

Mr. Chairman and members of the Committee, my name is Arik Spencer, the President and CEO of the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization, with membership represented by small and large businesses, local chambers, and trade and industry associations across the state. We stand in **opposition** of House Bill 1291.

GNDC expects all businesses in ND to comply with all state and federal laws. Regarding the penalties for hiring an undocumented worker, violations of existing federal immigration laws can result in significant civil fines and criminal penalties for employers. The specific fines depend on the circumstances, but in general, fines are as follows:

1. **For First Offenses:**
  - Fines range from **\$250 to \$2,000** per unauthorized worker.
2. **For Second Offenses:**
  - Fines can increase to **\$2,000 to \$5,000** per unauthorized worker.
3. **For Subsequent Offenses:**
  - Fines can range from **\$3,000 to \$10,000** per unauthorized worker.
4. **For Reckless or Intentional Violations:**
  - Employers who knowingly hire undocumented workers or have a pattern of violations can face even higher fines, ranging from **\$3,000 to \$16,000** per worker.
5. **Criminal Penalties:**
  - In extreme cases, employers could face criminal charges, which might lead to imprisonment for up to **6 months** for first offenses and **up to 5 years** for subsequent offenses.

Additionally, an employer could be subject to other consequences, such as being banned from federal contracts or grants.

Employers must verify workers' legal status using the I-9 form or optional E-Verify system to avoid these penalties. The exact amount of the fine depends on the number of times the violation occurs and the level of intent behind it.

Our concern with HB 1291 is the suspension or loss of a business license for any violation because when a business license is suspended, business operations must cease, which could result in the business not being able to conduct certain business functions, like paying legal employees, resulting in state and federal labor law violations, and negatively impacting legal workers.

We are also concerned about the impact of a potential shutdown of a business related to an electrical generation business or healthcare provider and what the suspension of business licenses means for businesses with multiple locations.