

# Illegals to Face Added Scrutiny

## State mainly will target smaller businesses

By Glenn Smith, The Post and Courier  
Sunday, May 9, 2010

The state is about to step up its efforts to purge South Carolina's workforce of illegal immigrants by scouring the files of small businesses for evidence of undocumented workers.

On July 1, state officials will begin auditing 110,000 companies with fewer than 100 employees to make sure they are complying with South Carolina's Illegal Immigration Reform Act, which lawmakers passed in 2008 to weed illegal aliens from the workplace.

Juan Valezquez of Guatemala works for Pleasant Places, a Mount Pleasant landscaping company that was fined for hiring undocumented workers. The company has paid its fines and legal fees and said all its current workers have been verified.

The initial push will focus on industries that tend to employ foreign workers, such as landscaping companies, farms, restaurants, hotels, construction firms and golf courses. But other businesses will be under the microscope as well, state officials said.

The state has been auditing larger companies since last summer, and the vast majority, 94 percent, were found to be complying with the law, said Jim Knight, communications director for the state Department of Labor, Licensing and Regulation.

Knight said he doesn't expect those high numbers to last when officials begin scrutinizing smaller employers, who often lack human resource departments and company lawyers to help them keep track of the changing regulatory landscape.

"There may be some confusion," he said. "We definitely don't expect a 94 percent compliance rate."

The change comes as the nation is embroiled in debate over how to reform immigration laws and deal with illegal aliens already living and working in the United States. About 11.9 million illegal immigrants were in the United States in 2008, and Latinos accounted for about three-quarters of that number, according to a Pew Hispanic Center study.

Between 40,000 and 100,000 of those immigrants reside in South Carolina, the study found.

Much attention of late has been focused on Arizona's new law, which requires law enforcement officers to question suspected illegal aliens about their immigration status. A group of Republican lawmakers is trying to bring South Carolina's laws closer to that standard.

As debate rages on, however, the looming workplace audits seem to have attracted little notice from the people it will most affect, business leaders said.

"We just haven't heard people expressing concern because I don't think they realize it's going to happen," said Mary Graham, senior vice president of public policy for the Charleston Metro Chamber of Commerce. "Small businesses need to educate themselves on these new rules."

The chamber is devoting its June 9 business council meeting to the topic, and state labor officials will be on hand to explain the law and answer questions, Graham said.

Guy Artigues, owner of Pleasant Places landscaping in Mount Pleasant, urged other business owners to pay close attention to the change. He had to pay an \$11,500 fine and shell out \$20,000 in attorney's fees after the state cited his business twice last year for violating the immigration law.

He chalked up the violations to confusion over the new requirements, which go beyond what the federal government asks for.

"This is very real, and it can happen to you," he said.

Calls last week to various businesses that will be affected by the change produced a mix of responses.

Some employers were aware the change was coming but uncertain as to what they had to do. Others thought the green cards and Social Security cards they were collecting from workers were sufficient to meet the law's requirements. They are not.

Employers must use one of two methods to verify the legal status of new workers. They can require employees to provide a South Carolina driver's license or identification card, or a motor vehicle license from one of 26 other states whose requirements are as strict as the Palmetto State's.

Companies also can use the Department of Homeland Security's online database, E-verify, to vet new hires.

Companies face a maximum fine of \$1,000 per violation and risk losing their business license if they are found to have knowingly hired an illegal alien. Labor officials also are required to notify federal immigration officials when illegal immigrants are found in the workplace.

Knight said his agency has reported about a half-dozen companies to U.S. Immigration and Customs Enforcement. He didn't know what action was taken as a result or whether any undocumented workers had been detained or deported. ICE officials did not respond to a

request for information on the subject.

The state's initial audits focused on a much smaller pool, the 2,200 companies that employ 100 or more workers. Of the 1,500 audited to date, 89 were cited for violations, most of which were minor in nature, Knight said.

Benefitfocus in Charleston, for example, was cited last month for improperly verifying 43 employees based on U.S. passports or driver's licenses from states that didn't meet South Carolina's requirements, labor officials said.

Coastal Franchising in Hanahan received a citation in February for failing to follow the state law. It correctly used E-verify to check 42 employees but failed to do so within five days of their being hired, as is required by state law, officials said.

The companies faced potential fines of \$36,550 and \$35,700, respectively, but state officials waived the penalties. Companies can avoid penalties for first-time offenses by correcting violations within 72 hours of being notified, which these businesses did.

The only company to pay a fine since the audits began is Pleasant Places on Long Point Road. That's because auditors cited the company twice last year for failing to properly verify the legal status of employees, state officials said.

Renee Artigues, whose husband owns the company, said former company officials didn't keep good personnel records and they got confused over what documentation was acceptable. She took over as office manager in December to straighten out the mess. Pleasant Places recently had a third state audit and received a clean bill of health, she said.

Getting there wasn't easy or cheap, Artigues said. The company works in an industry with frequent turnover, employing 100 to 150 workers at any given time, most of whom are Hispanic. Recordkeeping is a challenge, particularly when the federal and state governments have different standards, she said.

"It can be tricky," she said. "And it can be very nerve-racking because you don't want to do the wrong thing."