

COMMITTEE OF ORIGIN: Committee on International Trade

Currently, a public employer or business entity receiving a state contract or grant in excess of \$5,000 or a state-administered or state-subsidized tax credit, tax abatement, or loan is required to participate in a federal work authorization program. This substitute requires every employer or business entity to enroll and actively participate in a federal work authorization program.

The provisions that require any entity contracting with the state or a political subdivision of the state to provide an affidavit of compliance in a federal work authorization program on an annual basis is repealed.

The provisions regarding the rebuttable presumption that an employer participating in a federal work authorization program has an affirmative defense when the federal government notifies the Attorney General that an employee of the employer is not authorized to work in the United States are repealed. Upon the notification from the federal government that an employee is not authorized to work in the United States, the Attorney General must bring a civil action in the circuit court of Cole County if he or she reasonably believes a business entity has knowingly employed an unauthorized alien.

The penalty imposed on an employer for employing an unauthorized alien is changed from a 14-day suspension of all local licenses, permits, and exemptions to a suspension of all licenses for a minimum of one day and a maximum of 30 days. The penalty for a second violation is changed from a one-year suspension to a suspension of all licenses for a minimum of 30 days and a maximum of one year. Upon a finding of a third violation, the court must order the permanent suspension of all licenses and the revocation of the business entity's registration as a corporation, limited liability company, or limited partnership in this state.

Any costs incurred by a business entity for participating in a federal work authorization program can be deducted from the business entity's income or business taxes in this state.

The substitute becomes effective January 1, 2014.