



# HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

## FISCAL NOTE

HOUSE BILL: 1503

PRINTER'S NO: 2983

PRIME SPONSOR: Galloway

As amended by A05963

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
<b>Expenditure Increase/(Decrease):</b>		
General Fund	\$0	\$0

### OVERVIEW:

House Bill 1503, as amended by A05963, establishes the Construction Industry Employment Verification Act to require verification of employment eligibility in the construction industry. Employers in the construction industry are required by the bill to participate in both the Social Security Administration's Number Verification System (NVS) and the Department of Homeland Security's E-Verify Program (EVP). Enforcement of the bill will be carried out by the Department of Labor and Industry; however, a construction industry employer shall submit a verification statement annually to the Department of Revenue with its state income tax return.

The bill as amended will take effect July 1, 2011.

### ANALYSIS:

The Department of Labor and Industry will be required to investigate credible complaints of violations and conduct both complaint-based and random audits of construction industry employers using the NVS and EVP.

The Department will require additional staff to set up a new enforcement office. The costs for lawyers, investigators and other expenses are estimated to total \$633,000. As amended, the costs for this bill will be incurred starting in the 2011/12 FY.

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House Appropriations Committee, (D)

**DATE:** April 19, 2010

**General Note and Disclaimer:** *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*