

CHAPTER XIII. CONCLUSIONS AND RECOMMENDATIONS

A. OVERVIEW

Based on the findings of its evaluation of the Basic Pilot program, *the evaluation team recommends against a major expansion of the program*. Although many employers found value in the Basic Pilot program and felt more confident in their ability to identify unauthorized workers, the program is problematic in its current form. The system relies on INS databases that are not sufficiently up-to-date or accurate enough to allow a cost-effective automated employment verification system. Furthermore, the data inaccuracies exacerbate the problems that arise when employers deviate from Basic Pilot procedures by prescreening job applicants, not informing employees of a tentative nonconfirmation, and taking inadequate security precautions.

The current Basic Pilot system jeopardizes employee rights as defined by fair information standards and does not solve the discrimination problem widely believed to have been created by employer sanctions. Further, the Basic Pilot system has serious design flaws, such as inadequate quality assurance mechanisms, and requires employer expenditures for equipment and dedicated telephone lines. However, many of the observed deficiencies could, at least in theory, be corrected. The evaluation team therefore recommends that INS and SSA continue to test, on a pilot basis, effective ways to address the deficiencies of the current Basic Pilot program and improve employers' access to accurate, up-to-date information about work authorization.

B. INS DATA SYSTEM IMPROVEMENTS

The evaluation team believes that an effective automated employment verification system that safeguards employee rights may not be an impossible goal. However, INS and SSA cannot implement such a program unless the INS data systems are improved.

1. WHY IMPROVEMENTS IN THE INS DATA SYSTEMS ARE NEEDED

Improvements in INS data systems are essential for any type of automated employment verification system to be effective.¹⁶¹ INS is involved in approximately 14 percent of all verifications, and about one-third of these cases require verification by specially trained Immigration Status Verifiers (ISVs). At present, a significant number of the cases referred to INS require searching of multiple data sources and manual files. Manual searches are expensive and do not always yield reliable results. Further, these searches lengthen the time needed to complete the employment verification process. Employees

¹⁶¹ Although the SSA Numerical Identification File (NUMIDENT) database contains some inaccuracies, correction of these inaccuracies generally requires that the person report to SSA name change information and any errors identified in name or date of birth information on the database. It does appear, however, that the NUMIDENT database is kept up-to-date.

are sometimes harmed by such delays, since many employers restrict training or work assignments or cut employees' pay while they are clearing up work-authorization problems, even though these practices are expressly forbidden by the Basic Pilot procedures.

The failure of INS to keep the information in its databases current is a major part of the INS database problem. Delays in updating information on individuals issued employment authorization documents (EADs) and lawful permanent resident cards (green cards) account for most of the cases requiring ISV intervention. According to the employee interviews, 57 percent of employees whose cases required ISV investigation of records presented EADs or lawful permanent resident cards, while only 1 percent of those authorized through the verification system presented those documents.

2. RECOMMENDATIONS FOR IMPROVING THE INS DATA SYSTEM

The most important requirement for improving the INS data system is to provide for more timely and reliable data entry. As discussed in Chapter V, some of the mechanisms used by INS to update its databases on noncitizens are antiquated, inefficient, and error prone. Taking actions that ensure that current immigration status is reflected in INS databases has not been a high-priority task for INS. Fixing these problems will take considerable time and resources.¹⁶² In the short term, INS can test modifications to the Basic Pilot that would make the ISV's task less time-consuming. For example, employers could be asked to input the location code for the INS office that issued the EAD, in case the ISV needs to contact the office having the information necessary to determine work authorization.

C. SSA DATA SYSTEM IMPROVEMENTS

The evaluation team believes that the problems with the SSA database are less serious than those with the INS databases. However, more accurate SSA information would decrease the harm that occurs when employers take adverse actions against work-authorized employees based on a tentative nonconfirmation. Since the major cause of inaccuracies in the SSA database is failure to inform SSA of name and citizenship changes, SSA should consider ways of encouraging individuals to provide this information on a timely basis. However, even if SSA makes no special efforts to improve its databases, an expanded automated employment verification system would, in and of itself, be likely to encourage individuals to keep their SSA records up-to-date.

D. IMPROVEMENTS TO THE BASIC PILOT SYSTEM

An effective automated employment verification system would also require improvements to the Basic Pilot system itself. The evaluation team recommends three

¹⁶² As noted in this report, INS has made a number of changes in its reporting systems to increase their accuracy and timeliness. In some cases, inaccuracies may occur because INS does not require individuals to report name changes, so these are not reflected in the databases.

major areas of improvements: (1) improving the system software and training, (2) building quality assurance mechanisms into the system, and (3) providing more technical support to employers.

1. IMPROVING THE SYSTEM SOFTWARE AND TRAINING

Although no automated system can force employers to follow program procedures, the Basic Pilot Integrated system, as currently designed, allows employers too much discretion in how they use the system. For example, only the first-time user at an establishment is required to go through the training module to gain access to the system. When new user IDs are issued, users should be required to complete the training module to gain access to the system. In other words, the training must be required not only for employers who have recently started using the system, but also for staff who assume responsibility at a later point.

Although the Basic Pilot's computer-based training is user friendly and comprehensive, the evaluation team believes that the format and training effectiveness could be improved with a Web-based system, as proposed below. The training should make employers aware of common problems that lead to tentative nonconfirmations of work-authorized individuals (e.g., data entry errors in the Alien Number) and ways to avoid them.

The following are some other system improvements that could enhance the effectiveness of the Basic Pilot and/or decrease the possibility of harm resulting from using the system:

- Ensuring that employee confidentiality is maintained and that system abuse is minimized by encrypting pilot data files on the employer's PC so that unauthorized users cannot easily obtain the system password and cannot edit the system output on the employer's PC.
- Enabling ISVs to obtain pertinent information for employment verification from the different INS databases without the need to re-key name, Alien Number, and date of birth for each database referenced. Re-keying is not only time-consuming but also error prone, especially since each system screen is different.
- Programming the system to automatically try first and last name reversals or to reverse parts of the last name when the name does not match the information on the database.
- Programming edit and consistency checks of the data entered by the employer, such as not permitting a hire date that occurs after the verification date and not permitting duplicate verifications.
- Requiring employer confirmation that the employee has received the appropriate forms notifying him/her of a tentative nonconfirmation.
- Not allowing employers to process new cases without closing cases that have received a definite confirmation of work authorization or have exceeded the allotted timeframe.

- Capturing additional information of use in preparing quality control reports, such as whether the employee quit or was terminated and the reason why the tentative nonconfirmation was not contested.

2. BUILDING QUALITY ASSURANCE MECHANISMS INTO THE SYSTEM

Information from the transaction database should be analyzed and monitored for quality control purposes. Periodic reports should identify information that suggests that employers may not be using the system correctly and summarize general trends in verification requests by State, county, region, or employer. For example, an unusually high number of “invalid queries” might indicate that an employer is screening applicants or individuals other than newly hired employees. To avoid alienating participants, these reports should be used to educate and provide feedback to employers.

3. PROVIDING MORE TECHNICAL SUPPORT TO EMPLOYERS

Additional technical support and customer service to employers would be helpful. Thirty-three percent of the employers interviewed said they encountered some technical or organizational difficulties when setting up the Basic Pilot program. Most of the problems were technical in nature, dealing with the modem connection or the telephone line (77 percent of those reporting problems) or with the software or hardware (39 percent). Of the 78 employer comments concerning technical problems, 55 discussed in detail the problems encountered with printing, connecting to the system, passwords, corrupt software, and slow connections.

E. IMPROVING THE COST EFFICIENCY OF AUTOMATED EMPLOYMENT VERIFICATION

The analyses conducted so far clearly indicate that the Basic Pilot system, as currently formulated, entails substantial expenses on the part of the Federal Government, employers, and employees:

- The total financial costs to the Federal Government as of April 2000 were estimated to be \$10 million. Annual operating expenses for the Federal Government were approximately \$2.5 million.
- The average employer spent a little less than \$800 for start-up costs and approximately \$1,800 a year to operate the system.
- Few employees reported monetary costs related to the Basic Pilot. However, employees may incur non-trivial costs of which they are not even aware. For example, they may be turned down for a job because of prescreening, may lose time off from work, or may be subject to such adverse actions as restrictions on training or termination as the result of a tentative nonconfirmation of which they were not informed.

INS has been developing the capability to operate a pilot program using Web-based technology. The evaluation team believes that such a program has the potential to reduce Federal and employer costs significantly, leading to a more cost-effective system than is currently in place. The testing of a Web-based approach could be combined with the implementation of many of the other system improvements discussed above. Further, a Web-based system would presumably solve some of the problems employers have had with the hardware and software required by the current Basic Pilot system.

The question remains: Since few employees checked through the system were ultimately identified by the Basic Pilot program as unauthorized to work, and since the system cannot detect identity fraud, can automated verification be cost-effective? The evaluation team therefore recommends that INS and SSA continue to study, on a pilot basis, effective ways of addressing the deficiencies of the current pilot program.

