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DIGEST

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Riser

SB No. 66

Proposed law prohibits a private employer from bidding or otherwise contracting with a public entity unless the private employer attests in a sworn affidavit to:

- (1) Registered with and participates in a status verification system to verify that all its employees in the state of Louisiana are legal citizens of the United States or are legal aliens.
- (2) Continue, during the term of the contract, to utilize the status verification system to verify the legal status of all its new employees in the state of Louisiana.
- (3) Require all subcontractors to submit a sworn affidavit verifying compliance with proposed law.

Proposed law provides that all costs to use the status verification system shall be borne by the entity seeking to participating in the public contract.

Proposed law provides for a penalty for violations of proposed law including cancellation of the contract and a prohibition of further public contracting for a period not to exceed three years from the date the violation is discovered.

Proposed law provides that each private employer shall be liable for any additional costs incurred by a public entity, occasioned by the cancellation of a contract or loss of any license or permit to do business in the state, as provided in proposed law.

Proposed law provides a right of appeal for any private employer penalized under proposed law.

Proposed law provides that any person, contractor, or employer who complies with proposed law shall not be liable, criminally or civilly, under state law for hiring an unauthorized alien if the information obtained in accordance with the state verification system indicated that the employee's federal legal status allowed the employer to hire the employee.

Proposed law only applies on contracts entered into or bids offered on or after January 1, 2012.

Proposed law provides that if the federal status verification system expires or is de-funded and extensions are not approved by the federal government, the provisions of the proposed law will no longer apply.

Effective August 15, 2011.

(Adds R.S. 23:998)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Labor and Industrial Relations to the original bill.

1. Amendments provide that any person, contractor, or employer who utilizes the E-Verify system as required by this Act, shall not be liable, either civilly or criminally for incorrect information regarding any employee's legal status obtained through the E-Verify system.

Senate Floor Amendments to engrossed bill.

1. Limits application of proposed law from contracts with public entities to contracts with state agencies.
2. Adds payment by the state agency to the private employer of costs incurred and profit lost upon cancellation of a contract for proposed law violations.
3. Removes provisions requiring payments by the private employer to the state agency for additional costs associated with cancellation of a contract.
4. Adds authority for recovery of reasonable attorney fees and costs for the private employer if the penalty is not found to be supported by evidence or law.

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the reengrossed bill.

1. Changes each reference in the bill that prohibits a private employer from bidding or contracting with a state agency to prohibiting a private employer from bidding with a public entity.
2. Provides for a finding by the legislature that by discouraging illegal immigration by requiring employers who do business with public entities in Louisiana to cooperate fully with federal immigration authorities in the enforcement of federal immigration laws.
3. Revises the definition of "legal alien" to provide for a person who is permanently residing in the United States at the time of employment and remains for the duration of that employment.
4. Adds a provision to provide that for a period of three years from the date a violation of proposed law is discovered, a private employer shall be ineligible to seek or participate in any public contract.
5. Adds a provision which provides that any private employer shall be liable for any additional costs incurred by a public entity, occasioned by the cancellation of a contract or loss of any license or permit to do business in the state.
6. Removes the provision for attorney fees, court costs, and lost profits for a penalty that is not supported by evidence or law.