

Sanctions for Hiring Illegals Worry Firms

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WASHINGTON -- Business lobbyists believe lawmakers will ultimately strip from Senate minimum wage legislation any sanctions against companies caught hiring illegal immigrants. Whether they can keep it out of immigration law is another matter.

The Senate, by a 94-0 vote Thursday, inserted a federal contracting ban for businesses that violate immigration laws into a bill that would raise the federal floor on hourly pay from \$5.15 to \$7.25 over two years.

To become law, the Senate immigration provisions would have to be approved by House and Senate negotiators if and when they meet to reconcile differences between the House and Senate versions of minimum wage legislation. The House approved a minimum wage boost earlier this month.

The Senate vote was the new Congress' first action on immigration legislation and the overwhelming outcome was a strong signal that, even if removed, it could find its way back into legislation again.

Angelo Amador, director of immigration policy for the U.S. Chamber of Commerce, predicted the contracting ban would not likely survive inside a final minimum wage bill.

"I'm more concerned as to what it says for the immigration reform to come," he said. "Reminds me of the Great Wall of America debate. Many complained about it, but most voted for it."

Under the provision, offered by Sen. Jeff Sessions, R-Ala., companies caught hiring illegal workers while on a federal contract would be banned from government work for 10 years. Other companies discovered with illegal workers would be prohibited from getting federal contracts for seven years.

The ban would not be subject to appeal in court, but the federal government could waive it for national security reasons. Companies that use a pilot electronic employment verification system would be exempt from the sanctions. Business groups complain the verification system is flawed.

"The Sessions amendments are comparable to using the nuclear option for a paperwork violation," Jeffrey D. Shoaf of the Associated General Contractors of America wrote to senators in a last ditch attempt to kill the immigration provision. "These amendments will have ramifications well beyond immigration law, and would open the floodgates to using the procurement system as an enforcement mechanism for even first time paperwork violations."

Others voicing opposition were the American Meat Institute, whose meat packing members have been frequent targets of immigration raids. Others who signed on to a letter of opposition included the U.S. Chamber of Commerce, the National Association of Homebuilders and the Associated Builders and Contractors.

Critics objected that the provision did not give businesses the opportunity to appeal the ban in court and said the national security waiver would place small businesses at a disadvantage.

"Who's going to get the waiver and who's going to get punished?" Amador asked. "They will go after the small businesses."

The Sessions provision is similar to a ban on federal contracts contained in the Senate version of broad based immigration legislation last year. The bill died after the House and Senate could not reconcile their differences. This year, with Congress under Democratic control, immigration legislation stands a better chance of passage.

Thursday's vote came just one week after immigration officials arrested 40 illegal workers hired by military contractors in three states. Last July, immigration officials arrested nearly 60 illegal immigrants at Fort Bragg in North Carolina.

"The vast majority of businesses carefully follow the law, but many of them unfortunately do not," Sessions said. "Some are even contractors who are working on sensitive government contracts. Let me tell you, we have a problem."

[Sen. Charles Grassley](#), R-Iowa, a co-sponsor of the Sessions amendment, sent a letter Wednesday to Homeland Security Secretary Michael Chertoff questioning whether the government required its contractors and subcontractors to participate in the employment verification system.

"If they skirt the rules by hiring illegal aliens, they should face the consequences," Grassley said.