

BILL ANALYSIS

Senate Research Center

S.B. 766
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Jurisprudence
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

E-verify is a web-based system that allows enrolled employers to verify the identity and employment eligibility of newly hired employees. Under current Texas law, state agencies and institutions of higher education are required to use E-verify. Additionally, state contractors and sub-contractors must enroll in E-verify in order to qualify for public contracts.

S.B. 766 would expand the mandatory participation in the E-verify system to all sexually oriented businesses operating within Texas. The bill would also require these businesses to maintain proof of E-verify program information and verification for at least five years, allowing for the inspection of records if there is good reason to believe that an individual younger than 18 years of age is employed or has been employed by the business.

Fake IDs have become more accessible and can be as technologically advanced as current legal IDs. Human traffickers regularly provide fake IDs to their underage victims for purposes of gaining employment at sexually oriented businesses in direct violation of current law. Utilizing the E-verify system, which electronically matches information provided by a employee against records available to the Social Security Administration and the Department of Homeland Security, will allow businesses to more easily detect false identities.

Sexually oriented businesses are a high-risk location for potential human trafficking and exploitation. Requiring operators of sexually oriented businesses to verify the age and work eligibility status of each employee through use of the federal E-verify program would prevent minors and victims of human trafficking from employment by these establishments. While these businesses are primarily regulated at the local level, the state legislature has the authority and the obligation to enact additional protections for youth statewide.

As proposed, S.B. 766 amends current law relating to requiring sexually oriented businesses to participate in the federal electronic verification of employment authorization program, or E-verify, and creates a criminal offense.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 51.016, Labor Code, by amending Subsections (a), (c), (d), (e), and (h) and adding Subsection (j), as follows:

(a) Defines "E-verify program." Makes nonsubstantive changes.

(c) Requires that a sexually oriented business:

- (1) creates subdivision from existing text and makes a nonsubstantive change; and
- (2) register and participate in the E-verify program to verify information of all employees and independent contractors.

(d) and (e) Makes conforming changes to these subsections.

(h) Authorizes the Texas Workforce Commission, the attorney general, or a law enforcement agency, rather than a local law enforcement agency, to inspect a record maintained under Section 51.016 (Sexually Oriented Businesses) and request proof of E-verify program information verification if there is good reason to believe that an individual younger than 18 years of age is employed or has been employed by the sexually oriented business within the five, rather than two, years preceding the date of the inspection.

(j) Provides that a person commits an offense if the person fails to register and participate in the E-verify program as required by Subsection (c)(2).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2021.