYEES VERIFIED

IF NO VERIFICATIONS, GO TO QUESTION B8 →

B5. Please provide your best estimate of the percentage of employees verified by this establishment during the past six months who presented counterfeit documents (documents that were altered or forged).

- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 21-40 percent
- 7 41-60 percent
- 8 Over 60 percent

B6. Please provide your best estimate of the percentage of the employees verified by this establishment during the past six months who presented 'real' documents that belonged to another person.

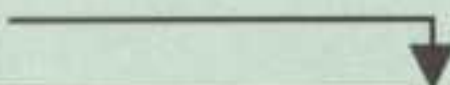
- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 21-40 percent
- 7 41-60 percent
- 8 Over 60 percent

B7. Please provide your best estimate of the percentage of the employees verified by this establishment during the past six months who falsely claimed to be U.S. citizens.

- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 21-40 percent
- 7 41-60 percent
- 8 Over 60 percent

B8. What forms of assistance does this establishment provide to employees during the employment verification process?

[Please mark all that apply]

- a Staff available to answer questions and assist with the completion of I-9 Forms
- b Access to copiers, telephone, fax machines, etc.
- c Paid time off work to resolve work eligibility problems
- d Unpaid time off work to resolve work eligibility problems
- e Translators
- f Address and telephone numbers of agencies to call
- g Other - **Specify** 

B9. Now, please consider the burden associated with the verification process. Is the verification process...

- 1 An extreme burden,
- 2 A moderate burden,
- 3 A slight burden, or
- 4 Not a burden at all?

C. ESTABLISHMENT CHARACTERISTICS

Please answer the following questions for this establishment (site) only.

C1. In what month and year did you start operations here?

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

MONTH

YEAR

C2. What kind of work is done at this establishment; i.e., what kind of product(s) are made here or what kind of services are performed?

C3. Is this establishment part of a company that has establishments outside the U.S.?

1 Yes

5 No

8 Don't know

GO TO QUESTION C5

C4. In which country is the headquarters located?

1 United States

5 Other - *Specify*

8 Don't know

C5. Is this establishment a personnel or temporary employee company that supplies workers for other firms?

1 Yes

5 No

C6. Please estimate the number of current employees of this establishment in each of the following categories.

[Do not count employees of contract or temporary service agencies who work at your site; do count any of this establishment's employees who work under contract at another site.]

a. Full-time permanent		□	,	□	□	□	□
b. Part-time permanent		□	,	□	□	□	□
c. On a temporary basis		□	,	□	□	□	□
TOTAL		□	□	,	□	□	□

C7. Please estimate the percent of current employees of this establishment who are...

	% of All Employees
a. Salaried. (e.g., managers, professionals and technical staff)	_____ %
b. Skilled hourly. (e.g., sales, office, clerical and craft workers)	_____ %
c. Unskilled hourly. (e.g., operatives, laborers and service workers)	_____ %
TOTAL	100 %

C8. Please estimate the percent of current employees of this establishment who are...

	% of All Employees
a. Hispanic or Latino (any race)	_____ %
b. African American - Non-Hispanic	_____ %
c. White - Non-Hispanic	_____ %
d. Asian	_____ %
e. Other race	_____ %

C9. Approximately what percent of current employees of this establishment are union members?

- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 21-40 percent
- 7 41-60 percent
- 8 Over 60 percent

MARK THIS BOX IF THERE ARE NO HOURLY EMPLOYEES AT THIS ESTABLISHMENT. THEN GO TO QUESTION C11.

C10a. Approximately what percent of current hourly employees of this establishment have as their highest level of education...

- a. A high school diploma or equivalent?
- b. A college or professional degree?

C10b. Approximately what percent of current hourly employees of this establishment...

- c. Are immigrants (i.e., they were born outside of the U.S.)?

	5% or Less	6-20%	21-40%	41-60%	61-80%	81-95%	More than 95%
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
a. A high school diploma or equivalent?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. A college or professional degree?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Are immigrants (i.e., they were born outside of the U.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C11. From which country or countries do most of the immigrants currently employed in this establishment come?

[Please mark all that apply.]

- a Canada
- b China
- c India
- d Mexico
- e Philippines
- f Vietnam
- g Other - *Specify*

→

C12. How easy or difficult is it for this establishment to find qualified workers to fill vacancies in the following categories?

[Please mark 'N/A' if this establishment does not hire workers in the category.]

- a. Salaried**
(e.g., managers, professionals and technical staff)
- b. Skilled hourly**
(e.g., sales, office, clerical and craft workers)
- c. Unskilled hourly**
(e.g., operatives, laborers and service workers)

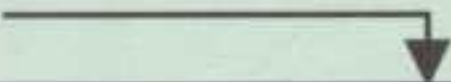
Very Easy	Fairly Easy	Fairly Difficult	Very Difficult	N/A
(1)	(2)	(3)	(4)	(7)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C13. What are the peak months for hiring employees at this establishment?

[Please mark all that apply.]

- a January
- b February
- c March
- d April
- e May
- f June
- g July
- h August
- i September
- j October
- k November
- l December
- m Continual hiring throughout the year

C14. When recruiting new employees, does this establishment:

- | | Yes | No |
|---|----------------------------|----------------------------|
| a. accept unsolicited 'walk-in' applications? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| b. use informal referrals from current employees? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| c. Other - <i>Specify</i>  | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |

C15. How would you characterize the financial health of this establishment during the past six months?

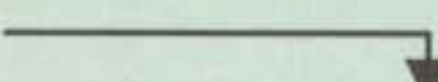
- 1 Excellent – high profit growth
- 2 Good – moderate profit growth
- 3 Fair – no change in profits
- 4 Poor – decline in profits

C16. During the past six months, has this establishment experienced...

- 1 Rapid growth in size,
- 2 Moderate growth in size,
- 3 No change in size, or
- 4 A decline in size?

C17. During the past two years, has the INS visited this establishment:

[Please indicate 'Yes' or 'No' for each item]

- | | Yes | No |
|--|----------------------------|----------------------------|
| a. to educate the staff about I-9 verification requirements? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| b. to review I-9 Forms? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| c. to determine if unauthorized immigrants were employed? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| d. to investigate possible document fraud? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| e. for any other reason? - Specify  | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |

C18. During the past two years, has this establishment been found guilty of any of the following by a federal or state agency...

[Please indicate 'Yes' or 'No' for each item]

- | | Yes | No |
|--|----------------------------|----------------------------|
| a. Employment discrimination? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| b. Pollution of the environment? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| c. Violation of OSHA or labor standards? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |

D. HOURLY WORKERS

1 N/A (NO HOURLY EMPLOYEES) → **GO TO QUESTION E1**

D1. How does this establishment typically recruit new hourly workers?

[Please mark all that apply]

- a Walk-in
- b Word of mouth
- c Other informal methods
- d Ads (newspaper, journals, Internet, etc.)
- e Employment agencies
- f Job fairs, schools
- g Other - *Specify* →

D2. Do you make special efforts to target certain groups of individuals (e.g., race/ethnic minorities) in your recruitment efforts to fill hourly positions?

- 1 Yes
- 5 No
- 8 Don't know → **GO TO QUESTION D4**

D3. Which groups do you target?


[Please mark all that apply]

- a Immigrants
- b Hispanics or Latinos
- c Blacks or African Americans
- d Asians
- e Other race/ethnic groups - *Specify* →

- f Women
- g Persons with Disabilities
- h Other - *Specify* →


D4. What forms and/or other materials do you give to applicants for hourly positions before you make a job offer?

[Please mark all that apply]

- a Job application form
- b Information about the company (including benefit packages, etc.)
- c I-9 form
- d None used
- e Other - *Specify* 


D5. Which of the following do you request from applicants for hourly positions before making a job offer?


[Please mark all that apply]

- a None
- b Resume or vita
- c Completed job application
- d References
- e Skills tests
- f Medical form or tests
- g I-9 form
- h Copies of work authorization documents
- i Other - *Specify* 

D6. Which of the following procedures does this establishment use to process new hourly employees after they are hired?

[Please mark all that apply]

- a Orientation session
- b Completion of I-9 form
- c Completion of W-4 and other forms
- d Verification of employment eligibility - *Specify* 

- e Physical exam
- f Drug tests
- g Other - *Specify* 

E. SALARIED WORKERS

- 1 N/A (NO SALARIED EMPLOYEES) → **GO TO QUESTION F1**

E1. How does this establishment typically recruit new salaried workers?

[Please mark all that apply]

- a Walk-in
b Word of mouth
c Other informal methods
d Ads (newspaper, journals, Internet, etc.)
e Employment agencies
f Job fairs, schools
g Other - *Specify* →

E2. Do you make special efforts to target certain groups of individuals (e.g., race/ethnic minorities) in your recruitment efforts to fill salaried positions?

- 1 Yes
5 No
8 Don't know → **GO TO QUESTION E4**

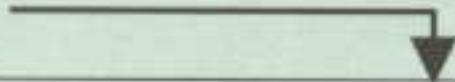
E3. Which groups do you target?

[Please mark all that apply]

- a Immigrants
b Hispanics or Latinos
c Blacks or African Americans
d Asians
e Other race/ethnic groups - *Specify* →
-
- f Women
g Persons with Disabilities
h Other - *Specify* →
-


E4. What forms and/or other materials do you give to applicants for salaried positions before you make a job offer?

[Please mark all that apply]

- a Job application form
- b Information about the company (including benefit packages, etc.)
- c I-9 form
- d None used
- e Other - *Specify* 

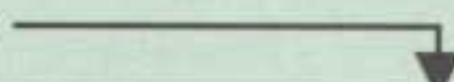
E5. Which of the following do you request from applicants for salaried positions before making a job offer?

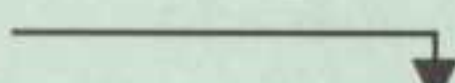
[Please mark all that apply]

- a Nothing
- b Resume or vita
- c Completed job application
- d References
- e Skills tests
- f Medical form or tests
- g I-9 form
- h Copies of work authorization documents
- i Other - *Specify* 

E6. Which of the following procedures does this establishment use to process new salaried employees after they are hired?

[Please mark all that apply]

- a Orientation session
- b Completion of I-9 form
- c Completion of W-4 and other forms
- d Verification of employment eligibility - *Specify* 

- e Physical exam
- f Drug tests
- g Other - *Specify* 

F. IMMIGRANT WORKERS

F1. Are the majority of the applicants for the following jobs immigrants?

[Please indicate 'Yes' or 'No' for each item]

	Yes	No
Unskilled laborers	1 <input type="checkbox"/>	5 <input type="checkbox"/>
Semi-skilled operatives	1 <input type="checkbox"/>	5 <input type="checkbox"/>
Service workers	1 <input type="checkbox"/>	5 <input type="checkbox"/>
Skilled workers (crafts)	1 <input type="checkbox"/>	5 <input type="checkbox"/>

IF 'NO' TO ALL, THEN GO TO F3

F2. Why do you think there are so many immigrant applicants for these positions?

[Please mark all that apply]

- a Too few qualified U.S. citizens
- b The work is too unpleasant for U.S. citizens
- c The compensation is too low for U.S. citizens
- d Other - *Specify* ↓

F3. Among those immigrant employees you have, would you say most of them are...

[Please mark only one]

- 1 Unskilled laborers,
- 2 Semi-skilled operatives,
- 3 Service workers,
- 4 Skilled workers (crafts), or
- 5 Other - *Specify* ↓

F4. Was the percent of immigrants working here a year ago...

- 1 Lower than now,
- 2 The same as now, or
- 3 Higher than now?

F5. Have any of the following factors affected the extent to which you rely on immigrant workers?

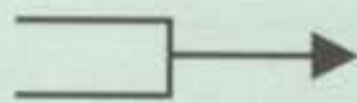
- | | Yes | No |
|--|----------------------------|----------------------------|
| a. There are more immigrants in this area than there were previously? | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| b. We've made changes that have made our jobs more attractive to U.S. citizens? - <i>Specify</i> | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |

- | | | |
|---|----------------------------|----------------------------|
| c. We've made changes that have made our jobs more attractive to immigrants? - <i>Specify</i> | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
|---|----------------------------|----------------------------|

- | | | |
|------------------------------------|----------------------------|----------------------------|
| d. Anything else? - <i>Specify</i> | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
|------------------------------------|----------------------------|----------------------------|

F6. Some people say that I-9 verification process results in some employers being reluctant to hire immigrants who are authorized to work. Do you think this is true?

- 1 Yes
5 No
8 Don't know



GO TO QUESTION F8

F7. Why do you think this is true?

F8. Do you think that a program like the MRDP that permits employers to verify the work eligibility of new employees by checking their I-9 information against INS and SSA databases would make participating employers more or less willing to hire immigrants?

- 1 More - Why do you think this is so?

- 2 Less - Why do you think this is so?

- 3 Neither

CASE ID#: _____

Start Time: _____

Machine-Readable Document Pilot (MRDP) #31-914
EMPLOYER TELEPHONE INTERVIEW FOR NON-USERS

A. System Implementation

A1.	<p>I'd like to begin by establishing the time period that we will be talking about.</p> <p>According to our records, the package containing the MRDP machine and training materials was sent to your establishment on [DATE MACHINE SENT FROM LABEL].</p> <p>Approximately when did this establishment receive that package?</p> <p>[PROBE FOR BEST GUESS OF AT LEAST MONTH AND YEAR]</p> <p>[IF DATE GIVEN BY RESPONDENT IS PRIOR TO DATE ON LABEL, PROBE TO SEE WHETHER ESTABLISHMENT WAS IN ANOTHER PILOT AS WELL AS THE MRDP. ADD A NOTE INDICATING THAT RESPONSE AT THIS QUESTION.]</p> <div style="text-align: center; margin-top: 20px;"><table style="display: inline-table; border: 1px solid black; margin: 0 10px;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td></tr></table><table style="display: inline-table; border: 1px solid black; margin: 0 10px;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td></tr></table><table style="display: inline-table; border: 1px solid black; margin: 0 10px;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td></tr></table></div> <p style="text-align: center; margin-top: 5px;">MONTH DAY YEAR</p>								
	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="padding: 2px 10px;">PACKAGE WAS NEVER RECEIVED</td><td style="width: 30px; text-align: center; padding: 2px 5px;">95</td></tr></table>	PACKAGE WAS NEVER RECEIVED	95						
PACKAGE WAS NEVER RECEIVED	95								

IF THE MRDP PACKAGE WAS NEVER RECEIVED (A1=95), END INTERVIEW.

A2. From the time this establishment first received the materials needed to install the MRDP system, that is from [DATE IN A1], how long was it before the software part of the system was installed? Was it:

SKIP TO QUESTION A4 ←

Less than one month,	1
1 to 3 months,	2
4 to 6 months,	3
More than 6 months, or	4
Has the system never been installed?	5

A3. a. During this period, that is, between [DATE FROM A1] and [installation of the software / now], what circumstances would explain why installation (was delayed / never occurred)? (RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:) Was [CATEGORY] a reason for delay? (CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. NO STAFF AVAILABLE TO INSTALL SYSTEM	1	1	5
B. SYSTEM REQUIRED STAFF TRAINING	2	1	5
C. HIRED NO NEW EMPLOYEES	3	1	5
D. EXPERIENCED TECHNICAL DIFFICULTIES	4	1	5
E. LACKED THE NECESSARY EQUIPMENT	5	1	5
F. COULD NOT GAIN ACCESS TO THE SYSTEM	6	1	5
G. COULD NOT REACH INS SYSTEM SUPPORT	7	1	5
H. SOME OTHER REASON	8	1	5

IF THE MRDP SOFTWARE WAS NEVER INSTALLED (A2=5), SKIP TO C1 ON PAGE 5.

A4.

From the time this establishment first received the materials needed to install the MRDP system, that is from [DATE IN A1], how long was it before the card reader machine was installed? Was it:

SKIP TO QUESTION B1 ←

Less than one month,	1
1 to 3 months,	2
4 to 6 months,	3
More than 6 months, or	4
Has the card reader never been installed?	5

A5.

a. During this period, that is, between [DATE FROM A1] and [installation of the card reader / now], what circumstances would explain why installation (was delayed / never occurred)? (RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:) Was [CATEGORY] a reason for delay? (CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBES	
	GIVEN	YES	NO
A. NO STAFF AVAILABLE TO INSTALL CARD READER	1	1	5
B. HIRED NO NEW EMPLOYEES	2	1	5
C. EXPERIENCED TECHNICAL DIFFICULTIES INSTALLING THE CARD READER	3	1	5
D. COULD NOT REACH INS SYSTEM SUPPORT	4	1	5
E. PROBLEM WITH THE CARD READER MACHINE	5	1	5
F. SOME OTHER REASON	6	1	5

B. MRDP Setup Costs

B1. a. What direct costs did this establishment incur in setting up the MRDP?
(RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:) Were there any direct costs in setting up the MRDP for [CATEGORY]? (CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. TRAINING	1	1	5
B. COMPUTER HARDWARE	2	1	5
C. CARD READER MACHINE	3	1	5
D. TELEPHONE HOOK-UP	4	1	5
E. OTHER OFFICE EQUIPMENT	5	1	5
F. REMODELING OR RESTRUCTURING OF THE PHYSICAL PLANT	6	1	5
G. SOME OTHER REASON	7	1	5

B2. What is your best guess of an estimate of the total direct expenditures associated with setting-up the MRDP?

\$□□,□□□.00

B3. Were the indirect costs associated with setting-up the MRDP, such as reassignment of employees, additional recruitment, delayed production and so on:

An extreme burden,	1
A moderate burden,	2
A slight burden, or	3
Not a burden at all?	4

C. Views About MRDP Pilot

C1. Which of the following best describes the current situation of this establishment regarding the use of the MRDP system? Would you say:

	We recently started or have been using it,	1
SKIP TO QUESTION C4 ←	We expect to use the system in the future, or	2
SKIP TO QUESTION C4 ←	We do not expect to use the MRDP system?	3

C2. In what month and year did this establishment begin using the MRDP pilot system?

--	--

MONTH

--	--	--	--

YEAR

C3. Please describe your experience with the system. For example, tell me how many entries have been made, whether the card reader works properly, any problems you have encountered, and so on. (RECORD VERBATIM)

IF THE MRDP SOFTWARE HAS BEEN USED (C1=1), SKIP TO QUESTION C5.

C4. a. What are the reasons for this establishment not using the MRDP system?
 (RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:) Was [CATEGORY] a reason for not using the MRDP system? (CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. HIRED NO NEW EMPLOYEES	1	1	5
B. NO TRAINED STAFF AVAILABLE	2	1	5
C. EXPERIENCED TECHNICAL DIFFICULTIES	3	1	5
D. LACK OF CONFIDENCE IN DATABASES	4	1	5
E. THE SYSTEM IS BURDENSOME AND TIME CONSUMING	5	1	5
F. DEVELOPED OTHER WAYS TO ENSURE WORK ELIGIBILITY OF NEWLY HIRED EMPLOYEES	6	1	5
G. DECIDED TO HAVE A CONTRACTOR VERIFY EMPLOYEES FOR THIS ESTABLISHMENT	7	1	5
H. DECIDED TO USE EMPLOYEES OF TEMPORARY OR OTHER CONTRACTED AGENCIES	8	1	5
I. SOME OTHER REASON	9	1	5

C5. Please think of the materials provided by the INS. How useful was the MRDP Manual?
 Would you say:

Not useful at all,	1
Not very useful,	2
Somewhat useful, or	3
Very useful?	4
NEVER RECEIVED	5
NOT USED	6

D. Employment Verification Procedures

D1. As of today, approximately how many total employees does this establishment have? Do not count employees of contract or temporary service agencies who work at your site, but do count any of this establishment's employees who work under contract at another site.

TOTAL EMPLOYEES

□□□,□□□

D2. Approximately how many of those current employees are:

a. Full time permanent?

□□,□□□

b. Part time permanent?

□□,□□□

c. On a temporary basis?

□□,□□□

D3. Approximately what percent of current hourly employees of this establishment are immigrants, that is, they were born outside of the U.S.?

_____ PERCENT

D4. How would you characterize the financial health of this establishment since [DATE FROM A1]?
Would you say:

Excellent or high profit growth,	1
Good or moderate profit growth,	2
Fair or no change in profits, or	3
Poor or a decline in profits?	4

D5. Since [DATE FROM A1], has this establishment experienced:

Rapid growth,	1
Moderate growth,	2
No change, or	3
A reduction in growth?	4

D6. Since [DATE FROM A1], approximately how many people were hired at this establishment?

PEOPLE HIRED

,

D7. Since [DATE FROM A1], approximately how many people were verified for work authorization at this establishment? Also include any verifications done for employees of other establishments.

PEOPLE VERIFIED

,

IF THERE HAVE BEEN NO VERIFICATIONS (D7=0), SKIP TO QUESTION D12.

D8. Since [DATE FROM A1], for which employees did this establishment verify work authorization?
Was it verified for:

	YES	NO
Employees who work at this establishment?	1	5
Employees who work at other establishments or branches of this firm?	1	5
Employees who work at other companies?	1	5

D9. Since [DATE FROM A1], approximately what percent of the work authorization verifications for this establishment were conducted by another establishment or firm? Would you say:

None,	1
30 percent or less,	2
31 to 60 percent,	3
61 to 90 percent, or	4
Over 90 percent?	5

D10. Please provide your best estimate of the percentage of newly hired employees who have presented 'real' documents that belong to another person since [DATE FROM A1].

_____ PERCENT

D11. Please provide your best estimate of the percentage of newly hired employees who have presented counterfeit documents (documents that have been altered or forged) since [DATE FROM A1].

_____ PERCENT

D12. Now, thinking about the burden associated with the I-9s, would you say the I-9 process is:

An extreme burden,	1
A moderate burden,	2
A slight burden, or	3
Not a burden at all?	4

D13. What haven't I asked about employment verification that we should know about in order to better evaluate the MRDP program? (RECORD VERBATIM)

Thank you for taking the time to answer my questions. Your effort and the information you have provided are greatly appreciated.

End Time: _____

Study of
Employment
Eligibility Logo
Here

Machine-Readable Document Pilot (MRDP)

Please make corrections to the information on the label below.

Establishment information:

4-digit SIC code and industry description
Establishment Name
Address
Telephone
Number of employees

Contact person:

Name
Title
Time at position

OMB Statement

The 1996 Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) (P.L. 104-208) that mandated the evaluation of pilot employment verification programs authorizes collection of data for this study. In signing the Memorandum of Understanding agreeing to participate in the Machine-Readable Document Pilot, you also agreed to participate in this mandated program evaluation. All information collected in this evaluation will be treated as confidential by the study contractors (Temple University and Westat). They will use the information solely for statistical purposes and will not release information in a form that would permit the respondent to be identified. Information you provide will not be used by INS or other organizations for enforcement purposes. If you have any questions about this study, please contact Louise Hanson, Temple University, 1-800-827-5477 or contact the INS Clearance Officer, Mr. Robert B. Briggs, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW, Washington, DC 20530; OMB No. 1115-0234.

PLEASE RECORD:

Your name: _____
(First) (Last)

Title: _____

Length of time in your present position: _____ **OR** _____
(# of months) (# of years)

Telephone # (_____) _____ - _____ Ext: _____

Date Questionnaire Completed: _____ / _____ / 2002__
(month) (day)

Machine-Readable Document Pilot Mail Questionnaire

This questionnaire includes a number of questions about employment verification at your establishment. If there are any items where you are not the most knowledgeable about all aspects of the topic, we would appreciate your obtaining the necessary information from others who may be better able to answer.

Please return the completed questionnaire to us in the enclosed over-night delivery envelope as soon as possible.

Thank you for your help.

A. System Implementation

A1. According to our records, the package containing the MRDP machine and training materials was sent to your establishment on _____.
Approximately when did this establishment receive that package?
[If the exact date is not known, please enter a 'best guess' of at least month and year.]

--	--

MONTH

--	--

DAY

--	--	--	--

YEAR

A2. From the time this establishment first received the materials needed to install the MRDP system, that is from [DATE ENTERED IN A1], how long was it before the software part of the system was installed?

Was it:

- 1 Less than one month, → **GO TO QUESTION A4**
- 2 1-3 months,
- 3 4-6 months, or
- 4 More than 6 months?

A3. During this period between receipt of the system and installation, which of the following circumstances explain why installation of the software was delayed?

[Please choose all that apply]

- a No staff available to install system
- b Lacked the necessary equipment
- c System required staff training
- d Could not gain access to the system
- e Hired no new employees
- f Could not reach INS system support
- g Experienced technical difficulties
- h Other (specify) _____

A4.

From the time the MRDP software was installed, how long was it before the Card Reader machine was installed?

Was it:

- 1 At the same time as the software, → **GO TO QUESTION A6**
- 2 Within a week after installing the software,
- 3 Over a week after installing the software but within a month,
- 4 Over a month after installing the software, or
- 5 Card Reader was never installed?

A5.

Which of the following explain why installation of the Card Reader was delayed or never installed?

[Please choose all that apply]

- a No staff available to install the Card Reader
- b Hired no new employees
- c Experienced technical difficulties installing the Card Reader
- d Could not reach INS system support
- e Other (specify) _____

A6. Which of the following methods have been used to train staff members to conduct employment verification with the MRDP?

[Please choose all that apply]

- a Self-instruction with the pilot procedures manual
- b Formal in-house training session
- c Computer tutorial provided with installation package
- d Formal training by INS and/or SSA personnel
- e Informal on-the-job training
- f Other (specify) _____

B. MRDP Setup and Maintenance Costs

Setup Costs

B1. What direct costs did this establishment incur in setting up the MRDP?

[Please choose all that apply]

- a Training
- b Computer hardware
- c Telephone hook-up
- d Other office equipment
- e Remodeling or restructuring of the physical plant
- f Other (specify) _____

B2. Please provide an estimate of the total direct expenditures associated with setting up the MRDP.

\$□□,□□□.00

B3. Were the indirect costs associated with setting up the MRDP, such as reassignment of employees, additional recruitment, delayed production and so on:

- 1 An extreme burden,
- 2 A moderate burden,
- 3 A slight burden, or
- 4 Not a burden at all?

Maintenance Costs

B4. What are the annual direct costs incurred by this establishment to maintain the MRDP?

[Please choose all that apply]

- a Computer maintenance
- b Telephone fees
- c Training of replacement staff
- d Wages of the verification specialist(s)
- e Other (specify) _____

B5. Please provide an estimate of the total annual direct expenditures associated with maintaining the MRDP.

\$□□,□□□.00

B6. Have the indirect costs associated with maintaining the MRDP been:

- 1 An extreme burden,
- 2 A moderate burden,
- 3 A slight burden, or
- 4 Not a burden at all?

C. Employment Verification Procedures

C1. Please consider the burden associated with the I-9 verification process using the MRDP?
Is the process:

- 1 An extreme burden,
- 2 A moderate burden,
- 3 A slight burden, or
- 4 Not a burden at all?

C2. What is your best estimate of the percentage of newly hired employees who have presented 'real' documents that belong to another person during the past six months?

- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 Over 20 percent

C3. What is your best estimate of the percentage of newly hired employees who have presented counterfeit documents (documents that have been altered or forged) during the past six months?

- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 Over 20 percent

C4. What is your best estimate of the percentage of the employees verified by this establishment during the past six months who falsely claimed to be U.S. citizens?

- 0 None
- 1 Less than 1 percent
- 2 1-2 percent
- 3 3-5 percent
- 4 6-10 percent
- 5 11-20 percent
- 6 Over 20 percent

C5.

In what month and year did this establishment begin using the MRDP pilot system for verification of work authorization, that is, using the MRDP software with or without the Card Reader?

--	--

MONTH

--	--	--	--

YEAR

C6.

Please estimate the number of current employees of this establishment in each of the following categories as of today.

[Do not count employees of contract or temporary service agencies who work at your site; do count any of this establishment's employees who work under contract at another site.]

a. Full time permanent

		,			
--	--	---	--	--	--

b. Part time permanent

		,			
--	--	---	--	--	--

c. On a temporary basis

		,			
--	--	---	--	--	--

TOTAL

			,			
--	--	--	---	--	--	--

C7.

Approximately what percent of current hourly employees of this establishment would you say are immigrants, that is, they were born outside the U.S.?

- 0 None
- 1 Less than 5 percent
- 2 6-20 percent
- 3 21-40 percent
- 4 41-80 percent
- 5 81-95 percent
- 6 Over 95 percent

C8. Since [DATE ENTERED IN C5], approximately how many people were hired at this establishment?

, PEOPLE HIRED

C9. Since [DATE ENTERED IN C5], for which employees did this establishment verify work authorization?

[Please choose all that apply]

a Employees who work at this establishment
b Employees who work at other establishments or branches of this firm
c Employees who work at other companies

C10. Since [DATE ENTERED IN C5], approximately what percent of the work authorization verifications for this establishment were conducted by another establishment or firm?

0 None
1 30 percent or less
2 31-60 percent
3 61-90 percent
4 Over 90 percent

C11. Since [DATE ENTERED IN C5], approximately how many people were verified at this establishment using the MRDP system including using the MRDP Card Reader?

[Also include verifications done for employees of other establishments. If none, mark the small box.]

0 None

, PEOPLE VERIFIED WITH MRDP CARD READER

C12. Since [DATE ENTERED IN C5], approximately how many people were verified at this establishment using the MRDP system but not using the MRDP Card Reader?

[Also include verifications done for employees of other establishments. If none, mark the small box.]

0 None → **GO TO QUESTION C14**

, PEOPLE VERIFIED WITH MRDP BUT NOT USING THE CARD READER

C13. Which of the following were reasons for not using the MRDP system Card Reader?

[Please choose all that apply.]

- a Card Reader didn't work
- b No staff available who knew how to use the Card Reader
- c Card Reader was not accessible when employee's documents were examined
- d Experienced technical difficulties with the Card Reader
- e Lack of confidence in Card Reader
- f Person did not have an Iowa driver's license or Iowa ID card
- g Other – **Specify** _____

C14. Since [DATE ENTERED IN C5], approximately how many people were verified at this establishment using any verification method other than the MRDP system?

[Also include verifications done for employees of other establishments. If none, mark the small box.]

0 None → **GO TO QUESTION C16**

, PEOPLE VERIFIED BUT NOT WITH MRDP

C15. Which of the following were reasons for not using the MRDP system for the verifications?

[Please choose all that apply.]

- a No trained staff available
- b Experienced technical difficulties with the software or the Card Reader
- c Lack of confidence in databases
- d The system is burdensome and time-consuming
- e Developed other ways to ensure work eligibility of newly hired employees
- f Decided to have a contractor verify employees for this establishment
- g Decided to use employees of temporary or other contract agencies
- h Other – **Specify** _____

C16. How often do you close cases (enter closure codes) for each of the following types of MRDP cases: <i>[Please select 'N/A' if the situation has never arisen]</i>	Never	Sometimes	Often	Always	N/A
	(1)	(2)	(3)	(4)	(5)
a. Cases in which you realize that a mistake was made when entering the data into the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Cases determined to be work-authorized?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Cases determined to be <u>not</u> work-authorized?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Cases receiving a final non-confirmation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Cases receiving a tentative non-confirmation that the employee decides not to contest?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Other cases (specify)? _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C17. Has the MRDP system ever responded that one of the employees being verified had a “tentative non-confirmation” finding?

[Include all cases regardless of whether the Card Reader was used and regardless of why the finding was made.]

1 YES

5 NO → **GO TO QUESTION D1**

8 DON'T KNOW → **GO TO QUESTION D1**

C18. Since [DATE ENTERED IN C5], approximately how many tentative non-confirmation findings have you received:

1 5 or fewer,

2 6 to 10, or

3 11 or more?

C19. As far as you know, were any of the tentative non-confirmation findings you received the result of someone making a 'data entry' mistake when entering the I-9 information into the MRDP system?

1 YES

5 NO → **GO TO QUESTION C21**

8 DON'T KNOW → **GO TO QUESTION C21**

C20. Which of the following describe experiences you had with tentative non-confirmation findings due to data entry mistakes?

[Please choose all that apply]

a We found the error ourselves and corrected it without telling the employee

b The employee found the error when told about the finding and we corrected it without the employee having to contest the finding

c The employee contested the finding and INS or SSA discovered the error

C21. Did you have any tentative non-confirmation findings that were not the result of data entry errors? *[Any not already included in C19 and C20]*

1 YES

5 NO → **GO TO QUESTION D1**

8 DON'T KNOW → **GO TO QUESTION D1**

C22. Which of the following describe experiences you have had with tentative non-confirmation cases that were not considered data entry error cases?

[Please choose all that apply]

a We told the employee about the finding and the employee decided to contest.

b We told the employee about the finding and the employee decided to quit rather than to contest the finding.

c We never told the employee about the tentative non-confirmation finding, because the employee was no longer working for us when we got the finding.

d We never told the employee about the tentative non-confirmation finding, because we couldn't locate the employee.

e We decided not to hire the employee without telling him or her about the tentative non-confirmation finding.

f We decided to fire the employee without telling him or her about the tentative non-confirmation finding.

g Other (specify) _____

C23. On average, how soon after you receive a tentative non-confirmation do you notify the employee? Would you say:

1 The same day,
 2 Within three days but not the same day,
 3 Within a week but more than three days,
 4 Over a week, or
 5 They are usually not informed?

C24. Please consider each of the following statements related to <u>tentative non-confirmations</u> received while using the MRDP system. Select the answer that best represents the experiences of this establishment.	Strongly Disagree	Disagree	Agree	Strongly Agree	N/A
	(1)	(2)	(3)	(4)	(5)
<i>[Please select 'N/A' if the situation has never occurred.]</i>					
a. Contesting a tentative non-confirmation is not encouraged because the process requires too much time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Providing assistance to employees who contest a tentative non-confirmation is an excessive burden on staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Contesting a tentative non-confirmation is not encouraged because employment authorization rarely results.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Establishing employment authorization has become a burden because there are so many tentative non-confirmations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Work assignments must be restricted until employment authorization is confirmed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Pay is reduced until employment authorization is confirmed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Training is delayed until after employment authorization is confirmed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C25. How often do each of the following situations apply to this establishment's use of the MRDP?	Never	Sometimes	Often	Always	N/A
	(1)	(2)	(3)	(4)	(5)
<i>[Please select 'N/A' if the situation has never arisen]</i>					
a. Employees who fail <u>initial verification</u> are informed privately	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. <u>Written</u> notification of a tentative non-confirmation is given to employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. <u>In-person</u> notification of tentative non-confirmation is given to employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. Views About MRDP Pilot

D1. Which of the following best describes this establishment's current use of the MRDP Pilot?

[Please choose only one answer.]

- 1 We currently use the MRDP Program for all verifications.
- 2 We currently use the MRDP Pilot only for some verifications.
- 3 We currently do not use the MRDP Pilot for verifications.

D2. Which of the following statements describe this establishment's experience with the MRDP?

[Please indicate 'Yes' or 'No' for each item.]

- | | YES | NO |
|--|----------------------------|----------------------------|
| a. It is easy to make errors when entering employee information into the system. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| b. Frequent technical assistance is required from the INS to use the MRDP program. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| c. At times, the number of employees hired is so great that it is impossible to enter and submit the information required by the deadline. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| d. The software for the pilot verification system is so cumbersome that it is impossible to submit work authorization requests by the deadline. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| e. Most of this establishment's new hires have provided an Iowa driver's license or state identification card containing a machine-readable social security number. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| f. Many of the new hires with an Iowa driver's license or state identification card were reluctant to relinquish their card for the amount of time it would take to do the verification. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |
| g. The machine-reading device has successfully read most or all of the machine-readable cards that have been swiped. | 1 <input type="checkbox"/> | 5 <input type="checkbox"/> |

D3. Please consider each of the following statements related to the MRDP <u>procedures</u> and select the choice that best describes the experiences at this establishment.	Strongly Disagree	Disagree	Agree	Strongly Agree	N/A
	(1)	(2)	(3)	(4)	(5)
	a. The tasks required by the MRDP verification system overburden the staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. It is impossible to fulfill all the employer obligations required by the MRDP verification process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. It is easier to confirm work authorization through the MRDP verification system than it was prior to using the MRDP.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Work authorizations obtained through the MRDP verification system are more reliable than they were prior to using the MRDP.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Overall, the MRDP is an effective tool for employment verification.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D4. The following statements describe possible <u>changes that could be made</u> to the MRDP procedures. Please select the answer that best describes your views for each of these possible changes.	Strongly Oppose	Oppose	Support	Strongly Support	No opinion
	(1)	(2)	(3)	(4)	(5)
	a. New cases could not be entered into the MRDP until all cases submitted more than two weeks earlier had been closed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. New cases could not be entered until you input referral dates for all employees who received tentative non-confirmations more than two weeks earlier.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. The MRDP system had more error checks built in to the program so that it would tell you about obvious data entry errors (e.g., birth dates indicating someone was born this year).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Any other change you might want to suggest (specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D5. We'd like to know your impressions of working with the SSA. How often did anyone from your establishment attempt to contact the SSA by phone or in writing about issues related to the MRDP employment verification process? Was it:

- 1 Never, → **GO TO QUESTION D8**
- 2 1-4 times,
- 3 5-20 times, or
- 4 More than 20 times?

D6. How satisfied were you with the outcome of your attempts to contact the SSA about issues related to employment authorization? Would you say:

- 1 Very satisfied,
- 2 Somewhat satisfied,
- 3 Not very satisfied, or
- 4 Not at all satisfied?

D7. What are the reasons for being or not being satisfied with your attempts to contact SSA?

D8. We would like to know your impressions of working with the INS. How often did anyone from your establishment attempt to contact INS by phone or in writing about issues related to the MRDP employment verification process? Was it:

- 1 Never, → **GO TO QUESTION D11**
- 2 1-4 times,
- 3 5-20 times, or
- 4 More than 20 times?

D9. How satisfied were you with the outcome of your attempts to contact the INS about issues related to employment authorization? Would you say:

- 1 Very satisfied,
- 2 Somewhat satisfied,
- 3 Not very satisfied, or
- 4 Not at all satisfied?

D10. What are the reasons for being or not being satisfied with your attempts to contact INS?

D11. Regarding the impact of the MRDP on this establishment, would you say that, when the MRDP system is used, the type of persons who apply for jobs decreases for:

- 1 Work authorized applicants,
- 2 Applicants who are not work authorized, or
- 3 Both types of applicants?

D12. Would you say that the MRDP system has made it more difficult to recruit:

- 1 Qualified salaried and hourly workers,
- 2 Qualified salaried workers only,
- 3 Qualified hourly workers only, or
- 4 Neither qualified hourly or salaried workers?

D13. Using the MRDP verification system resulted in the resignation of:

- 1 Many existing employees,
- 2 Some existing employees, or
- 3 No existing employees?

D14. Using the MRDP verification system made our establishment:

- 1 More competitive,
- 2 Less competitive, or
- 3 Had no effect on our competitiveness?

E. Establishment Characteristics

E1. How would you characterize the financial health of this establishment during the past six months? Would you say:

- 1 Excellent – high profit growth,
- 2 Good – moderate profit growth,
- 3 Fair – no change in profits, or
- 4 Poor – decline in profits?

E2. During the past six months, has this establishment experienced:

- 1 Rapid growth,
- 2 Moderate growth,
- 3 No change, or
- 4 A reduction in growth?

F. Comments

F1. Please use the space provided below (and continue on the back cover if needed) to record any additional comments or concerns related to the Machine Readable Document Pilot (MRDP).

Thank you for taking the time to answer this survey.
Your effort and the information you have provided
are greatly appreciated.

MRDP EMPLOYER ON-SITE INTERVIEW

A. ESTABLISHMENT CHARACTERISTICS

[NOTE: Questions A1-A4 are not included in this version.]

A5. Is this establishment a personnel or temporary employee company that supplies workers for other firms?

YES	1
NO	5
DON'T KNOW	8

GO TO SECTION B ←

A6. Which of the following best describes your establishment? Would you say:
(CODE 'YES' OR 'NO' FOR EACH ITEM.)

	YES	NO
A. a temporary help agency? That is, an establishment that hires and then pays workers who work off-site under the supervision of another employer. That employer then pays you for your services.	1	5
B. an employment agency? That is, an establishment that tries to find workers to be hired by an employer who will, if the search is successful, pay you a fee for that service.	1	5
C. some other type of temporary help agency? (IF NOTHING ELSE, CODE 'NO'. IF OTHER TYPE MENTIONED, CODE 'YES' AND SPECIFY.)		
_____	1	5

A7. Do you ask new hires to fill out an I-9 Form before you send them to work elsewhere?	YES	1
	NO	5

A8. What type of companies do you usually work with? That is, what do they make or do?
(RECORD VERBATIM)

A9. Would you please give me the company names of one or two of your most frequent clients? (RECORD VERBATIM)

1. _____

2. _____

3. _____

[NOTE: Questions A10-A11 are not included in this version.]

B. EMPLOYEE CHARACTERISTICS

[NOTE: Questions B1-B5 are not included in this version.]

B6.	<p>Now I'd like to ask some questions about the employees at this establishment.</p> <p>Would you say that immigrant employees in this establishment are predominantly:</p>	
	unskilled laborers,	1
	semi-skilled operatives,	2
	service workers,	3
	skilled workers and craftsmen, or	4
	other? (SPECIFY:) _____ _____	5

B7.	<p>When your establishment first began using the MRDP, was the percentage of immigrants working here:</p>	
	lower than now,	1
	higher than now, or	2
	the same as now?	3

B8.	<p>In your opinion, which of the following factors have affected the extent to which you rely on immigrant workers? Do you think that:</p>		
		YES	NO
	there are more immigrants in this area than there were previously?	1	5
	immigrants are less likely to apply to this establishment because of the pilot program?	1	5
	some of the managers in this establishment are hesitant to hire immigrants because of problems associated with the pilot program?	1	5
	you've made changes that have made your jobs more attractive to non-immigrants?	1	5
	Are there any other factors have had an effect? (SPECIFY:) _____ _____	1	5

B9. Do you think that the MRDP program makes participating employers more or less willing to hire immigrants?

MORE WILLING	1
LESS WILLING	2
NEITHER	3
DON'T KNOW	8

GO TO SECTION C ←

B10. Why does it make them (more / less) willing to hire immigrants? (RECORD VERBATIM)

C. HIRING PROCEDURES

Now I'd like to find out a little bit about this establishment. In order to understand how the MRDP pilot program has really been working, it would be helpful if we could get a general understanding of your procedures for hiring and processing new workers.

	YES	NO
C1. Which of the following items do you request from job applicants <u>before</u> making a job offer? Do you request: (CODE 'YES' OR 'NO' FOR EACH ITEM.)		
A. a resume or vita?	1	5
B. a completed job application?	1	5
C. references?	1	5
D. skills tests?	1	5
E. a medical form or tests?	1	5
F. a completed I-9 Form?	1	5
G. work authorization documents?	1	5
H. What else do you request before making a job offer? (IF NOTHING ELSE, CODE 'NO'. IF ANY ADDITIONAL ITEMS MENTIONED, CODE 'YES' AND SPECIFY.) _____	1	5

C2. Which of the following procedures does this establishment use to process new employees <u>after</u> they are hired? Do you use: (CODE 'YES' OR 'NO' FOR EACH ITEM.)	YES	NO
	A. orientation sessions?	1
B. a completed I-9 Form?	1	5
C. completed forms other than I-9?	1	5
D. verification of work authorization using the MRDP software?	1	5
E. a physical exam?	1	5
F. drug tests?	1	5
G. What other procedures do you use to process new employees after they are hired? (IF NOTHING ELSE, CODE 'NO'. IF ANY OTHER PROCEDURES MENTIONED, CODE 'YES' AND SPECIFY.) _____ _____ _____ _____	1	5

C3. a. For which types of employees do you use the MRDP software, either with or without the Card Reader?
(RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:)
Do you use the MRDP program for [CATEGORY]?
(CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. NEW EMPLOYEES WHO CLAIM TO BE NON-CITIZENS	1	1	5
B. NEW EMPLOYEES WHO CLAIM TO BE CITIZENS	2	1	5
C. JOB APPLICANTS	3	1	5
D. EMPLOYEES WHO WORKED AT THE ESTABLISHMENT PRIOR TO THE INSTITUTION OF THE MRDP	4	1	5
E. OTHER TYPES OF EMPLOYEES (SPECIFY:) _____ _____	5	1	5

C4. Is the MRDP system generally used to process a new employee:

after a job offer but before the employee's first day of paid work,	1
on the first day of paid work,	2
within the first three days of work,	3
more than three days after starting work, or	4
at some other time? (SPECIFY:) _____ _____ _____	5

[NOTE: Question C5 is not included in this version.]

D. CHANGES SINCE THE MRDP STARTED

D1. Please tell me how long you personally have been involved with hiring at this establishment.

		AND		
YEARS			MONTHS	

D2. And how long have you personally been working with the MRDP program at this establishment?

		AND		
YEARS			MONTHS	

In answering the following questions about changes since beginning to use the MRDP, I would like you to compare the hiring procedures your establishment uses now with the procedures that were in existence before your establishment began using the MRDP program.

D3. Have there been any modifications in the way this establishment recruits or hires employees since this establishment began using the MRDP program?

YES	1
NO	5
DON'T KNOW	8

GO TO D5 ←

D4. a. Did these modifications involve:
(CODE 'YES' OR 'NO' IN COLUMN a FOR EACH ITEM.)

b. (FOR EACH CATEGORY CODED 'YES' IN COLUMN a, ASK:)
Did the change in [CATEGORY] apply to US citizens only, non-citizens, or both?
(CODE RESPONSE IN COLUMN b)

	a.		b.		
	YES	NO	US CITIZEN	NON-US CITIZEN	BOTH
A. the way resumes are reviewed?	1	5	1	2	3
B. requirements for in-person interviews?	1	5	1	2	3
C. verification of work authorization?	1	5	1	2	3
D. the requirement of fewer or more documents to confirm work authorization?	1	5	1	2	3
E. What other modifications have there been? (IF NO OTHERS, CODE 'NO'. IF ANY OTHERS, CODE 'YES')	1	5	1	2	3

(EXPLAIN ALL YES RESPONSES)

D5. In your opinion, has the MRDP verification system helped to reduce some of the work associated with collecting and reviewing the documents required for employment verification?

YES	1
NO	5
DON'T KNOW	8

GO TO D7 ←

D6. How has it helped reduce the work associated with collecting and reviewing documents?
(RECORD VERBATIM)

D7. Do you think the MRDP verification system has helped to reduce the employment of persons who are not legally authorized to work in the United States?

YES	1
NO	5
DON'T KNOW	8

GO TO D9 ←

D8. (Why do you think so? / Why not?) (RECORD VERBATIM)

<p>D9. Is the notice about the MRDP pilot placed in the reception area?</p> <p>GO TO SECTION E ← <input type="checkbox"/></p>	YES	1
	NO	5
	DON'T KNOW	8

<p>D10. Where in the reception area is the notice about the MRDP pilot placed?</p> <p>[IF OBSERVED, ENTER IN COLUMN a. IF REPORTED, ENTER IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, ENTER IN COLUMN a <u>AND</u> IN COLUMN b.].</p>		
	a. OBSERVED	b. REPORTED
A. WHERE IT CAN BE EASILY NOTICED BY APPLICANTS (E.G., BY ITSELF ON A WALL NEXT TO THE RECEPTION DESK)	1	5
B. WHERE APPLICANTS MAY BE ABLE TO NOTICE IT (E.G., ON A BULLETIN BOARD NEXT TO THE RECEPTION DESK WITH THREE OR FOUR OTHER NOTICES)	2	6
C. WHERE IT IS UNLIKELY TO BE NOTICED BY APPLICANTS (E.G., FAR FROM THE RECEPTION DESK OR WITH A LARGE NUMBER OF OTHER NOTICES)	3	7
D. OTHER (<i>SPECIFY</i>) _____ _____	4	8
DON'T KNOW		98

E. GENERAL EXPERIENCES WITH THE MRDP PROGRAM

E1. Before you began using the MRDP system, how would you characterize the I-9 employment verification process? Would you say it was:

very burdensome,	1
moderately burdensome,	2
somewhat burdensome, or	3
not at all burdensome?	4

E2. Currently, how would you characterize the I-9 employment verification process using the MRDP Card Reader? Would you say it is:

very burdensome,	1
moderately burdensome,	2
somewhat burdensome, or	3
not at all burdensome?	4
DO NOT USE CARD READER	5

E3. Currently, how would you characterize the I-9 employment verification process using the MRDP software without the Card Reader? Would you say it is:

very burdensome,	1
moderately burdensome,	2
somewhat burdensome, or	3
not at all burdensome?	4
ALWAYS USE CARD READER	5

E4. Thinking of the effect the MRDP program has had at your establishment, would you say your confidence that new hires are work authorized has increased:

quite a lot,	1
somewhat,	2
only a little, or	3
not at all?	4

E5. Did this establishment encounter any difficulties during the process of setting up the MRDP software or Card Reader?

YES	1
NO	5
DON'T KNOW	8

GO TO E7 ←

E6. What were the difficulties during the process of setting up the MRDP software or Card Reader? (RECORD VERBATIM; THEN CIRCLE ALL THAT APPLY)

A. PROBLEM WITH OUR MODEM	1
B. PROBLEM WITH THE TYPE OF COMPUTER SYSTEM WE USE	2
C. PROBLEM WITH THE PHONE LINE	3
D. PROBLEM WITH THE CARD-READING MACHINE	4
E. OTHER TECHNICAL PROBLEMS WITH SOFTWARE, HARDWARE, ETC.	5
F. PROCEDURAL PROBLEMS [RELUCTANCE TO USE BECAUSE OF NEED TO HOLD DRIVER'S LICENSE OR ID CARD, ETC.]	6
G. STAFF PROBLEMS [WHO WILL DO THE VERIFICATIONS, TRAINING NEW STAFF TO DO VERIFICATIONS, TIME, ETC.]	7
H. EMPLOYEE ISSUES [RELUCTANCE TO PROVIDE DRIVER'S LICENSE, ETC.]	8
I. OTHER	9

E7. Did this establishment encounter any difficulties with the MRDP software or Card Reader after the program was set up?

YES	1
NO	5
DON'T KNOW	8

GO TO E9 ←

E8. a What were the difficulties encountered with the MRDP software or Card Reader after the program was set up?
(RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:)

What about [CATEGORY]; was that a problem?

(CODE PROBED 'YES' OR 'NO' IN COLUMN b)

c. (FOR EACH CATEGORY CIRCLED IN COLUMN a OR CODED 'YES' IN

COLUMN b, ASK:) Is [CATEGORY] an ongoing problem or has it been solved?

(CODE 'ONGOING' OR 'SOLVED' IN COLUMN c)

	a.	b. PROBED		c.	
	GIVEN	YES	NO	ON-GOING	SOLVED
A. PROBLEM ACCESSING THE SYSTEM (I.E., HARD TO GET THROUGH)	1	1	5	1	2
B. SYSTEM UNAVAILABLE FOR USE DURING WEEKENDS OR NIGHTS	2	1	5	1	2
C. OTHER TECHNICAL PROBLEMS	3	1	5	1	2
D. PROCEDURAL PROBLEMS [RELUCTANCE TO USE BECAUSE OF NEED TO HOLD DRIVER'S LICENSE OR ID CARD, ETC.]	4	1	5	1	2
E. STAFF PROBLEMS [TRAINING NEW STAFF TO DO VERIFICATIONS, ETC.]	5	1	5	1	2
F. OTHER DIFFICULTIES WITH THE MRDP SOFTWARE AFTER IT WAS SET UP	6	1	5	1	2
G. OTHER DIFFICULTIES WITH THE MRDP CARD READER AFTER IT WAS SET UP	7	1	5	1	2

E9. In your opinion, what are some of the benefits of the MRDP verification system?
 Would you say: (CODE 'YES' OR 'NO' FOR EACH ITEM.)

	YES	NO
A. it increases confidence in the establishment's ability to detect persons who are not eligible to work?	1	5
B. it makes the establishment feel comfortable that it is in compliance with the law?	1	5
C. it decreases the likelihood of an INS audit?	1	5
D. it decreases the likelihood of employment sanctions?	1	5
E. it gives employees an opportunity to correct their INS or SSA records?	1	5
F. By using the Card Reader to enter information, data entry errors are reduced?	1	5
G. the Card Reader calls SSA automatically to initiate verification?	1	5
H. What other benefits of the MRDP system are there? (IF NO OTHERS, CODE 'NO'. IF ANY OTHERS, CODE 'YES')	1	5

(EXPLAIN ALL YES RESPONSES) _____

E10. a. In your opinion, what are the main disadvantages or shortcomings of the MRDP verification system? (RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:) What about [CATEGORY]; is that a main disadvantage or shortcoming of the MRDP? (CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. HARDER TO FIND WORKERS	1	1	5
B. LOST WORK TIME WHEN EMPLOYEES NEED TO GO THROUGH THE MRDP PROCEDURES	2	1	5
C. TIME-CONSUMING TO CALL SSA SEPARATELY FOR EACH ENTRY USING THE CARD READER	3	1	5
D. STILL REQUIRES ADDITIONAL MANUAL DATA ENTRY FOR MOST NON-CITIZEN EMPLOYEES	4	1	5
E. INCREASED BURDEN TO PROCESS NEW HIRES	5	1	5
F. LOST TRAINING INVESTMENT OR WORK TIME WHEN NON-VERIFIED EMPLOYEES LEAVE	6	1	5
G. INCREASED DISCRIMINATION	7	1	5
H. POTENTIAL VIOLATION OF PRIVACY RIGHTS OF EMPLOYEES	8	1	5
I. OTHER	9	1	5

E11. On balance, do you think the benefits or the disadvantages of the MRDP verification system are stronger, or do you think they are equal?

BENEFITS STRONGER	1
DISADVANTAGES STRONGER	2
EQUAL BENEFITS AND DISADVANTAGES	3
DON'T KNOW	8

GO TO E13 ←

E12. Why do you feel this way? (RECORD VERBATIM)

E13. Have you used the MRDP Card Reader?

YES	1
NO	5
DON'T KNOW	8

GO TO E15 ←

E14. Please describe the process of using the Card Reader. For example, how many verifications can be entered at one time, is there a delay in getting a response, does the Card Reader seem to be working correctly, and so on.
(RECORD VERBATIM)

(INTERVIEWER: GO TO SECTION F)

G. SECURITY ISSUES REGARDING I-9 ENTRY

Now I have some questions about security regarding the MRDP program entry of I-9 Forms at this establishment.

		a.	b.
		OBSERVED	REPORTED
G1 Is the computer that is used for verification located in a locked room (that is, is a key or card needed to enter the room)? [IF OBSERVED, CIRCLE ONE CODE IN COLUMN a. IF REPORTED, CIRCLE ONE CODE IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, CIRCLE ONE CODE IN COLUMN a <u>AND</u> ONE CODE IN COLUMN b.]	YES, LOCKED	1	2
	NO, NOT LOCKED	5	6

(IF COMPUTER IS IN A LOCKED ROOM [G1 = 1 OR 2] ASK G2. OTHERWISE, GO TO G3.)

		a.	b.
		OBSERVED	REPORTED
G2 Is that room usually kept locked when it is not occupied? [IF OBSERVED, CIRCLE ONE CODE IN COLUMN a. IF REPORTED, CIRCLE ONE CODE IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, CIRCLE ONE CODE IN COLUMN a <u>AND</u> ONE CODE IN COLUMN b.]	YES, USUALLY LOCKED	1	2
	NO, NOT USUALLY LOCKED	5	6

		a.	b.	
		NUMBER OBSERVED	NUMBER REPORTED	
G3 How many people usually work in that room? [IF OBSERVED, ENTER IN COLUMN a. IF REPORTED, ENTER IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, ENTER IN COLUMN a <u>AND</u> IN COLUMN b.].				
			DON'T KNOW	998

<p>G4. How easy would it be for an unauthorized person to gain access to the MRDP computer or program? (RECORD VERBATIM)</p> <p>_____</p> <p>_____</p> <p>_____</p>
--

G5. Where are the instructions for using the MRDP system located?

[IF OBSERVED, CIRCLE ONE CODE IN COLUMN a.
 IF REPORTED, CIRCLE ONE CODE IN COLUMN b.
 IF OBSERVED AND REPORTED, CIRCLE ONE CODE IN COLUMN a AND ONE CODE IN COLUMN b.]

	a. OBSERVED	b. REPORTED
A. IN A LOCKED DRAWER OR OTHER SECURE LOCATION	1	6
B. OUT OF SIGHT, BUT <u>NOT</u> IN A SECURE PLACE (E.G., IN AN UNLOCKED DRAWER)	2	7
C. IN PLAIN SIGHT, BUT <u>NOT</u> NEXT TO MACHINE (E.G., IN BOOK CASE)	3	8
D. IN PLAIN SIGHT, NEXT TO THE MACHINE	4	9
E. OTHER (SPECIFY:) _____ _____	5	10
DON'T KNOW		98

G6. Where is the password for using the MRDP system located?

[IF OBSERVED, CIRCLE ONE CODE IN COLUMN a.
 IF REPORTED, CIRCLE ONE CODE IN COLUMN b.
 IF OBSERVED AND REPORTED, CIRCLE ONE CODE IN COLUMN a AND ONE CODE IN COLUMN b.]

	a. OBSERVED	b. REPORTED
A. IN A LOCKED DRAWER OR OTHER SECURE LOCATION	1	7
B. OUT OF SIGHT, BUT <u>NOT</u> IN A SECURE PLACE (E.G., IN AN UNLOCKED DRAWER)	2	8
C. IN PLAIN SIGHT, BUT <u>NOT</u> NEXT TO MACHINE (E.G., IN BOOK CASE)	3	9
D. IN PLAIN SIGHT, NEXT TO THE MACHINE	4	10
E. OUT OF SIGHT – USER HAS PASSWORD MEMORIZED	5	11
F. OTHER (SPECIFY:) _____ _____	6	12
DON'T KNOW		98

MRDP EMPLOYER ON-SITE INTERVIEW – NON-STUDY SITES

A. ESTABLISHMENT CHARACTERISTICS

A1. In what month and year did this establishment begin operations at this location?

MONTH YEAR

A2. What kind of work is done at this establishment; i.e., what kind of product(s) are made here or what kind of services are performed?

A3. Is this establishment part of a company that has locations outside the U.S.?

YES	1
NO	5
DON'T KNOW	8

GO TO QUESTION A5 ←

A4. In which country is the headquarters located?:

UNITED STATES	1
OTHER (<i>SPECIFY:</i>) _____ _____	6

A5. Is this establishment a personnel or temporary employee company that supplies workers for other firms?

YES	1
NO	5
DON'T KNOW	8

GO TO A10 ←

A6. Which of the following best describes your establishment? Would you say:
(CODE 'YES' OR 'NO' FOR EACH ITEM.)

	YES	NO
A. a temporary help agency? That is, an establishment that hires and then pays workers who work off-site under the supervision of another employer. That employer then pays you for your services.	1	5
B. an employment agency? That is, an establishment that tries to find workers to be hired by an employer who will, if the search is successful, pay you a fee for that service.	1	5
C. some other type of temporary help agency? (IF NOTHING ELSE, CODE 'NO'. IF OTHER TYPE MENTIONED, CODE 'YES' AND SPECIFY.) _____ _____ _____	1	5

A7. Do you ask new hires to fill out an I-9 Form before you send them to work elsewhere?

YES	1
NO	5

A8. What type of companies do you usually work with? That is, what do they make or do?
(RECORD VERBATIM)

A9. Would you please give me the company names of one or two of your most frequent clients? (RECORD VERBATIM)

1. _____

2. _____

3. _____

<p>A10. How would you characterize the <u>financial health</u> of this establishment during the <u>past six months</u>? Would you say:</p>	Excellent, or high profit growth,	1
	Good, or moderate profit growth,	2
	Fair, or no change in profits, or	3
	Poor, or a decline in profits?	4

<p>A11. During the <u>past six months</u>, has this establishment experienced:</p>	Rapid growth,	1
	Moderate growth,	2
	No change, or	3
	A reduction in growth?	4

B. EMPLOYEE CHARACTERISTICS

B1. Now I'd like to ask some questions about the employees at this establishment.

Please estimate the number of current employees of this establishment in each of the following categories.

Do not count employees of contract or temporary service agencies who work at your site; do count any of this establishment's employees who work under contract at another site.

- a. Full time permanent ,
- b. Part time permanent ,
- c. On a temporary basis ,

- d. TOTAL ,

B2. What are the peak months for hiring employees at this establishment?
[CIRCLE ALL THAT APPLY]

JANUARY	1	FEBRUARY	2	MARCH	3
APRIL	4	MAY	5	JUNE	6
JULY	7	AUGUST	8	SEPTEMBER	9
OCTOBER	10	NOVEMBER	11	DECEMBER	12
CONTINUAL HIRING THROUGHOUT THE YEAR				13	

B3. During the past six months, approximately how many people were hired at this establishment?

PEOPLE HIRED IN PAST 6 MONTHS ,

B4. Please estimate the percent of current employees of this establishment who are:		% OF ALL EMPLOYEES
	a. Hispanic or Latino (any race)?	_____ %
	b. Non-Hispanic African American?	_____ %
	c. Non-Hispanic white?	_____ %
	d. Asian?	_____ %
	e. Any other race?	_____ %

B5. Approximately what percent of current <u>hourly</u> employees of this establishment are:		% OF HOURLY EMPLOYEES
	immigrants, that is, they were born outside of the U.S.?	_____ %

B6. Now I'd like to ask some questions about the employees at this establishment. Would you say that immigrant employees in this establishment are predominantly:	unskilled laborers,	1
	semi-skilled operatives,	2
	service workers,	3
	skilled workers and craftsmen, or	4
	other? (SPECIFY:) _____ _____	5

B7. When your establishment first began using the MRDP, was the percentage of immigrants working here:		
	lower than now,	1
	higher than now, or	2
	the same as now?	3

B8. In your opinion, which of the following factors have affected the extent to which you rely on immigrant workers? Do you think that:

	YES	NO
there are more immigrants in this area than there were previously?	1	5
immigrants are less likely to apply to this establishment because of the pilot program?	1	5
some of the managers in this establishment are hesitant to hire immigrants because of problems associated with the pilot program?	1	5
you've made changes that have made your jobs more attractive to non-immigrants?	1	5
Are there any other factors have had an effect? <i>(SPECIFY:)</i> _____ _____	1	5

B9. Do you think that the MRDP program makes participating employers more or less willing to hire immigrants?

MORE WILLING	1
LESS WILLING	2
NEITHER	3
DON'T KNOW	8

GO TO SECTION C ←

B10. Why does it make them (more / less) willing to hire immigrants? (RECORD VERBATIM)

C. HIRING PROCEDURES

Now I'd like to find out a little bit about this establishment. In order to understand how the MRDP pilot program has really been working, it would be helpful if we could get a general understanding of your procedures for hiring and processing new workers.

	YES	NO
C1. Which of the following items do you request from job applicants <u>before</u> making a job offer? Do you request: (CODE 'YES' OR 'NO' FOR EACH ITEM.)		
A. a resume or vita?	1	5
B. a completed job application?	1	5
C. references?	1	5
D. skills tests?	1	5
E. a medical form or tests?	1	5
F. a completed I-9 Form?	1	5
G. work authorization documents?	1	5
H. What else do you request before making a job offer? (IF NOTHING ELSE, CODE 'NO'. IF ANY ADDITIONAL ITEMS MENTIONED, CODE 'YES' AND SPECIFY.) _____	1	5

C2. Which of the following procedures does this establishment use to process new employees <u>after</u> they are hired? Do you use: (CODE 'YES' OR 'NO' FOR EACH ITEM.)	YES	NO
	A. orientation sessions?	1
B. a completed I-9 Form?	1	5
C. completed forms other than I-9?	1	5
D. verification of work authorization using the MRDP software?	1	5
E. a physical exam?	1	5
F. drug tests?	1	5
G. What other procedures do you use to process new employees after they are hired? (IF NOTHING ELSE, CODE 'NO'. IF ANY OTHER PROCEDURES MENTIONED, CODE 'YES' AND SPECIFY.) _____ _____ _____ _____	1	5

C3. a. For which types of employees do you use the MRDP software, either with or without the Card Reader?
(RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:)
Do you use the MRDP program for [CATEGORY]?
(CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. NEW EMPLOYEES WHO CLAIM TO BE NON-CITIZENS	1	1	5
B. NEW EMPLOYEES WHO CLAIM TO BE CITIZENS	2	1	5
C. JOB APPLICANTS	3	1	5
D. EMPLOYEES WHO WORKED AT THE ESTABLISHMENT PRIOR TO THE INSTITUTION OF THE MRDP	4	1	5
E. OTHER TYPES OF EMPLOYEES (SPECIFY:) _____ _____	5	1	5

C4. Is the MRDP system generally used to process a new employee:

after a job offer but before the employee's first day of paid work,	1
on the first day of paid work,	2
within the first three days of work,	3
more than three days after starting work, or	4
at some other time? (SPECIFY:) _____ _____ _____	5

C5.

Please provide your best estimate of the percentage of employees verified by this establishment during the past six months who:

% OF
EMPLOYEES IN
PAST 6 MONTHS

- a. presented counterfeit documents (documents that were altered or forged).
- b. presented 'real' documents that belong to another person.

_____ %

_____ %

D. CHANGES SINCE THE MRDP STARTED

D1. Please tell me how long you personally have been involved with hiring at this establishment.

--	--

AND

--	--

YEARS

MONTHS

D2. And how long have you personally been working with the MRDP program at this establishment?

--	--

AND

--	--

YEARS

MONTHS

In answering the following questions about changes since beginning to use the MRDP, I would like you to compare the hiring procedures your establishment uses now with the procedures that were in existence before your establishment began using the MRDP program.

D3. Have there been any modifications in the way this establishment recruits or hires employees since this establishment began using the MRDP program?

YES	1
NO	5
DON'T KNOW	8

GO TO D5 ←

D4. a. Did these modifications involve:
(CODE 'YES' OR 'NO' IN COLUMN a FOR EACH ITEM.)

b. (FOR EACH CATEGORY CODED 'YES' IN COLUMN a, ASK:)
Did the change in [CATEGORY] apply to US citizens only, non-citizens, or both?
(CODE RESPONSE IN COLUMN b)

	a.		b.		
	YES	NO	US CITIZEN	NON-US CITIZEN	BOTH
A. the way resumes are reviewed?	1	5	1	2	3
B. requirements for in-person interviews?	1	5	1	2	3
C. verification of work authorization?	1	5	1	2	3
D. the requirement of fewer or more documents to confirm work authorization?	1	5	1	2	3
E. What other modifications have there been? (IF NO OTHERS, CODE 'NO'. IF ANY OTHERS, CODE 'YES')	1	5	1	2	3

(EXPLAIN ALL YES RESPONSES)

D5. In your opinion, has the MRDP verification system helped to reduce some of the work associated with collecting and reviewing the documents required for employment verification?

YES	1
NO	5
DON'T KNOW	8

GO TO D7 ←

D6. How has it helped reduce the work associated with collecting and reviewing documents?
(RECORD VERBATIM)

D7. Do you think the MRDP verification system has helped to reduce the employment of persons who are not legally authorized to work in the United States?

YES	1
NO	5
DON'T KNOW	8

GO TO D9 ←

D8. (Why do you think so? / Why not?) (RECORD VERBATIM)

<p>D9. Is the notice about the MRDP pilot placed in the reception area?</p> <p>GO TO SECTION E ← <input type="checkbox"/></p>	YES	1
	NO	5
	DON'T KNOW	8

<p>D10. Where in the reception area is the notice about the MRDP pilot placed?</p> <p>[IF OBSERVED, ENTER IN COLUMN a. IF REPORTED, ENTER IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, ENTER IN COLUMN a <u>AND</u> IN COLUMN b.].</p>		
	a. OBSERVED	b. REPORTED
A. WHERE IT CAN BE EASILY NOTICED BY APPLICANTS (E.G., BY ITSELF ON A WALL NEXT TO THE RECEPTION DESK)	1	5
B. WHERE APPLICANTS MAY BE ABLE TO NOTICE IT (E.G., ON A BULLETIN BOARD NEXT TO THE RECEPTION DESK WITH THREE OR FOUR OTHER NOTICES)	2	6
C. WHERE IT IS UNLIKELY TO BE NOTICED BY APPLICANTS (E.G., FAR FROM THE RECEPTION DESK OR WITH A LARGE NUMBER OF OTHER NOTICES)	3	7
D. OTHER (<i>SPECIFY</i>) _____ _____	4	8
DON'T KNOW		98

E. GENERAL EXPERIENCES WITH THE MRDP PROGRAM

E1. Before you began using the MRDP system, how would you characterize the I-9 employment verification process? Would you say it was:

very burdensome,	1
moderately burdensome,	2
somewhat burdensome, or	3
not at all burdensome?	4

E2. Currently, how would you characterize the I-9 employment verification process using the MRDP Card Reader? Would you say it is:

very burdensome,	1
moderately burdensome,	2
somewhat burdensome, or	3
not at all burdensome?	4
DO NOT USE CARD READER	5

E3. Currently, how would you characterize the I-9 employment verification process using the MRDP software without the Card Reader? Would you say it is:

very burdensome,	1
moderately burdensome,	2
somewhat burdensome, or	3
not at all burdensome?	4
ALWAYS USE CARD READER	5

E4. Thinking of the effect the MRDP program has had at your establishment, would you say your confidence that new hires are work authorized has increased:

quite a lot,	1
somewhat,	2
only a little, or	3
not at all?	4

E5. Did this establishment encounter any difficulties during the process of setting up the MRDP software or Card Reader?

YES	1
NO	5
DON'T KNOW	8

GO TO E7 ←

E6. What were the difficulties during the process of setting up the MRDP software or Card Reader? (RECORD VERBATIM; THEN CIRCLE ALL THAT APPLY)

A. PROBLEM WITH OUR MODEM	1
B. PROBLEM WITH THE TYPE OF COMPUTER SYSTEM WE USE	2
C. PROBLEM WITH THE PHONE LINE	3
D. PROBLEM WITH THE CARD-READING MACHINE	4
E. OTHER TECHNICAL PROBLEMS WITH SOFTWARE, HARDWARE, ETC.	5
F. PROCEDURAL PROBLEMS [RELUCTANCE TO USE BECAUSE OF NEED TO HOLD DRIVER'S LICENSE OR ID CARD, ETC.]	6
G. STAFF PROBLEMS [WHO WILL DO THE VERIFICATIONS, TRAINING NEW STAFF TO DO VERIFICATIONS, TIME, ETC.]	7
H. EMPLOYEE ISSUES [RELUCTANCE TO PROVIDE DRIVER'S LICENSE, ETC.]	8
I. OTHER	9

E7. Did this establishment encounter any difficulties with the MRDP software or Card Reader after the program was set up?

YES	1
NO	5
DON'T KNOW	8

GO TO E9 ←

E8. a What were the difficulties encountered with the MRDP software or Card Reader after the program was set up?
(RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:)
What about [CATEGORY]; was that a problem?
(CODE PROBED 'YES' OR 'NO' IN COLUMN b)

c. (FOR EACH CATEGORY CIRCLED IN COLUMN a OR CODED 'YES' IN COLUMN b, ASK:) Is [CATEGORY] an ongoing problem or has it been solved?
(CODE 'ONGOING' OR 'SOLVED' IN COLUMN c)

	a.	b. PROBED		c.	
	GIVEN	YES	NO	ON-GOING	SOLVED
A. PROBLEM ACCESSING THE SYSTEM (I.E., HARD TO GET THROUGH)	1	1	5	1	2
B. SYSTEM UNAVAILABLE FOR USE DURING WEEKENDS OR NIGHTS	2	1	5	1	2
C. OTHER TECHNICAL PROBLEMS	3	1	5	1	2
D. PROCEDURAL PROBLEMS [RELUCTANCE TO USE BECAUSE OF NEED TO HOLD DRIVER'S LICENSE OR ID CARD, ETC.]	4	1	5	1	2
E. STAFF PROBLEMS [TRAINING NEW STAFF TO DO VERIFICATIONS, ETC.]	5	1	5	1	2
F. OTHER DIFFICULTIES WITH THE MRDP SOFTWARE AFTER IT WAS SET UP	6	1	5	1	2
G. OTHER DIFFICULTIES WITH THE MRDP CARD READER AFTER IT WAS SET UP	7	1	5	1	2

E9. In your opinion, what are some of the <u>benefits</u> of the MRDP verification system? Would you say: (CODE 'YES' OR 'NO' FOR EACH ITEM.)		
	YES	NO
A. it increases confidence in the establishment's ability to detect persons who are not eligible to work?	1	5
B. it makes the establishment feel comfortable that it is in compliance with the law?	1	5
C. it decreases the likelihood of an INS audit?	1	5
D. it decreases the likelihood of employment sanctions?	1	5
E. it gives employees an opportunity to correct their INS or SSA records?	1	5
F. By using the Card Reader to enter information, data entry errors are reduced?	1	5
G. What other benefits of the MRDP system are there? (IF NO OTHERS, CODE 'NO'. IF ANY OTHERS, CODE 'YES')	1	5
(EXPLAIN <u>ALL</u> YES RESPONSES)		

E10. a. In your opinion, what are the main disadvantages or shortcomings of the MRDP verification system? (RECORD VERBATIM; CIRCLE ALL THAT APPLY IN COLUMN a)

b. (FOR EACH CATEGORY NOT CIRCLED IN COLUMN a, ASK:) What about [CATEGORY]; is that a main disadvantage or shortcoming of the MRDP? (CODE 'YES' OR 'NO' IN COLUMN b)

	a.	b. PROBED	
	GIVEN	YES	NO
A. HARDER TO FIND WORKERS	1	1	5
B. LOST WORK TIME WHEN EMPLOYEES NEED TO GO THROUGH THE MRDP PROCEDURES	2	1	5
C. THERE IS NO AUTOMATIC ELECTRONIC VERIFICATION USING THE CARD READER	3	1	5
D. WHEN USING THE CARD READER STILL REQUIRES ADDITIONAL MANUAL DATA ENTRY FOR ALL EMPLOYEES	4	1	5
E. INCREASED BURDEN TO PROCESS NEW HIRES	5	1	5
F. LOST TRAINING INVESTMENT OR WORK TIME WHEN NON-VERIFIED EMPLOYEES LEAVE	6	1	5
G. INCREASED DISCRIMINATION	7	1	5
H. POTENTIAL VIOLATION OF PRIVACY RIGHTS OF EMPLOYEES	8	1	5
I. OTHER	9	1	5

E11. On balance, do you think the benefits or the disadvantages of the MRDP verification system are stronger, or do you think they are equal?

BENEFITS STRONGER	1
DISADVANTAGES STRONGER	2
EQUAL BENEFITS AND DISADVANTAGES	3
DON'T KNOW	8

GO TO E13 ←

E12. Why do you feel this way? (RECORD VERBATIM)

E13. Have you used the MRDP Card Reader?

YES	1
NO	5
DON'T KNOW	8

GO TO E15 ←

E14. Please describe the process of using the Card Reader. For example, how many verifications can be entered at one time, is there a delay in getting a response, does the Card Reader seem to be working correctly, and so on.
(RECORD VERBATIM)

(INTERVIEWER: GO TO SECTION F)

G. SECURITY ISSUES REGARDING I-9 ENTRY

Now I have some questions about security regarding the MRDP program entry of I-9 Forms at this establishment.

		a.	b.	
		OBSERVED	REPORTED	
G1	Is the computer that is used for verification located in a locked room (that is, is a key or card needed to enter the room)?	YES, LOCKED	1	2
	[IF OBSERVED, CIRCLE ONE CODE IN COLUMN a. IF REPORTED, CIRCLE ONE CODE IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, CIRCLE ONE CODE IN COLUMN a <u>AND</u> ONE CODE IN COLUMN b.]	NO, NOT LOCKED	5	6

(IF COMPUTER IS IN A LOCKED ROOM [G1 = 1 OR 2] ASK G2. OTHERWISE, GO TO G3.)

		a.	b.	
		OBSERVED	REPORTED	
G2	Is that room usually kept locked when it is not occupied?	YES, USUALLY LOCKED	1	2
	[IF OBSERVED, CIRCLE ONE CODE IN COLUMN a. IF REPORTED, CIRCLE ONE CODE IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, CIRCLE ONE CODE IN COLUMN a <u>AND</u> ONE CODE IN COLUMN b.]	NO, NOT USUALLY LOCKED	5	6

		a.	b.	
		NUMBER OBSERVED	NUMBER REPORTED	
G3	How many people usually work in that room?			
	[IF OBSERVED, ENTER IN COLUMN a. IF REPORTED, ENTER IN COLUMN b. IF OBSERVED <u>AND</u> REPORTED, ENTER IN COLUMN a <u>AND</u> IN COLUMN b.].		DON'T KNOW	998

G4. How easy would it be for an unauthorized person to gain access to the MRDP computer or program? (RECORD VERBATIM)

G5. Where are the instructions for using the MRDP system located?

[IF OBSERVED, CIRCLE ONE CODE IN COLUMN a.

IF REPORTED, CIRCLE ONE CODE IN COLUMN b.

IF OBSERVED AND REPORTED, CIRCLE ONE CODE IN COLUMN a AND ONE CODE IN COLUMN b.]

	a. OBSERVED	b. REPORTED
A. IN A LOCKED DRAWER OR OTHER SECURE LOCATION	1	6
B. OUT OF SIGHT, BUT <u>NOT</u> IN A SECURE PLACE (E.G., IN AN UNLOCKED DRAWER)	2	7
C. IN PLAIN SIGHT, BUT <u>NOT</u> NEXT TO MACHINE (E.G., IN BOOK CASE)	3	8
D. IN PLAIN SIGHT, NEXT TO THE MACHINE	4	9
E. OTHER (SPECIFY:) _____ _____	5	10
DON'T KNOW		98

G6. Where is the password for using the MRDP system located?

[IF OBSERVED, CIRCLE ONE CODE IN COLUMN a.

IF REPORTED, CIRCLE ONE CODE IN COLUMN b.

IF OBSERVED AND REPORTED, CIRCLE ONE CODE IN COLUMN a AND ONE CODE IN COLUMN b.]

	a. OBSERVED	b. REPORTED
A. IN A LOCKED DRAWER OR OTHER SECURE LOCATION	1	7
B. OUT OF SIGHT, BUT <u>NOT</u> IN A SECURE PLACE (E.G., IN AN UNLOCKED DRAWER)	2	8
C. IN PLAIN SIGHT, BUT <u>NOT</u> NEXT TO MACHINE (E.G., IN BOOK CASE)	3	9
D. IN PLAIN SIGHT, NEXT TO THE MACHINE	4	10
E. OUT OF SIGHT – USER HAS PASSWORD MEMORIZED	5	11
F. OTHER (SPECIFY:) _____ _____	6	12
DON'T KNOW		98



**Immigration and Naturalization Service
Machine-Readable Document Pilot
Employee Survey**

Conducted by:
Westat

LABEL

INTERVIEWER: _____

DATE OF INTERVIEW:
MONTH DAY YEAR

RESULT CODE:

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources and maintaining the data needed, and completing and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB number. Send comments regarding this burden of estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: Policy Directives and instructions (PDI-Room 5307) (ATTN: Richard Sloan), c/o Immigration and Naturalization Service, 425 I Street NW, Washington, D.C. 20536. *Do not return the completed form to this address.*

START TIME: | ____:____ | a.m. or p.m. (CIRCLE ONE)

SECTION A: APPLICATION PROCESS

Thank you for taking the time to talk with me today. This survey is part of a study on employment eligibility, sponsored by the Immigration and Naturalization Service. Your participation is voluntary and your answers will be kept strictly confidential to the extent permitted by law. If you choose not to answer some or all of the questions, there will be no penalty. Your answers will not be associated with your name. They will be combined with the answers of other employees and reported in statistical summaries. This survey will only take about 20 minutes.

First, I have some questions about your experiences with (EMPLOYER) in finding a job.

A1. How did you first learn that [NAME OF EMPLOYER] might be a good place to find out about a job? Was it from...

- A friend or relative,..... 1
- An ad or (*specify where*), _____ 2 (SKIP TO QA5)
- Some other source? (*specify*) _____ 3 (SKIP TO QA5)
- DON'T REMEMBER..... 8 (SKIP TO QA6)

A2. Did this person tell you that [EMPLOYER] often hires immigrants?

- YES 1
- NO 2 (SKIP TO QA6)
- DON'T REMEMBER..... 8 (SKIP TO QA6)

A3. Was this important to you?

- YES 1
- NO 2 (SKIP TO QA6)
- DON'T KNOW/NO OPINION..... 8 (SKIP TO QA6)

A4. Why was this important to you? _____

ALL SKIP TO QA6

A5. (Was that/were any of those) (ADVERTISEMENT(S) AND/OR SOURCE(S) SPECIFIED) intended especially for immigrants or racial or ethnic minorities? [CIRCLE ONLY ONE.]

- YES, ADVERTISEMENT ONLY..... 1
- YES, NON-ADVERTISEMENT SOURCE ONLY 2
- YES, BOTH SOURCES, OR..... 3
- NO (NEITHER) 4
- DON'T KNOW..... 8

A6. How did you first get in touch with [EMPLOYER] about a job? Was it by.....
[CIRCLE ONLY ONE.]

- Walking in..... 1
- Phone..... 2
- Mail, or..... 3
- Some other way? (*specify*) _____ 4
- DON'T REMEMBER..... 8

A7. After you first asked [EMPLOYER] about a job, what did [EMPLOYER] ask you to do next?
[CIRCLE ONLY ONE.]

- FILL OUT A JOB APPLICATION 01
- HAVE AN INTERVIEW..... 02
- SHOW YOUR WORK-AUTHORIZATION AND IDENTITY
DOCUMENTS 03
- FILL OUT AN I-9 FORM [SHOW CARD A] 04
- SOMETHING ELSE (*specify*) _____ 05
- GO TO ANOTHER PLACE, REFERRED BY [EMPLOYER],
THAT MIGHT HAVE A JOB FOR YOU, OR..... 06
- NOTHING ELSE – EMPLOYER OFFERED YOU A JOB RIGHT
AWAY 07 (SKIP TO QA10)
- NOTHING ELSE – EMPLOYER NEVER OFFERED YOU
A JOB..... 08 (SKIP TO BOX A1)

A8. How soon after [EMPLOYER] asked you to [ANSWER FROM QA7], did you do so? Was it ...

- The same day, 1
- Within a week, 2
- A week or more later, or 3
- Never? 4 (SKIP TO QA10)
- DON'T REMEMBER WHEN I DID IT..... 5
- DON'T REMEMBER IF I DID IT 6

A9. After you [ANSWER TO QA7], what did [EMPLOYER] ask you to do next? [CIRCLE ONLY ONE.]

- FILL OUT A JOB APPLICATION 01
- HAVE AN INTERVIEW..... 02
- SHOW YOUR WORK-AUTHORIZATION AND IDENTITY
DOCUMENTS 03
- FILL OUT AN I-9 FORM [SHOW CARD A] 04
- SOMETHING ELSE (*specify*) _____ 05
- GO TO ANOTHER PLACE, REFERRED BY [EMPLOYER],
THAT MIGHT HAVE A JOB FOR YOU, OR..... 06
- NOTHING ELSE – EMPLOYER OFFERED YOU A
JOB RIGHT AWAY 07
- NOTHING ELSE – EMPLOYER NEVER OFFERED YOU JOB.. 08

BOX A1

INTERVIEWER: CHECK LABEL, THEN QA7 AND QA9.

- EMPLOYER IS TEMPORARY AGENCY..... 1 (SKIP TO QA24)**
- EMPLOYER IS NOT TEMPORARY AGENCY AND**
- QA7 OR QA9 = 01..... 2 (SKIP TO QA11)**
- QA7 OR QA9 = 02-07 3**
- QA7 OR QA9 =08..... 4 (SKIP TO QB21)**

A10. Did you ever fill out a job application?

- YES 1
- NO 2 (SKIP TO BOX A2)
- DON'T REMEMBER..... 8 (SKIP TO BOX A2)

A11. When did you fill out a job application? Was this ...

- Before [EMPLOYER] told you that you had a job..... 1
- After [EMPLOYER] told you that you had a job 2
- DON'T REMEMBER..... 8

A12. Did the job application ask...

	Yes	No	Don't know
a. If you were a United States citizen?	1	2	8
b. What country you are from?	1	2	8
c. What type(s) of documents you had to show that you were authorized to work?	1	2	8

A13. When you filled out the job application, did you at the same time also:

	Yes	No
SHOW CARDS A & B a. Fill out an I-9 form?	1	2
b. Show [EMPLOYER] your work authorization documents?	1	2

BOX A2

IF INTERVIEW CODED (02) IN QA7 OR QA9, CHECK THIS BOX AND SKIP TO QA15.

A14. Did you ever have a job interview with [EMPLOYER]?

- YES 1
- NO 2 (SKIP TO BOX A3)
- DON'T REMEMBER..... 8 (SKIP TO BOX A3)

A15. When did you have the job interview? Was it ...

- Before [EMPLOYER] told you that you had a job..... 1
- After [EMPLOYER] told you that you had a job 2
- DON'T REMEMBER..... 8

A16. During the interview, were you asked:

	Yes	No	Don't know
a. If you were a United States citizen?	1	2	8
b. What country you are from?	1	2	8
c. What type(s) of documents you had to show that you were authorized to work?	1	2	8

A17. When you had the interview, did you at that time also:

	Yes	No
a. Fill out an I-9 form	1	2
b. Show employer your work-authorization documents?	1	2

BOX A3

**IF I-9 FORM FILLED OUT (QA7, QA9, QA13 OR QA17), CHECK THIS BOX.....
AND SKIP TO QA19.**

A18. Did [EMPLOYER] ever ask you to fill out a form like this [SHOW CARD]?

SHOW CARD A	YES	1
	NO	2 (SKIP TO BOX A4)
	DON'T REMEMBER.....	8 (SKIP TO BOX A4)

A19. When did you fill out an I-9 form? Was it ...

Before [EMPLOYER] told you that you had a job	1
After [EMPLOYER] told you that you had a job	2
DON'T REMEMBER.....	8

BOX A4

**IF WORK AND IDENTITY DOCUMENTS SHOWN (QA7, QA9, QA13, OR QA17)
CHECK THIS BOX AND SKIP TO QA21.**

A20. Did you ever show [EMPLOYER] your work and identity documents?

SHOW CARD B	YES	1
	NO	2 (SKIP TO QA23)
	DON'T REMEMBER.....	8 (SKIP TO QA23)

A21. When did you show your work and identity documents? Was it ...

Before [EMPLOYER] told you that you had a job	1
After [EMPLOYER] told you that you had a job	2 (SKIP TO QA23)
DON'T REMEMBER.....	8 (SKIP TO QA23)

A22. Why did you show them at that time? Was it because...

- [EMPLOYER] asked you to, 1
- You thought that [EMPLOYER] would be more likely to hire you if they knew you had work documents, or..... 2
- Something else? (*specify*) _____ 3
- DON'T REMEMBER..... 8

A23. Did [EMPLOYER] offer you a job?

- YES 1
- NO 2 (SKIP TO QB21)
- DON'T REMEMBER..... 8 (SKIP TO QB21)

BOX A5

INTERVIEWER: CHECK LABEL

- REGULAR EMPLOYER..... 1 (SKIP TO QA28)**
- TEMPORARY AGENCY OR PLACEMENT SERVICE 2**

A24. Did [EMPLOYER] find a job for you?

- YES (*specify where*) _____ 1 (SKIP TO QA27)
- NO..... 2
- DON'T REMEMBER..... 8

A25. Did [EMPLOYER] ever send you to talk to someone about a job?

- YES (*specify where*) _____ 1 (SKIP TO QA27)
- NO..... 2
- DON'T REMEMBER..... 8

A26. Did [EMPLOYER] ever say they would try to find you a job?

- YES (*specify where*) _____ 1
- NO..... 2 (SKIP TO QB21)
- DON'T REMEMBER..... 8 (SKIP TO QB21)

A27. Who wrote your paychecks? Was it...

- [EMPLOYER] or 1
- Some other employer (*specify*) _____ 2
- NO PAYCHECK RECEIVED/DID NOT GET OR TAKE JOB 3
- DON'T KNOW 8

INTERVIEWER:

IF QA27 = 2, USE THAT EMPLOYER NAME IN THE REMAINING QUESTIONS.

A28. What kind of job was this? [RECORD VERBATIM AND CODE BELOW.]

- WHITE COLLAR JOB (PROFESSIONAL, CLERICAL, ETC.) 1
- SKILLED BLUE COLLAR JOB (PLUMBER, ELECTRICIAN)..... 2
- UNSKILLED LABOR (DISHWASHER, FARM WORKER) 3

A29. Did you accept the job?

- YES 1 (SKIP TO QA31)
- NO 2
- DON'T REMEMBER..... 8 (SKIP TO QB21)

A30. What was the main reason you didn't take the job at [EMPLOYER]? [CIRCLE ONLY ONE.]

- You didn't like the work 1
- It was too much trouble to take care of work authorization problems 2
- The job didn't pay enough 3
- You were offered another job, or 4
- Some other reason (*specify*) _____ 5
- DON'T KNOW 8

SKIP TO QB21

A31. When did you start working for [EMPLOYER] after you accepted the job?

____ | ____ | ____ | ____ | ____ | ____ | (SKIP TO QA33)
MONTH DAY YEAR

OR

- NEVER STARTED 1 (SKIP TO QB21)
- DON'T REMEMBER WHEN STARTED 2
- DON'T REMEMBER WHETHER STARTED 3 (SKIP TO QB21)

A32. Approximately how long was it between the time you accepted the job and you started? Was it...

- The same day, 1
- Less than one week, 2
- Between one and two weeks, 3
- Over two weeks but less than a month, or..... 4
- A month or more? 5
- DON'T REMEMBER..... 8

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SECTION B: PAPERWORK

B1. Have you ever heard about the Machine Readable Document Pilot, or MRDP?

- YES 1
- NO..... 2 (SKIP TO QB4)

B2. How did you first hear about this program? Did... [CIRCLE ONLY ONE.]

- (EMPLOYER) tell you about it? 1
- A friend or relative tell you about it? 2
- You read about it? 3
- You see it on a poster at (EMPLOYER)? or..... 4 (SKIP TO QB5)
- Was it some other way? (*specify*) _____ 5

B3. Did you first hear about this program before or after you started work at [EMPLOYER]?

- BEFORE 1
- AFTER..... 2

B4. While you were applying, did you see a sign posted at [EMPLOYER] that looks like this?

- SHOW
CARD C**
- YES 1
 - NO..... 2

B5. Which work documents did you provide to [EMPLOYER]? [CIRCLE ALL THAT APPLY.
 PROBE: "Any others?"]

- a. DRIVER'S LICENSE 01
- b. STATE ISSUED NON-DRIVER ID 02
- c. SOCIAL SECURITY CARD..... 03
- d. U.S. PASSPORT 04
- e. FOREIGN PASSPORT OR I-94 WITH I-551 STAMP 05
- f. GREEN CARD (I-551) OR RESIDENT (ALIEN) CARD..... 06

EMPLOYMENT AUTHORIZATION DOCUMENT (EAD) ISSUED BY THE INS

- g. EMPLOYMENT AUTHORIZATION DOCUMENT (I-688B, I-766) 07
- h. I-94 WITH WORK AUTHORIZATION LEGEND..... 08
- i. OTHER (*specify*) _____ 09
- j. DID NOT PROVIDE ANY DOCUMENTS 10 (SKIP TO SECTION D)

BOX B1	
QB5 EQUALS 01 OR 02	1
QB5 DOES NOT EQUAL 01 OR 02	2 (SKIP TO QB12)

B6. You said you provided a (driver's license/state ID) to [EMPLOYER]. From what state was this issued?

- IOWA..... 1
- OTHER STATE (*specify*) _____ 2 (SKIP TO QB12)

B7. Did [EMPLOYER] borrow your (license/state ID)?

- YES 1
- NO..... 2 (SKIP TO B12)
- DON'T REMEMBER..... 8 (SKIP TO B12)

B8. How long did [EMPLOYER] keep your (driver's license/state ID)?

- #: _____ MINUTES 1
- _____ HOURS 2
- _____ DAYS 3

B9. Did this bother you?

- YES 1
- NO..... 2

B10 Did [EMPLOYER] say why it was necessary to take your (driver's license/state ID)?

- YES 1
- NO 2
- DON'T REMEMBER..... 8

B11. Did you see [EMPLOYER] put your (driver's license/state ID) through a machine that looked like this?

**SHOW
CARD D**

- YES 1
- NO 2
- DON'T REMEMBER..... 8

B12. After you first gave [EMPLOYER] your documents, did [EMPLOYER] ask you to provide additional documents?

- YES 1
- NO 2 (SKIP TO QB15)
- DON'T REMEMBER..... 8 (SKIP TO QB15)

B13. What additional documents did [EMPLOYER] request at that time? [CIRCLE ALL THAT APPLY.]

- a. GREEN CARD (I-551)/RESIDENT ALIEN CARD 1
- b. EMPLOYMENT AUTHORIZATION DOCUMENT (EAD)
ISSUED BY THE INS..... 2
- c. SSN CARD 3
- d. ANY OTHER DOCUMENT (*specify*) _____ 4

B14. Why do you think [EMPLOYER] needed additional documents?

- BECAUSE [EMPLOYER] THOUGHT THE DOCUMENT(S)
WEREN'T MINE 1 (SKIP TO QB17)
- [EMPLOYER] THOUGHT THE DOCUMENT(S) I GAVE
HIM WERE FAKE 2 (SKIP TO QB17)
- [EMPLOYER] WAS UNFAMILIAR WITH THE DOCUMENT(S)
I GAVE HIM..... 3
- [EMPLOYER] WANTED TO SEE AN INS DOCUMENT 4
- OTHER (*SPECIFY*) _____ 5
- DON'T KNOW 8

B15. Did [EMPLOYER] question whether any of the documents that you provided were really yours?

- YES (*specify document(s)*) _____ 1
- NO 2 (SKIP TO QB17)
- DON'T REMEMBER..... 8 (SKIP TO QB17)

B16. Why did [EMPLOYER] question whether the documents were yours? [CIRCLE ALL THAT APPLY. READ LIST ONLY IF EMPLOYEE NEEDS CLARIFICATION.]

- a. BECAUSE THEY WEREN'T MINE 1 (SKIP TO QB22)
- b. BECAUSE THEY WERE FAKE 2 (SKIP TO QB22)
- c. BECAUSE HE THOUGHT THE DOCUMENT(S) I GAVE HIM WEREN'T MINE 3
- d. HE THOUGHT THE DOCUMENT(S) I GAVE HIM WERE FAKE 4
- e. HE WAS UNFAMILIAR WITH THE DOCUMENT(S) I GAVE HIM..... 5

B17. Do you find it difficult to get a job with any employer who checks work documents/papers?

- YES 1
- NO 2
- DON'T KNOW 8

B18. At the time you applied for a job at [EMPLOYER], were you authorized to work in the United States?

- YES 1 (SKIP TO QB21)
- NO 2
- REFUSED 7
- DON'T KNOW 8

B19. Did you give [EMPLOYER] any documents that belonged to another person?

- YES 1
- NO 2
- REFUSED 7
- DON'T KNOW 8

B20. Did you give [EMPLOYER] any false documents?

- YES 1
- NO 2
- REFUSED 7
- DON'T KNOW 8

B21. Did [EMPLOYER] ever tell you that there was a problem with your documents?

- YES 1
- NO 2

B22. Did [EMPLOYER] ever tell you that you needed to talk with someone at the Immigration and Naturalization Service (INS) or the Social Security Administration (SSA) about your documents?

- YES 1
- NO 2 (SKIP TO BOX B2)

B23. Which agency were you asked to contact? Was it the...

- Immigration and Naturalization Service only? 1
- Social Security Administration only? or 2
- Both the Immigration and Naturalization Service and the
Social Security Administration? 3

BOX B2

INTERVIEWER: CHECK LABEL. IF EMPLOYEE IS PRE-MRDP, CHECK THIS BOX.....
AND SKIP TO SECTION D.

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SECTION C: CONFIRMATION

C1. These two forms are used to explain that there were some problems with your work authorization. Did [EMPLOYER] ever give you either of these forms?

SHOW CARDS E AND F	YES, SOCIAL SECURITY ADMINISTRATION ONLY.....	1 (SKIP TO QC2)
	YES, IMMIGRATION AND NATURALIZATION SERVICE ONLY	2 (SKIP TO QC2)
	YES, BOTH THE SOCIAL SECURITY ADMINISTRATION AND THE IMMIGRATION AND NATURALIZATION SERVICE?.....	3 (SKIP TO QC2)
	NO.....	4 (SKIP TO BOX C1)
	DON'T REMEMBER.....	8 (SKIP TO BOX C1)

BOX C1

QB21, QB22, AND QC1 = NO OR DON'T REMEMBER 1 (SKIP TO SECTION D)

QB21 AND/OR QB22 = YES AND QC1 = NO OR DON'T REMEMBER... 2 (SKIP TO QC4).

C2. When did [EMPLOYER] give you (this/these) form(s)? Was it...

Before you started work,	1
On the first day of work,	2
Within the first week of work, or	3
Some other time? (<i>specify</i>) _____	4

C3. Did you sign this form?

YES	1
NO.....	2
DON'T KNOW.....	8

C4. When [EMPLOYER] (told you there was a problem/gave you the form), was it done in a place where no one else could overhear you talking?

YES	1
NO.....	2

C5. Did you decide to clear up the problems with your work authorization? [IF R NEEDS CLARIFICATION, ASK, "That is, which option did you choose?"]

SHOW CARD G	YES, DECIDED TO CONTEST	1 (SKIP TO QC11)
	NO, DECIDED NOT TO CONTEST	2

C6. What reasons did you have for not trying to clear up the problems? [CIRCLE ALL THAT APPLY.]

- a. Your employer discouraged you, 1
- b. You were not work authorized, 2
- c. It was too much trouble, 3
- d. You could get a job somewhere else more easily, 4
- e. You were afraid to go to the INS OR SSA OFFICE, or 5
- f. Some other reason? (*specify*) _____ 6
- g. DON'T KNOW 8

C7. What happened next? Did you...

- Continue working, 1
- Quit, 2
- Get fired, terminated, or laid off, or 3
- Something else? (*specify*) _____ 4

C8. At the time [EMPLOYER] told you about the problem were you already working for [EMPLOYER]?

- YES 1 (SKIP TO SECTION D)
- NO 2

C9. Did you ever start working for [EMPLOYER]? [IF R HAS ALREADY TOLD YOU HE/SHE NEVER WORKED FOR EMPLOYER, CODE "NO" WITHOUT ASKING.]

- YES 1
- NO 2 (SKIP TO SECTION D)

C10. After you decided not to clear up the problem, what happened next? Did you...

- Continue working, 1
- Quit, 2
- Get fired, terminated, or laid off, or 3
- Something else? (*specify*) _____ 4

SKIP TO SECTION D

C11. After you decided to clear up the problem, about how many days did it take for you to get in touch with the INS/SSA?

NUMBER OF DAYS _____

OR

DIDN'T CONTACT THEM AT ALL 00 (USE 10 DAYS IN QC18)

C12. At the time [EMPLOYER] told you about the problem, were you already working for [EMPLOYER]?

YES 1 (SKIP TO QC18)
NO 2

C13. When did you start working for [EMPLOYER]?

Before contacting INS/SSA 1 (SKIP TO QC18)
After contacting INS/SSA 2
Never 3 (SKIP TO QC16)

C14. Do you think that you would have started working earlier if you didn't have this problem with your documents?

YES 1
NO 2
DON'T KNOW 8

C15. How much pay do you think you might have lost because of this? [PROBE IF NECESSARY: How many hours or days did you lose? Approximately how much do you make per hour? Was it worth less than \$100, etc.]

\$ _____
OR
DON'T KNOW 8

ALL SKIP TO QC24

C16. Do you think that you would have started working if you didn't have this problem with your work papers?

YES 1
NO 2 (SKIP TO SECTION D)
DON'T KNOW 8 (SKIP TO SECTION D)

C17. How much pay do you think you might have lost because of this? [PROBE IF NECESSARY: How many hours or days did you lose? Approximately how much do you make per hour? Was it less than \$100, etc.]

\$ _____
OR
DON'T KNOW 8

ALL SKIP TO SECTION D

C18. During those [ANSWER FROM QC11] days, did you continue to work for [EMPLOYER]?

- YES 1
- NO..... 2 (SKIP TO QC20)
- NEVER STARTED WORKING 3 (SKIP TO SECTION D)

C19. Did you miss time at work in order to clear up problems concerning your documents?

- YES 1
- NO..... 2 (SKIP TO QC22)

C20. Did [EMPLOYER] pay you for this missed time?

- YES 1 (SKIP TO QC22)
- NO..... 2
- DON'T KNOW..... 8 (SKIP TO QC22)

C21. How much pay did you lose because of this? [PROBE IF NECESSARY: How many hours or days did you lose? Approximately how much do you make per hour? Was it less than \$100, etc.]

\$ _____

OR

DON'T KNOW 8

C22. Did you have a cut in pay while you were waiting for problems with your documents to be cleared up?

- YES 1
- NO..... 2 (SKIP TO QC24)
- DON'T KNOW 8 (SKIP TO QC24)

C23. How large was this cut? [PROBE IF NECESSARY: How many hours or days did you lose? Approximately how much do you make per hour? Was it less than \$100 per week or about \$2 per hour, etc.]

\$ _____

- PER HOUR..... 1
- WEEK 2
- DON'T KNOW 8

C24. Was your job training delayed until the problems with your documents were cleared up?

- YES 1
- NO..... 2
- THERE WAS NO JOB TRAINING..... 3
- DON'T KNOW 8

C25. Did you have any other problems at [EMPLOYER] during the [ANSWER FROM QC11] days because of the problem with your documents?

- YES (*specify*) _____ 1
- NO..... 2
- DON'T KNOW 8

BOX C2

INTERVIEWER: CHECK QB23 OR QC1

- REFERRED TO INS OR BOTH INS/SSA..... 1**
- REFERRED TO SSA ONLY 2 (SKIP TO QC41)**

C26. What were the results of the visit or contact with INS?

- Okay to work (Employment Authorized) 1
- Not okay to work (Unauthorized)..... 2 (SKIP TO QC29)
- NEVER CONTACTED INS 3 (SKIP TO BOX C3)
- Other (*specify*) _____ 4 (SKIP TO QC29)
- DON'T KNOW 8 (SKIP TO QC29)

C27. What was the cause of the problem? Was it because ...

- | | Yes | No |
|---|------------|-----------|
| a. INS had another name that you use or have used?..... | 1 | 2 |
| b. INS didn't know that you had renewed your documents..... | 1 | 2 |
| c. There was a problem with the information on the I-9
(<i>specify</i>) _____ | 1 | 2 |
| d. [EMPLOYER] made a mistake when putting information about
you into the computer (<i>specify</i>) _____ | 1 | 2 |
| e. You needed to renew your documents (<i>specify</i>) _____ | 1 | 2 |
| f. Or something else (<i>specify</i>) _____ | 1 | 2 |

C28. What happened next at [EMPLOYER]? Did you...

- Quit, 1
- Get fired/terminated/laid off, 2
- Continue working, or 3
- Something else? (*specify*) _____ 4

C29. How did you first contact INS to straighten out your records?

- In-person 1
- Phone 2
- Fax 3
- Mail, or 4
- Some other way (*specify*) _____ 5

C30. How many times did you have to contact them?

- ONLY ONCE..... 1 (SKIP TO QC32)
- OR
- NUMBER TIMES _____

C31. How did you contact them after the first time? Was it...

	Yes	No
a. In-person	1	2
b. Phone.....	1	2
c. Fax.....	1	2
d. Mail, or.....	1	2
e. Some other way (<i>specify</i>) _____	1	2

C32. How quickly did INS straighten out your records after you first contacted them?

Right away	1
Within a day.....	2
Within two or three days.....	3
Within a week.....	4
Longer than a week.....	5
NEVER RESOLVED PROBLEM	6
DON'T KNOW	8

C33. Did you have to spend any money to contact them such as paying bus fare, parking, or a baby-sitter? [DON'T INCLUDE LOST WAGES HERE.]

YES (<i>please explain:</i>) _____	1
NO.....	2 (SKIP TO QC35)
DON'T KNOW	8 (SKIP TO QC35)

C34. How much did you spend for these expenses? [PROBE: Your closest estimate would be helpful.]

\$ _____

OR

DON'T KNOW 8

C35. Did you have to spend any money for a lawyer or someone else to help you straighten out your records so you could work for [EMPLOYER]?

YES.....	1
NO.....	2 (SKIP TO QC37)
DON'T KNOW	8 (SKIP TO QC37)

C36. About how much did you spend?

\$ _____

OR

DON'T KNOW 8

C37. Did you have to spend any money on anything else to help you straighten out your documents?

- YES (*specify what*) _____ 1
- NO..... 2 (SKIP TO QC39)
- DON'T KNOW 3 (SKIP TO QC39)

C38. About how much?

- \$ _____
- OR
- DON'T KNOW 8

C39. Overall, how satisfied were you with your experience with INS to straighten out your documents?

- Very satisfied 1
- Somewhat satisfied 2
- Neither satisfied nor dissatisfied..... 3 (SKIP TO BOX C3)
- Somewhat dissatisfied 4
- Very dissatisfied 5

C40. Why do you feel this way? [RECORD RESPONSE VERBATIM.]

BOX C3

INTERVIEWER: CHECK QB23 OR QC1

- REFERRED TO INS ONLY..... 1 (SKIP TO SECTION D)**
- REFERRED TO SSA OR BOTH INS AND SSA 2**

C41. What were the results of the visit or contact with SSA?

- Okay to work (Employment Authorized) 1
- Not okay to work (Unauthorized)..... 2 (SKIP TO QC44)
- NEVER CONTACTED SSA..... 3 (SKIP TO SECTION D)
- Other (*specify*) _____ 4 (SKIP TO QC44)
- DON'T KNOW 8 (SKIP TO QC44)

C42. What was the cause of the problem? Was it because ...

- | | Yes | No |
|---|-----|----|
| a. SSA had another name that you use or have used?..... | 1 | 2 |
| b. There was a problem with the information on the I-9
(<i>specify</i>) _____ | 1 | 2 |
| c. [EMPLOYER] made a mistake when putting information about
you into the computer (<i>specify</i>) _____ | 1 | 2 |
| d. Or something else (<i>specify</i>) _____ | 1 | 2 |

C43. What happened next at [EMPLOYER]? Did you...

- Quit, 1
- Get fired/terminated/laid off, 2
- Continue working, or 3
- Something else? (*specify*) _____ 4

C44. How did you first contact SSA to straighten out your records?

- In-person 1
- Phone 2
- Fax 3
- Mail, or 4
- Some other way (*specify*) _____ 5

C45. How many times did you have to contact them?

- ONLY ONCE..... 1 (SKIP TO QC47)
- OR
- NUMBER TIMES _____

C46. How did you contact them after the first time? Was it...

	Yes	No
a. In-person	1	2
b. Phone.....	1	2
c. Fax.....	1	2
d. Mail, or.....	1	2
e. Some other way (<i>specify</i>) _____	1	2

C47. How quickly did SSA straighten out your records after you first contacted them?

- Right away 1
- Within a day..... 2
- Within two or three days..... 3
- Within a week..... 4
- Longer than a week..... 5
- NEVER RESOLVED PROBLEM 6
- DON'T KNOW 8

C48. Did you have to spend any money to contact them such as paying bus fare, parking, or a baby-sitter? [DON'T INCLUDE LOST WAGES HERE.]

- YES (*please explain:*) _____ 1
- NO..... 2 (SKIP TO QC50)
- DON'T KNOW 8 (SKIP TO QC50)

C49. How much did you spend for these expenses? [PROBE: Your closest estimate would be helpful.]

\$ _____

OR

DON'T KNOW 8

C50. Did you have to spend any money for a lawyer or someone else to help you straighten out your records with SSA so you could work for [EMPLOYER]?

YES..... 1

NO..... 2 (SKIP TO QC52)

DON'T KNOW 8 (SKIP TO QC52)

C51. About how much did you spend?

\$ _____

OR

DON'T KNOW 8

C52. Did you have to spend any money on anything else to help you straighten out your records with SSA?

YES (*specify what*) _____ 1

NO..... 2 (SKIP TO QC54)

DON'T KNOW 3 (SKIP TO QC54)

C53. About how much?

\$ _____

OR

DON'T KNOW 8

C54. Overall, how satisfied were you with your experience with SSA to straighten out your documents?

Very satisfied 1

Somewhat satisfied 2

Neither satisfied nor dissatisfied 3 (SKIP TO SECTION D)

Somewhat dissatisfied 4

Very dissatisfied 5

C55. Why do you feel this way? [RECORD RESPONSE VERBATIM.]

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SECTION D: DEMOGRAPHICS

Now I would like to ask you some questions about your background. Remember, all of the answers that you give are kept in the strictest confidence. None of the information that you give me will ever be connected or associated with your name and neither [NAME OF EMPLOYER] nor the INS will know how you answered, or that you were one of the people surveyed.

D1. What is your date of birth? [IF NECESSARY, CONFIRM DATE OF BIRTH FROM FOLDER LABEL.]

MONTH		DAY		YEAR			

REFUSED..... 99999997

D2. In what country were you born?

United States..... 1 (SKIP TO QD18)
 Other (*specify*) _____ 2

D3. Are you a United States citizen?

YES 1
 NO..... 2 (SKIP TO QD5)

D4. Were you a United States citizen when you applied to [EMPLOYER]?

YES..... 1 (SKIP TO QD12)
 NO..... 2 (SKIP TO QD6)

D5. Are you a lawful permanent resident (do you have a green card)?

YES 1
 NO..... 2
 REFUSED..... 7 (SKIP TO QD18)

D6. Were you a lawful permanent resident when you applied to [EMPLOYER]?

YES..... 1 (SKIP TO QD12)
 NO..... 2
 REFUSED..... 7 (SKIP TO QD18)

D7. Are you currently authorized to work in the United States?

YES..... 1 (SKIP TO QD9)
 NO..... 2
 REFUSED..... 7

D8. Have you ever had authorization to work in the United States before now?

- YES 1
- NO..... 2 (SKIP TO QD12)
- REFUSED..... 7 (SKIP TO QD12)

D9. When you applied to [EMPLOYER], were you authorized to work?

- YES 1
- NO..... 2 (SKIP TO QD11)
- REFUSED..... 7 (SKIP TO QD12)

D10. At that time, were your work authorization documents up-to-date?

- YES..... 1
- NO, THEY HAD EXPIRED 2
- NO, I HADN'T GOTTEN THEM YET 3
- REFUSED..... 7 (SKIP TO QD12)

D11. When did you (renew/get) your work authorization documents? Was it....

- Before you started working for [EMPLOYER] 1
- Within two weeks of starting to work for [EMPLOYER] or..... 2
- Did you not get them at all?..... 3
- REFUSED..... 7

D12. Do you believe that [EMPLOYER] paid you less because you were (not a citizen/foreign-born)?

- YES..... 1
- NO..... 2

D13. Do you believe that [EMPLOYER] gave you unpleasant tasks because you were (not a citizen/foreign-born)?

- YES..... 1
- NO..... 2

D14. Do you believe that [EMPLOYER] made you work more hours because you were (not a citizen/foreign-born)?

- YES..... 1
- NO..... 2

D15. Do you believe that [EMPLOYER] gave you less training because you were (not a citizen/foreign-born)?

- YES..... 1
- NO..... 2
- DON'T KNOW 8

D16. Do you believe that [EMPLOYER] discriminated in any other way against you because you were (not a citizen/foreign-born)?

- YES (*specify, in what way?*) 1
- NO..... 2
- DON'T KNOW 8

BOX D1

- QD12-QD16 ARE ALL "NO"..... 1 (SKIP TO QD18)**
- QD12-QD16 HAVE AT LEAST ONE "YES"..... 2**

D17. Why do you think that [EMPLOYER] discriminated against you or gave you different pay, hours, tasks, and/or training?

D18. Are you of Hispanic or Latino origin?

- YES..... 1 (SKIP TO BOX D2)
- NO..... 2
- DON'T KNOW 8

D19. Which of the following best describes you? Are you... [CIRCLE ALL THAT APPLY.]

- a. White 1
- b. Black or African American..... 2
- c. American Indian or Alaska native 3
- d. Asian 4
- e. Native Hawaiian or Other Pacific Islander (Hawaii, Guam, Samoa, etc) 5
- f. Some other group (*specify*)..... 6
- g. REFUSED..... 7

BOX D2

- EMPLOYEE WAS BORN IN THE UNITED STATES (QD2=1) 1**
- EMPLOYEE WAS NOT BORN IN THE UNITED STATES (QD2=2)..... 2 (SKIP TO QD26)**

D20. Do you believe that [EMPLOYER] paid you less because of your race or ethnic background?

- YES..... 1
- NO..... 2
- DON'T KNOW 8

D21. Do you believe that [EMPLOYER] gave you unpleasant tasks because of your race or ethnic background?

- YES..... 1
- NO..... 2
- DON'T KNOW 8

D22. Do you believe that [EMPLOYER] made you work more hours because of your race or ethnic background?

- YES..... 1
- NO..... 2
- DON'T KNOW 8

D23. Do you believe that [EMPLOYER] gave you less training because of your race or ethnic background?

- YES..... 1
- NO..... 2
- DON'T KNOW 8

D24. Do you believe that [EMPLOYER] discriminated in any other way against you because of your race or ethnic background?

- YES (specify) _____ 1
- NO..... 2
- DON'T KNOW 8

BOX D3

- QD20-QD24 ARE ALL "NO"..... 1 (SKIP TO QD26)**
- QD20-QD24 HAVE AT LEAST ONE "YES"..... 2**

D25. Why do you think that [EMPLOYER] discriminated against you or gave you different pay, hours, tasks, and/or training?

D26. Overall, how satisfied or dissatisfied were you with the I-9 employment verification experience?

- Very satisfied..... 1
- Somewhat satisfied 2
- Neither satisfied nor dissatisfied 3 (SKIP TO END OF INTERVIEW)
- Somewhat dissatisfied 4
- Very dissatisfied 5

D27. Why do you feel this way? [RECORD RESPONSE VERBATIM.]

END OF INTERVIEW.

THANK THE RESPONDENT FOR HIS/HER TIME AND COOPERATION.

TIME ENDED: |_____|:_____| A.M. OR P.M. (CIRCLE ONE)

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SECTION E: OBSERVATIONS

INSTRUCTION TO INTERVIEWER: AFTER COMPLETING THE INTERVIEW, PLEASE RATE THE RESPONDENT ON THE FOLLOWING ITEMS: DO NOT ASK THE RESPONDENT THESE QUESTIONS.

E1. Interview Completion Code:

- Respondent terminated interview prematurely 1
- Respondent refused interview 2
- Respondent unable to respond (*specify*) _____ 3
- Interview completed..... 4

E2. Language used in interview was:

- ENGLISH 1
- SPANISH..... 2
- TRANSLATOR (*specify language*) _____ 3

E3. Is respondent..

- MALE 1
- FEMALE..... 2

CONFIDENCE RATINGS

E4. PLEASE RATE THE FOLLOWING QUALITIES OF THE RESPONDENT, THE INTERVIEWING SITUATION, AND THE DATA.

THE RESPONDENT (WAS/HAD):

	HIGH	7	6	5	4	3	2	1	LOW
A. ABLE TO UNDERSTAND QUESTIONS EASILY		7	6	5	4	3	2	1	HARDLY ABLE TO UNDERSTAND
B. TRUTHFUL		7	6	5	4	3	2	1	UNTRUTHFUL
C. ACCURATE		7	6	5	4	3	2	1	INACCURATE
D. INTERESTED IN THE INTERVIEW		7	6	5	4	3	2	1	NOT INTERESTED IN THE INTERVIEW
E. COOPERATIVE		7	6	5	4	3	2	1	UNCOOPERATIVE
F. NO ENGLISH LANGUAGE PROBLEM		7	6	5	4	3	2	1	SPOKE ENGLISH WITH DIFFICULTY
G. INTERVIEWED WITHOUT INTERRUPTIONS		7	6	5	4	3	2	1	INTERRUPTED OFTEN
H. YOUR OPINION ABOUT THE OVERALL QUALITY OF THE DATA:		7	6	5	4	3	2	1	

E5. DESCRIBE ANY OTHER CIRCUMSTANCE ABOUT THE INTERVIEW OR ABOUT THE RESPONDENT THAT YOU FEEL MIGHT HAVE HAD AN EFFECT ON THE INTERVIEW:

Appendix G

Tentative Nonconfirmation and Referral Notices

Machine-Readable Document Pilot Program

NOTICE TO EMPLOYEE OF TENTATIVE NONCONFIRMATION

To: _____
(Name of Employee)

SSN: _____

Date of Tentative Nonconfirmation: _____

Agency Providing Tentative Nonconfirmation: SSA INS

This employer is participating in a pilot project with the Social Security Administration (SSA) and the Immigration and Naturalization Service (INS) to verify employment eligibility information you provided when you completed the Form I-9. **When your information was compared electronically to government records, SSA and/or the INS could not confirm that you are eligible to work in the United States. This Tentative Nonconfirmation does not mean that you are not work authorized, or that the information you provided is incorrect. There are many reasons why a work authorized employee could be the subject of a Tentative Nonconfirmation. The Tentative Nonconfirmation means, however, that you must contact the government to resolve the situation if you wish to continue your employment.**

You have a voluntary choice. You may **Contest** the Tentative Nonconfirmation, or you may choose to **Not Contest** the Tentative Nonconfirmation.

If you **Contest** the Tentative Nonconfirmation, you must contact either SSA or the INS within 8 Federal Government work days of the date shown above to resolve your situation by providing additional information or documents that will permit the government to notify your employer that you are work authorized. During that time your employer may not terminate your employment or take adverse action against you based upon your employment eligibility status or because you have chosen to contest the Tentative Nonconfirmation. If you contest the Tentative Nonconfirmation, your employer will provide you with an information sheet that will tell you what you need to know about which government agency to contact (SSA or the INS), and how to do it.

If you do **Not Contest** the Tentative Nonconfirmation, you are making a choice voluntarily to give up your opportunity to correct the Tentative Nonconfirmation. If you do not contest the Tentative Nonconfirmation, it automatically becomes a Final Nonconfirmation. That means that your employer may terminate you immediately as an unauthorized employee. If you do not contest the Tentative Nonconfirmation, a

Machine-Readable Document Pilot Program

legal presumption is created that your employer is in violation of the law if it continues your employment.

If you have questions or concerns about immigration-related unfair employment practices, you may call the Office of special Counsel for Immigration-Related Unfair Employment Practices toll free at 1-800-255-7688 or TDD 1-800-237-2515 for the hearing impaired.

I choose to (check one):

Contest the Tentative Nonconfirmation. I understand that I must contact the government within 8 Federal government work days, and that my employer must provide me with information telling me how to do this.

Not Contest the Tentative Nonconfirmation. I choose voluntarily to give up my opportunity to correct the Tentative Nonconfirmation. I understand that my voluntary choice not to contest the Tentative Nonconfirmation authorizes my employer to terminate my employment immediately.

Signature of Employee: _____ Date: _____

Employer's Certification

I certify that this employer has received a Tentative Nonconfirmation relating to the employee whose name and signature appear above and that the employee has made the choice indicated. I also certify that the employee has executed and signed this document, that the employee's choice to the best of my knowledge was a knowing and voluntary choice, and that the employee has not been coerced or pressured in any way by this employer regarding his or her choice whether to contest the Tentative Nonconfirmation.

Name of Employer: _____

Signature of Employer Representative: _____

Date: _____

El Programa Documents Piloto Legible por maquina

NOTIFICACION A TRABAJADOR DE NO CONFIRMACION TENTATIVA

A: _____
(Nombre del Trabajador)

Número de Seguro Social: _____

Fecha de No Confirmación Tentativa: _____

Agencia que Emite la No Confirmación Tentativa: SSA INS

Este empleador está participando en un proyecto piloto con la Administración del Seguro Social (en inglés Social Security Administration, SSA) y el Servicio de Inmigración y Naturalización (en inglés, Immigration and Naturalization Service, INS) para verificar la información de elegibilidad de empleo que usted entregó cuando completó el Formulario I-9. Cuando su información fue comparada electrónicamente con archivos del gobierno, la SSA y/o el INS, no pudieron confirmar que usted es elegible para trabajar en los Estados Unidos. Esta No Confirmación Tentativa no significa que usted no esté autorizado a trabajar ni que la información que entregó sea incorrecta. Hay muchas razones por las que un trabajador autorizado a trabajar puede ser objeto de una No Confirmación Tentativa. Sin embargo, la No Confirmación Tentativa significa que usted tiene que contactar al gobierno para resolver su situación si desea continuar trabajando.

Usted tiene dos opciones a su disposición: Puede Disputar la No Confirmación Tentativa o puede elegir No Disputar la No Confirmación Tentativa.

Si elige Disputar la No Confirmación Tentativa, tiene que contactar a la SSA o el INS en ocho días laborables del Gobierno Federal a partir de la fecha indicada más arriba para resolver su situación entregando información adicional o documentos que permitirán al gobierno notificar a su empleador que usted está autorizado a trabajar. Durante ese periodo de tiempo su empleador no podrá despedirlo ni emprender acciones contra usted basándose en su estado de elegibilidad laboral o porque usted haya elegido disputar la No Confirmación Tentativa. Si usted disputa la No Confirmación Tentativa, su empleador le entregará una hoja informativa que le dirá lo que necesita saber sobre qué agencia del gobierno contactar (SSI o INS) y cómo hacerlo.

Si usted NO Disputa esta No Confirmación Tentativa, equivale a renunciar voluntariamente a la posibilidad de rectificar su No Confirmación Tentativa. Si no disputa la No Confirmación Tentativa, automáticamente se convierte en una No Confirmación Final. Esto quiere decir que su empleador puede despedirlo inmediatamente como trabajador no autorizado. Si no disputa la No Confirmación Tentativa, la presunción legal será que su empleador está violando la ley si usted continúa trabajando para él.

El Programa Documents Piloto Legible por maquina

Si tiene preguntas o preocupaciones sobre prácticas laborales injustas relacionadas con inmigración, usted puede llamar gratuitamente a la Oficina del Abogado Especial de Prácticas Laborales Injustas Relacionadas con Inmigración al número 1-800-255-7688 o al número especial para personas con problema de audición 1-800-237-2515.

Yo eligo (marque una):

_____ **Disputar** la No Confirmación Tentativa. Entiendo que tengo que contactar al gobierno en 8 días laborales del Gobierno Federal, y que mi empleador tiene que entregarme información que me explique cómo hacer esto.

_____ **No Disputar** la No Confirmación Tentativa. Elijo voluntariamente renunciar a mi oportunidad de corregir la No Confirmación Tentativa. Entiendo que mi elección voluntaria de no disputar la No Confirmación Tentativa autoriza a mi empleador a despedirme inmediatamente.

Firma del Trabajador: _____ Fecha: _____

Certificación del Empleador

Certifico que este empleador ha recibido una No Confirmación Tentativa relacionada con el trabajador cuyo nombre y firma aparecen más arriba y que el trabajador ha hecho la elección indicada. También certifico que el trabajador ha ejecutado y firmado este documento, que la elección del trabajador, por lo que yo sé, fue una elección consciente y voluntaria, y que el trabajador no ha sido obligado ni presionado de ninguna manera por este empleador al tomar su decisión sobre disputar o no la No Confirmación Tentativa.

Nombre del Empleador: _____

Firma del Representante del Empleador: _____

Fecha: _____

Machine-Readable Document Pilot Program

NOTIFICATION TO THE EMPLOYEE REFERRAL TO THE SOCIAL SECURITY ADMINISTRATION

Name of Employee _____
Last Name First name

Social Security Number (SSN) _____ - _____ - _____ Month/Year of Birth ____/____

Reason for Referral: SSN does not match
 SSN is invalid
 SSA unable to confirm U. S. Citizenship
 SSA unable to process data

This employer is participating in a pilot project with the Social Security Administration (SSA) and the Immigration and Naturalization Service (INS) to verify employment eligibility information you provided when you completed the Form I-9. When your information was compared to SSA's records, SSA could not confirm that you are work eligible for the reason shown above. You have chosen to contest SSA's tentative nonconfirmation. The tentative nonconfirmation does not mean that the information provided is incorrect, but it means you must visit the SSA to resolve your case. When you visit SSA, you must bring proof of your age, identity, and citizenship or alien status. (You must submit original documents.) Please call SSA at 1-800-772-1213, or TDD 1-800-325-0778 for the hearing impaired, if you have any questions or to find out the location of the nearest SSA office.

It is your responsibility to visit SSA within 8 Federal Government work days from today to clarify your employment eligibility status. TAKE THIS FORM WITH YOU TO SSA. If, as a result of your visit to SSA, any of the information you gave your employer changes, you must notify your employer of these changes immediately.

Your employer may not terminate your employment or take adverse action against you because your case has been referred to the SSA.

If you do not understand what you are required to do, please call the SSA toll free number and they will assist you.

If you have questions or concerns about immigration-related unfair employment practices, you may call the Office of Special Counsel for Immigration-Related Unfair Employment Practices toll free at 1-800-255-7688 or TDD 1-800-237-2515 for the hearing impaired.

Date Referred to SSA: _____

Name of Employer: _____

Name of Employer Representative: _____ Phone #: _____

Employer Official's Signature: _____ Date Signed: _____

Employee's Signature: _____ Date Signed: _____

FOR COMPLETION BY THE SOCIAL SECURITY ADMINISTRATION

Office Stamp: SSA Employee Name: _____

Date of Visit: _____

AFTER COMPLETION BY SSA, RETURN THIS FORM TO YOUR EMPLOYER

El Programa Documents Piloto Legible por maquina

NOTIFICACION AL TRABAJADOR REFERIMIENTO A LA ADMINISTRACION DEL SEGURO SOCIAL

Nombre del Trabajador: _____
Apellido Primer nombre

Número de Seguro Social (SSN): _____ Mes/Año de Nacimiento: ___/___

Razón del Referimiento: SSN no concuerda
 SSN es inválido
 SSA no puede confirmar ciudadanía de EE.UU.
 SSA no puede procesar los datos

Este empleador está participando en un proyecto piloto con la Administración del Seguro Social (en inglés Social Security Administration, SSA) y el Servicio de Inmigración y Naturalización (en inglés, Immigration and Naturalization Service, INS) para verificar la información de elegibilidad de empleo que usted entregó cuando completó el Formulario I-9. Cuando su información fue comparada con los archivos de la SSA, la SSA no pudo confirmar que usted es elegible para trabajar debido a la razón expuesta más arriba. Usted ha elegido disputar la no confirmación tentativa de la SSA. La no confirmación tentativa no significa que la información entregada es incorrecta, pero significa que usted tiene que visitar la SSA par resolver su caso. Cuando visite la SSA, tiene que llevar documentos que prueben su edad, identidad y su estado de ciudadanía o residencia. (Tiene que presentar documentos originales.) Por favor llame a la SSA al 1-800-772-1213, o a la línea gratuita para personas con problemas de audición 1-800-325-0778, si tiene cualquier pregunta o para enterarse de la localización de la oficina de la SSA más cercana.

Es su responsabilidad visitar la SSA en 8 días laborables del Gobierno Federal a partir de hoy para clarificar su estado de elegibilidad laboral. **LLEVE ESTE FORMULARIO CON USTED A LA SSA.** Si como resultado de su visita a la SSA cualquiera de los datos que dio a su empleador cambia, usted tiene que notificar a su empleador estos cambios inmediatamente.

Su empleador no puede despedirlo o emprender acciones contra usted debido a que su caso ha sido referido a la SSA.

Si usted no entiende lo que se le requiere que haga, por favor llame al número gratuito de la SSA donde le asistirán.

Si tiene preguntas o preocupaciones sobre prácticas laborales injustas relacionadas con inmigración, usted puede llamar gratuitamente a la Oficina del Abogado Especial de Prácticas Laborales Injustas Relacionadas con Inmigración al número 1-800-255-7688 o al número especial para personas con problemas de audición 1-800-237-2515.

Fecha de referimiento a la SSA: _____

Nombre del Empleador: _____

Nombre del Representante del Empleador: _____

Teléfono: _____

Firma del Funcionario de Empleador: _____

Fecha de la firma: _____

Firma del Trabajador: _____

Fecha de la Firma: _____

A SER COMPLETADO POR LA ADMINISTRACION DEL SEGURO SOCIAL

Sello de la Oficina: _____

Nombre Trabajador de la SSA: _____

Fecha de Visita: _____

DESPUES DE SER LLENADO POR LA SSA, DEVUELVA ESTE FORMULRIO A SU EMPLEADOR

Machine-Readable Document Pilot Program

Notification to the Employee Referral to the Immigration and Naturalization Service

Name of Employee: _____

Employee's A number: _____

Employee's verification number: _____

This employer is participating in a pilot project to verify the employment eligibility documentation you provided when you completed the Form I-9. The information you provided was compared by computer to the Immigration and Naturalization Service's (INS) records. The INS has been unable to verify your employment eligibility. You have chosen to contest the INS' tentative nonconfirmation. The tentative nonconfirmation does not mean that the information you provided is incorrect, but it means that if you are work authorized, you must contact the INS to resolve your case.

You may call toll free 1-888-897-7781 to talk to an INS status verifier .

It is your responsibility to contact the INS within 8 Federal Government work days from today to clarify your employment eligibility. When you call or visit the INS you will be asked to provide additional information or documents to verify your eligibility to work. If you fail to contact the INS within the 8-day period, your employer will be notified and may be subject to fines for continuing to employ you.

Your employer may not terminate your employment or take adverse action against you within the next 10 Federal Government work days based upon your employment eligibility status, unless the INS determines within that time that you are not work authorized.

If you do not understand what you are required to do, please call the INS toll free number, 1-888-897-7781 and they will assist you through the process.

If you have questions or concerns about this process or about immigration-related unfair employment practices, you may also call the Office of Special Counsel for Immigration-Related Unfair Employment Practices toll free at 1-800-255-7688 or TDD 1-800-237-2515 for the hearing impaired.

Date referred to INS: _____

Name of Employer: _____

Name of Employer Official: _____

Employer Official's Signature

Date signed

Employee's Signature

Date signed

El Programa Documents Piloto Legible por maquina

Notificación al Trabajador Referimiento al Servicio de Inmigración y Naturalización (INS)

Nombre del Trabajador: _____

Número de Residente del Trabajador: _____

Número de verificación del trabajador: _____

Este empleador está participando en un proyecto piloto par verificar la documentación de elegibilidad de empleo que usted entregó cuando completó el Formulario I-9. La información que entregó fue comparada por computadora con los archivos del Servicio de Inmigración y Naturalización (INS). El INS no ha podido verificar su elegibilidad de empleo. Usted ha elegido disputar la no confirmación tentativa del INS. La no confirmación tentativa no quiere decir que la información que usted entregó es incorrecta, pero significa que si usted está autorizado a trabajar, tiene que contactar al INS para resolver su caso.

Puede llamar al número gratuito 1-888-897-7781 para hablar con un verificador de estado.

Es su responsabilidad contactar al INS en 8 días laborables del Gobierno Federal a partir de hoy para clarificar su elegibilidad de empleo. Cuando llame o visite el INS, se le pedirá que entregue información o documentos adicionales para verificar su elegibilidad para trabajar. Si no contacta al INS en ese periodo de 8 días, su empleador será notificado, y podría ser objeto de multas si continúa empleándole.

Su empleador no puede despedirlo ni emprender acciones contra usted en los próximos 10 días laborables del Gobierno Federal basándose en su estado de elegibilidad de empleo, a no ser que el INS determine en ese periodo que usted no está autorizado a trabajar.

Si no entiende lo que se le requiere que haga, por favor llame al número gratuito del INS 1-888-897-7781 para que le ayuden con este proceso.

Si tiene preguntas o preocupaciones sobre este proceso o sobre prácticas laborales injustas relacionadas con inmigración, usted puede llamar gratuitamente a la Oficina del Abogado Especial de Prácticas Laborales Injustas Relacionadas con Inmigración al número 1-800-255-7688 o al número especial para personas con problemas de audición 1-800-237-2515.

Fecha de referimiento al INS: _____

Nombre del Empleador: _____

Nombre del Funcionario de Empleador: _____

Firma del Funcionario de Empleador

Fecha de Firma

Firma del Trabajador

Fecha de Firma

Appendix H

Memorandum of Understanding (MOU)

MACHINE-READABLE DOCUMENT PILOT PROGRAM

MEMORANDUM OF UNDERSTANDING

ARTICLE I

PURPOSE AND AUTHORITY

This Memorandum of Understanding (MOU) sets forth the points of agreement between the Social Security Administration (SSA), the Immigration and Naturalization Service (INS) and _____(Employer) regarding the Employer's participation in the Machine-Readable Document Verification Pilot ("Machine-Readable Document Pilot"). The Machine-Readable Document Pilot is a pilot program in which the employment eligibility of all newly hired employees will be confirmed after the Employment Eligibility Verification Form (Form I-9) has been completed.

Authority for the Machine-Readable Document Pilot is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009.

ARTICLE II

FUNCTIONS TO BE PERFORMED

A. RESPONSIBILITIES OF THE SSA

1. Upon completion of the Form I-9 by the employee and the Employer, and provided the Employer complies with the requirements of this MOU, SSA agrees to provide the Employer with available information that will allow the Employer to confirm the accuracy of Social Security Numbers provided by all newly hired employees and the employment authorization of some newly hired employees.
2. The SSA agrees to provide to the Employer appropriate assistance with operational problems that may arise during the Employer's participation in the Machine-Readable Document Pilot. The SSA agrees to provide the Employer with names, titles, addresses, and telephone numbers of SSA representatives to be contacted during the Machine-Readable Document Pilot.
3. The SSA agrees to safeguard the information provided by the Employer through the Machine-Readable Document Pilot procedures, and to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security Numbers and for evaluation of the Machine-Readable Document Pilot or such other persons or entities who may be authorized by the SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).
4. SSA agrees to establish a means of automated verification that is designed (in conjunction with such INS automated verification as may be necessary) to provide confirmation or tentative nonconfirmation of employees' employment eligibility within 3 Federal Government work days of the initial inquiry.

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5. SSA agrees to establish a means of secondary verification (including updating SSA records as may be necessary) for employees who contest SSA tentative nonconfirmations that is designed to provide confirmation or final confirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to SSA, unless it determines that more than 10 days may be necessary. In such cases, SSA will provide additional verification instructions.

B. RESPONSIBILITIES OF THE INS

1. Upon completion of the Form I-9 by the employee and the Employer, and completion by the Employer of SSA verification procedures required prior to initiation of INS verification procedures, the INS agrees to provide the Employer access to selected data from the INS' ASVI database to enable the Employer to conduct automated verification checks on newly hired alien employees by use of a personal computer and modem.

2. The INS agrees to provide to the Employer appropriate assistance with operational problems that may arise during the Employer's participation in the Machine-Readable Document Pilot. The INS agrees to provide the Employer names, titles, addresses, and telephone numbers of INS representatives to be contacted during the Machine-Readable Document Pilot, including one or more individuals in each INS district office covering an area in which the Employer hires employees covered by this MOU.

3. The INS agrees to provide to the Employer a manual containing instructions on Machine-Readable Document Pilot policy, procedures and requirements for both SSA and INS, including restrictions on use of Machine-Readable Document Pilot procedures (the Machine-Readable Document Pilot Manual). The INS agrees to provide training materials on the Machine-Readable Document Pilot.

4. The INS agrees to provide to the Employer a notice that indicates the Employer's participation in the Machine-Readable Document Pilot. The INS also agrees to provide to the Employer anti-discrimination notices issued by the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC), Civil Rights Division, Department of Justice.

5. The INS agrees to issue the Employer an access code, user identification number, and password that will permit the Employer to verify information provided by employees.

6. The INS agrees to safeguard the information provided to the INS by the Employer, and to limit access to such information to individuals responsible for the verification of alien employment eligibility and for evaluation of the Machine-Readable Document Pilot, or to such other persons or entities as may be authorized by applicable law. Information will be used only to verify the accuracy of Social Security Numbers and employment eligibility, to enforce the INA and federal criminal laws, and to ensure accurate wage reports to the SSA.

7. The INS agrees to establish a means of automated verification that is designed (in conjunction with SSA verification procedures) to provide confirmation or tentative nonconfirmation of employees' employment eligibility within 3 Federal Government work days of the initial inquiry.

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8. The INS agrees to establish a means of secondary verification (including updating INS records as may be necessary) for employees who contest INS tentative nonconfirmations that is designed to provide confirmation or final nonconfirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to the INS, unless it determines that more than 10 days may be necessary. In such cases, the INS will provide additional verification instructions.

C. RESPONSIBILITIES OF THE EMPLOYER

1. The Employer agrees to display the notices supplied by the INS in a prominent place that is clearly visible to prospective employees.

2. The Employer agrees to provide to the SSA and the INS the names, titles, addresses, and telephone numbers of Employer representatives to be contacted regarding the Machine-Readable Document Pilot.

3. The Employer agrees to become familiar with and comply with the Machine-Readable Document Pilot Manual.

4. The Employer agrees to comply with established Form I-9 procedures, with one exception: The Employer agrees that it will only accept Form I-9 "List B" documents (those documents identified in 8 C.F.R. § 274a.2(b)(1)(B)) presented to establish identity by employees subject to Machine-Readable Document Pilot verification that contain a photograph.

5. The Employer understands that participation in the Machine-Readable Document Pilot does not exempt the Employer from the responsibility to complete, retain, and make available for inspection Forms I-9 that relate to its employees, or from other requirements of applicable regulations or laws, except for the following modified requirements applicable by reason of the Employer's participation in the Machine-Readable Document Pilot: (1) identity documents must have photographs, as described in paragraph 4 above; (2) a rebuttable presumption is established by section 403(b) of IIRIRA that the Employer has not violated section 274A(a)(1)(A) of the INA with respect to the hiring of any individual if it obtains confirmation of the identity and employment eligibility of the individual in compliance with the terms and conditions of the Machine-Readable Document Pilot; (3) the Employer must notify the INS if it continues to employ any employee after receiving a final nonconfirmation, and is subject to a civil money penalty between \$500 and \$1,000 for each failure to notify the INS of continued employment following a final nonconfirmation; (4) the Employer is subject to a rebuttable presumption that it has knowingly employed an unauthorized alien in violation of section 274A(a)(1)(A) if the Employer continues to employ any employee after receiving a final nonconfirmation; and (5) no person or entity participating in the Machine-Readable Document Pilot shall be civilly or criminally liable under any law for any action taken in good faith on information provided through the confirmation system. The INS reserves the right to conduct Form I-9 compliance inspections during the course of the Machine-Readable Document Pilot, as well as to conduct any other enforcement activity authorized by law.

6. The Employer agrees to initiate the Machine-Readable Document Pilot verification procedures within 3 Employer business days after each employee has been hired (but after both sections 1 and 2 of the Form I-9 have been completed), and to complete as many steps (but only as many) of the Machine-Readable

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Document Pilot process as are necessary according to the Machine-Readable Document Pilot Manual. The Employer is prohibited from initiating verification procedures before the employee has been hired and the Form I-9 completed. The Employer agrees that it will make a verification inquiry using the machine-reading device if the employee presents a driver's license or other acceptable identity document that contains a machine-readable Social Security Number. If the automated system to be queried is temporarily unavailable, the 3-day time period is extended until it is again operational in order to accommodate Employers attempting, in good faith, to make inquiries during the period of unavailability.

7. The Employer agrees not to use the Machine-Readable Document Pilot procedures for pre-employment screening of job applicants, support for any unlawful employment practice, or any other use not authorized by this MOU. The Employer will not verify selectively; it agrees to use the Machine-Readable Document Pilot procedures for all new hires as long as this MOU is in effect. The Employer agrees not to use Machine-Readable Document Pilot procedures for reverification, or for employees hired before the date this MOU is in effect. The Employer understands that should the Employer use the Machine-Readable Document Pilot procedures for any purpose other than as authorized by this MOU, the Employer may be subject to appropriate legal action and the immediate termination of its access to SSA and INS information pursuant to this MOU.

8. The Employer agrees not to take any adverse action against an employee based upon the employee's employment eligibility status while SSA or the INS is processing the verification request unless the Employer obtains knowledge (as defined in 8 C.F.R. § 274a.1(l)) that the employee is not work authorized. The Employer understands that an initial inability of the SSA or INS automated verification to verify work authorization, or a tentative nonconfirmation, does not mean, and should not be interpreted as, an indication that the employee is not work authorized.

9. The Employer agrees to comply with section 274B of the INA by not discriminating unlawfully against any individual in hiring, firing, or recruitment practices because of his or her national origin or, in the case of a protected individual as defined in section 274B(a)(3) of the INA, because of his or her citizenship status. The Employer understands that such illegal practices can include discharging or refusing to hire eligible employees because of their foreign appearance or language, and that any violation of the unfair immigration-related employment practices provisions of the INA could subject the Employer to civil penalties pursuant to section 274B of the INA and the termination of its participation in the Machine-Readable Document Pilot. If the Employer has any questions relating to the anti-discrimination provision, it should contact OSC at 1-800-255-7688 or 1-800-237-2515 (TDD).

10. The Employer agrees to record the verification number on the employee's Form I-9 or to print the screen containing the verification number and attach it to the employee's Form I-9.

11. The Employer agrees that it will use the information it receives from the SSA or the INS pursuant to the Machine-Readable Document Pilot and this MOU only to confirm the employment eligibility of newly-hired employees after completion of the Form I-9. The Employer agrees that it will safeguard this information, and means of access to it (such as passwords) to ensure that it is not used for any other purpose and as necessary to protect its confidentiality, including ensuring that it is not disseminated to any person

MACHINE-READABLE DOCUMENT PILOT PROGRAM

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other than employees of the Employer who need it to perform the Employer's responsibilities under this MOU.

12. The Employer acknowledges that the information which it receives from SSA is governed by the Privacy Act (5 U.S.C. § 552a(i)(1) and (3)) and the Social Security Act (42 U.S.C. 1306(a)), and that any person who obtains this information under false pretenses or uses it for any purpose other than as provided for in this MOU may be subject to criminal penalties.

13. The Employer agrees to allow the INS and SSA, or their authorized agents or designees, to make periodic visits to the Employer for the purpose of reviewing Machine-Readable Document Pilot-related records, i.e., Forms I-9, and verification records, that were created during the Employer's participation in the Machine-Readable Document Pilot Program. In addition, for the purpose of evaluating the Machine-Readable Document Pilot, the Employer agrees to allow the INS and SSA or their authorized agents or designees, to interview it regarding its experience with the Machine-Readable Document Pilot, to interview employees hired during the Machine-Readable Document Pilot concerning their experience with the pilot, and to make employment and Machine-Readable Document Pilot-related records available to the INS and the SSA, or their designated agents or designees.

ARTICLE III

REFERRAL OF INDIVIDUALS TO THE SSA AND THE INS

A. REFERRAL TO THE SSA

1. The Employer will refer individuals to SSA field offices only as directed by the automated system based on a tentative nonconfirmation, and only after the Employer reviews the input to detect any errors, and determines that the employee contests the tentative nonconfirmation. The Employer will transmit the Social Security Number to SSA for verification again if this review indicates a need to do so. The Employer will determine whether the employee contests the tentative nonconfirmation as soon as possible after the Employer receives it.

2. If the employee contests an SSA tentative nonconfirmation, the Employer will provide the employee with a referral letter and instruct the employee to visit an SSA office to resolve the discrepancy within 8 Federal Government work days. The Employer will make a second inquiry to the SSA database using the Machine-Readable Document Pilot procedures on the date that is 10 Federal Government work days after the date of the referral in order to obtain confirmation, or final nonconfirmation.

3. The Employer agrees not to ask the employee to obtain a printout from the Social Security Number database (the Numident) or other written verification of the Social Security Number from the SSA (other than the Social Security Number Card).

B. REFERRAL TO THE INS

1. The Employer agrees to refer individuals to the INS only when the verification response received from the INS automated verification process indicates a tentative nonconfirmation, and the employee

MACHINE-READABLE DOCUMENT PILOT PROGRAM

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contests the tentative nonconfirmation. The Employer will determine whether the employee contests the tentative nonconfirmation as soon as possible after the Employer receives it.

2. If the Employer receives a tentative nonconfirmation from the INS, the Employer will record the verification code and date on the Form I-9 or print the screen showing the verification number and attach the printout to the Form I-9, determine whether the employee contests the tentative nonconfirmation, and instruct an employee who contests to contact the INS to resolve the discrepancy within 8 Federal Government work days, using Machine-Readable Document Pilot procedures. The INS will electronically transmit the result of the referral to the Employer within 10 Federal government work days from the referral.

ARTICLE IV

SERVICE PROVISIONS

The SSA and the INS will not charge the Employer for verification services performed under this MOU. The SSA and the INS will provide, at no cost to the Employer, the machine-reading device required for participation in the Machine-Readable Document Pilot program. The Employer shall be responsible for providing the other necessary equipment needed to make inquiries. Equipment needed for participation in the Machine-Readable Document Pilot program, other than the machine-reading device includes a personal computer with a modem.

ARTICLE V

PARTIES

This MOU is effective upon the signature of all parties, and shall continue in effect for as long as the SSA and the INS conduct the Machine-Readable Document Pilot unless modified in writing by the mutual consent of all parties, or terminated by any party upon 30 days prior written notice to the others. Termination by any party shall terminate the MOU as to all parties. The SSA or the INS may terminate this MOU without prior notice if deemed necessary because of the requirements of law or policy, or upon a determination by SSA or the INS that there has been a breach of system integrity or security by the Employer, or a failure on the part of the Employer to comply with established procedures or legal requirements. Some or all SSA and INS responsibilities under this MOU may be performed by contractor(s).

Nothing in this MOU is intended, or should be construed, to create any right or benefit, substantive or procedural, enforceable at law by any third party against the United States, its agencies, officers, or employees, or against _____, its agents, officers, or employees.

Each party shall be solely responsible for defending any claim or action against it arising out of or related to the Machine-Readable Document Pilot or this MOU, whether civil or criminal, and for any liability therefrom, including (but not limited to) any dispute between the Employer and any other person or entity regarding the applicability of Section 403(d) of IIRIRA to any action taken or allegedly taken by the Employer.

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The foregoing constitutes the full agreement on this subject between the SSA, the INS, and the Employer. The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Employer, SSA, and the INS respectively.

Employer

Name (Please type or print)

Title

Signature

Date

Social Security Administration

Name (Please type or print)

Title

Signature

Date

Immigration and Naturalization Service

Name (Please type or print)

Title

Signature

Date

**INFORMATION REQUIRED
FOR THE BASIC PILOT PILOT PROGRAM**

Please provide the following information for each site that will be performing employment verification queries:

Information relating to your **Company**:

Company Name: _____

Company Address: _____

(Exact Street Address Required for Federal Express Delivery)

City

State

Zip Code

County or Parish: _____ Employer Identification Number: _____

Standard Industry Code (if known): _____

NOTE: Please provide your Standard Industrial Classification Code (SIC code.) If you do not know the SIC code, please indicate the services your company provides, i.e., manufacturing, wholesale/retail trade, construction, mining, or agriculture, also provide the product type.

Number of Employees: _____ Number of Sites Verified for: _____

Are you currently participating in an employment verification pilot Yes No

If you checked yes, which pilot are you participating in: _____

Are you verifying for more than 1 site? If yes, please **provide the number of additional sites**: _____

Please provide address for each site that you are verifying for:

1. _____

2. _____

3. _____

(if additional space is needed, please provide the information as an attachment to this sheet)

Information relating to the **Person(s) Who Will Perform the Queries**:

User's Name(s): _____

User's Telephone Number(s): _____

User's Fax Number(s): _____

How many Computers will you install the software on? _____

Information relating to a **Point of Contact** for your Company on policy questions or operational problems:

Name: _____

Telephone Number: _____

Fax Number: _____

Please **provide separate sheet for each site that will perform their own verifications**

CBT USER