

1 (7) "License" means a certificate, approval, registration, or similar form of permission issued by a
2 government entity with respect to business, professional, or occupational licensure.

3
4 **NEW SECTION. Section 3. Employer verification of employee.** (1) Prior to an employee providing
5 labor or services, an employer shall request and maintain a copy of either of the following:

6 (a) the citizenship or work authorization status that has been verified by the United States
7 citizenship and immigration services' E-Verify program; or

8 (b) a completed form I-9 with corresponding documents that establish both identity and
9 employment authorization.

10 (2) An employer who has utilized the E-Verify system to determine the employment eligibility of an
11 employee is presumed to have done so in good faith and is not subject to a penalty because of the reliance on
12 the accuracy of the E-Verify system.

13
14 **NEW SECTION. Section 4. Enforcement -- investigations -- rulemaking -- enforcement without**
15 **prejudice -- compliance with federal immigration law.** (1) The department shall enforce the provisions of
16 [sections 1 through 8] and may perform an investigation, audit, or review necessary to determine whether an
17 employer has violated a provision of [sections 1 through 8] or a rule promulgated by the department to
18 implement [sections 1 through 8].

19 (2) The department shall adopt rules for the purpose of carrying out the provisions of [sections 1
20 through 8].

21 (3) Nothing in [sections 1 through 8] may be construed to abrogate any obligations by an employer
22 to comply with federal immigration law, including but not limited to the proper completing and maintaining of
23 federal employment eligibility verification forms or documents.

24
25 **NEW SECTION. Section 5. Books, records, and payrolls open to inspection -- penalty for**
26 **refusal -- subpoenas.** (1) The books, records, and payrolls of an employer pertinent to the administration of
27 this chapter must always be open to inspection by the department or an authorized employee of the department
28 for the purpose of ascertaining adherence to the provisions of [section 3]. Refusal on the part of an employer to

1 submit the books, records, and payrolls for inspection must subject the offending employer to a penalty not
2 exceeding \$500 for each offense.

3 (2) In addition to the remedy provided in subsection (1), the department may issue subpoenas and
4 compel testimony to produce evidence, including books, records, papers, documents, and other objects that
5 may be necessary and proper regarding an investigation or proceeding under this part. In case of disobedience
6 of a subpoena issued and served or the refusal of a witness to testify as to a matter for which the witness may
7 be interrogated in a proceeding before the department, the department may apply to a district court for an order
8 to compel compliance with the subpoena or testimony. Disobedience of the court's order constitutes contempt
9 of court.

10

11 NEW SECTION. Section 6. Civil penalties for violation. (1) The department may assess civil
12 penalties against an employer violating the provisions of [sections 1 through 8], or when appropriate, inform the
13 proper government entity to suspend a license as follows:

14 (a) for a first violation, the penalty may not be more than \$500 for each individual employed, hired,
15 or recruited in violation of [section 3];

16 (b) for a second violation, the penalty may not be more than \$1,000 for each individual employed,
17 hired, or recruited in violation of [section 3]; and

18 (c) for a third or subsequent violation, the appropriate government entity shall immediately on
19 notification suspend the violator's license or licenses for not less than 30 days or more than 6 months, and a
20 fine must be assessed that may not be more than \$2,500 for each individual employed, hired, or recruited in
21 violation of [section 3].

22 (2) A hearing must be conducted according to contested case procedures under Title 2, chapter 4,
23 part 6, except that service need not be made as prescribed for civil actions in the district court and the hearings
24 officer is not bound by statutory or common-law rules of evidence.

25 (3) A penalty collected under this section must be deposited in the lawful employment enforcement
26 fund established in [section 8].

27

28 NEW SECTION. Section 7. Interpretation as fully consistent with federal immigration and labor

1 **laws.** [Sections 1 through 8] must be interpreted to be fully consistent with all federal laws, including but not
2 limited to federal laws regulating immigration and labor.

3

4 NEW SECTION. **Section 8. Lawful employment enforcement fund.** (1) There is a lawful
5 employment enforcement fund account in the state special revenue fund established in 17-2-102.

6 (2) There must be paid into the account money collected pursuant to 39-2-305 and [section 6].

7 (3) Money in the account is available to the department of labor and industry by appropriation and
8 may only be used by the department to implement and administer the purposes set forth in [sections 1 through
9 8], including but not limited to enforcement and education.

10 (4) Interest and income earned on the account and any unspent or unencumbered money in the
11 account at the end of a fiscal year must remain in the account.

12

13 NEW SECTION. **Section 9. Codification instruction.** [Sections 1 through 8] are intended to be
14 codified as a new part in Title 39, chapter 2, and the provisions of Title 39, chapter 2, apply to [sections 1
15 through 8].

16

17 NEW SECTION. **Section 10. Effective date.** [This act] is effective July 1, 2025.

18

- END -