

First Extraordinary Session  
Sixty-fifth General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 06B-2073.02 Kristen Forrestal

**HOUSE BILL 06S-1017**

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**HOUSE SPONSORSHIP**

**Solano,** and Paccione

**SENATE SPONSORSHIP**

**Bacon,**

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**House Committees**

Business Affairs and Labor  
Appropriations

**Senate Committees**

Business, Labor and Technology  
State, Veterans & Military Affairs  
Appropriations

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**A BILL FOR AN ACT**

101 **CONCERNING DOCUMENTATION BY AN EMPLOYER THAT**  
102 **DEMONSTRATES COMPLIANCE WITH FEDERAL EMPLOYMENT**  
103 **VERIFICATION REQUIREMENTS, AND MAKING AN APPROPRIATION**  
104 **IN CONNECTION THEREWITH.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Requires each employer in Colorado to attest that the employer has verified the legal work status of each employee, that the employer has not altered or falsified the employee's identification documents, and that the employer has not knowingly hired an unauthorized alien.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

HOUSE  
3rd Reading Unamended  
July 7, 2006

HOUSE  
Amended 2nd Reading  
July 6, 2006

Requires each employer in Colorado to submit documentation to the director of the division of labor within the department of labor and employment that demonstrates that the employer is in compliance with federal employment verification requirements. Authorizes the director to conduct random audits of employers to ensure compliance with the federal laws. Requires the director to request documentation if the director receives a valid complaint that an employer is not in compliance with federal law. Subjects an employer to a fine for the failure to provide documentation or for the provision of fraudulent documentation.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** Part 1 of article 2 of title 8, Colorado Revised  
3 Statutes, is amended BY THE ADDITION A NEW SECTION to read:

4           **8-2-122. Employment verification requirements - quarterly**  
5 **report - audits - fine for fraudulent documents - definitions.** (1) AS  
6 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7           (a) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION.

8           (b) "DIVISION" MEANS THE DIVISION OF LABOR IN THE  
9 DEPARTMENT OF LABOR AND EMPLOYMENT.

10           (c) "EMPLOYER" MEANS A PERSON OR ENTITY THAT:

11           (I) TRANSACTS BUSINESS IN COLORADO;

12           (II) AT ANY TIME, EMPLOYS ANOTHER PERSON TO PERFORM  
13 SERVICES OF ANY NATURE; AND

14           (III) HAS CONTROL OF THE PAYMENT OF WAGES FOR SUCH  
15 SERVICES OR IS THE OFFICER, AGENT, OR EMPLOYEE OF THE PERSON OR  
16 ENTITY HAVING CONTROL OF THE PAYMENT OF WAGES.

17           (d) "UNAUTHORIZED ALIEN" HAS THE SAME MEANING AS SET  
18 FORTH IN 8 U.S.C. SEC. 1324a (h) (3).

19           (2) (a) ON AND AFTER THE DATE SPECIFIED PURSUANT TO FEDERAL  
20 LAW AND RULES FOR THE STATE OF COLORADO TO COMPLY WITH 49 U.S.C.

1 SEC. 30301 ET SEQ., EACH EMPLOYER IN COLORADO SHALL AFFIRM THAT  
2 THE EMPLOYER HAS EXAMINED THE LEGAL WORK STATUS OF EACH  
3 EMPLOYEE AND HAS RETAINED FILE COPIES OF THE DOCUMENTS REQUIRED  
4 BY 8 U.S.C. SEC. 1324a; THAT THE EMPLOYER HAS NOT ALTERED OR  
5 FALSIFIED THE EMPLOYEE'S IDENTIFICATION DOCUMENTS; AND THAT THE  
6 EMPLOYER HAS NOT KNOWINGLY HIRED AN UNAUTHORIZED ALIEN. THE  
7 EMPLOYER SHALL KEEP A WRITTEN OR ELECTRONIC COPY OF THE  
8 AFFIRMATION, AND OF THE DOCUMENTS REQUIRED BY 8 U.S.C. SEC. 1324a,  
9 FOR THE TERM OF EMPLOYMENT OF EACH EMPLOYEE.

10 (b) THE DIRECTOR SHALL INFORM THE REVISOR OF STATUTES IN  
11 WRITING OF THE COMPLIANCE DATE SPECIFIED IN PARAGRAPH (a) OF THIS  
12 SUBSECTION (2).

13 (3) UPON THE REQUEST OF THE DIRECTOR, AN EMPLOYER SHALL  
14 SUBMIT DOCUMENTATION TO THE DIRECTOR THAT DEMONSTRATES THAT  
15 THE EMPLOYER IS IN COMPLIANCE WITH THE EMPLOYMENT VERIFICATION  
16 REQUIREMENTS SPECIFIED IN 8 U.S.C. SEC. 1324a (b) AND  
17 DOCUMENTATION THAT THE EMPLOYER HAS COMPLIED WITH THE  
18 REQUIREMENTS OF SUBSECTION (2) OF THIS SECTION. THE DIRECTOR OR  
19 THE DIRECTOR'S DESIGNEE MAY CONDUCT RANDOM AUDITS OF EMPLOYERS  
20 IN COLORADO TO OBTAIN THE DOCUMENTATION. WHEN THE DIRECTOR  
21 HAS REASON TO BELIEVE THAT AN EMPLOYER HAS NOT COMPLIED WITH  
22 THE EMPLOYMENT VERIFICATION REQUIREMENTS, THE DIRECTOR SHALL  
23 REQUEST THE EMPLOYER TO SUBMIT THE DOCUMENTATION.

24 (4) AN EMPLOYER WHO KNOWINGLY FAILS TO SUBMIT THE  
25 DOCUMENTATION REQUIRED BY THIS SECTION, OR WHO KNOWINGLY  
26 SUBMITS FALSE OR FRAUDULENT DOCUMENTATION, SHALL BE SUBJECT  
27 TO A FINE OF NOT MORE THAN FIVE THOUSAND DOLLARS FOR THE FIRST

1 OFFENSE AND NOT MORE THAN TWENTY-FIVE THOUSAND DOLLARS FOR THE  
2 SECOND AND ANY SUBSEQUENT OFFENSE. THE MONEYS COLLECTED  
3 PURSUANT TO THIS SUBSECTION (4) SHALL BE DEPOSITED IN THE  
4 EMPLOYMENT VERIFICATION CASH FUND, WHICH IS HEREBY CREATED. THE  
5 MONEYS IN THE FUND SHALL BE APPROPRIATED TO THE DEPARTMENT OF  
6 LABOR AND EMPLOYMENT FOR THE PURPOSE OF IMPLEMENTING,  
7 ADMINISTERING, AND ENFORCING THIS SECTION. THE MONEYS IN THE  
8 FUND SHALL REMAIN IN THE FUND AND NOT REVERT TO THE GENERAL  
9 FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR.

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11 **SECTION 2. Appropriation.** (1) In addition to any other  
12 appropriation, there is hereby appropriated, out of any moneys in the  
13 employment support fund created in section 8-77-109, Colorado Revised  
14 Statutes, not otherwise appropriated, to the department of labor and  
15 employment, for allocation to the division of labor, for the fiscal year  
16 beginning July 1, 2006, the sum of one hundred ten thousand four  
17 hundred forty-seven dollars (\$110,447) and 2.0 FTE, or so much thereof  
18 as may be necessary, for the implementation of this act.

19 (2) In addition to any other appropriation, there is hereby  
20 appropriated, out of any moneys in the employment support fund created  
21 in section 8-77-109, Colorado Revised Statutes, not otherwise  
22 appropriated, to the department of labor and employment, for allocation  
23 to the executive director's office, for legal services, for the fiscal year  
24 beginning July 1, 2006, the sum of three thousand two hundred  
25 twenty-three dollars (\$3,223), or so much thereof as may be necessary, for  
26 the implementation of this act.

27 (3) In addition to any other appropriation, there is hereby

1 appropriated to the department of law, for the fiscal year beginning  
2 July 1, 2006, the sum of three thousand two hundred twenty-three dollars  
3 (\$3,223), or so much thereof as may be necessary, for the provision of  
4 legal services to the division of labor in the department of labor and  
5 employment related to the implementation of this act. Said sum shall be  
6 from cash funds exempt received from the division of labor in the  
7 department of labor and employment out of the appropriation made in  
8 subsection (2) of this section.

9           **SECTION 3. Effective date - applicability.** This act shall take  
10 effect upon passage and shall apply to employees hired on or after  
11 January 1, 2007.

12           **SECTION 4. Safety clause.** The general assembly hereby finds,  
13 determines, and declares that this act is necessary for the immediate  
14 preservation of the public peace, health, and safety.