## Public Works Employment Verification Act

(Act 141 of 2022 replaced Act 127 of 2012)

Commonwealth of Pennsylvania Department of General Services

updated 7/22/2023



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## Background and Purpose

- The Federal government created the Employment Verification Program (EVP) to ensure that companies employ a legal workforce.
- <u>E-Verify</u>® is an internet-based system, operated by the United States Department of Homeland Security, that compares information from an employee's Form I-9, Employment Eligibility Verification, to the data from the Department of Homeland Security and Social Security Administration records to confirm employment eligibility.
- In 2012, Pennsylvania enacted the Public Works Employment Verification Law (Act 127) which assigns the Department of General Services the responsibility to implement the Commonwealth's process of notification, investigation and compliance with Act 127.
- In 2022, Act 141 replaced Act 127 and became effective January 3, 2023. The Statement of Policy was updated July 22, 2023.



## Key Definitions

The following terms and definitions are key to understanding Act 141 of 2022.

**Contract** – A type of written agreement, regardless of what it may be called, for the procurement of construction work.

**Employee** – An individual hired by a public works contractor or subcontractor for whom the public works contractor or subcontractor is required by law to file a Form W-2 with the Internal Revenue Service.

This definition is broad and includes all newly hired employees of the contractor or subcontractor, regardless of whether he will be working onsite or offsite.

**EVP** – The E-Verify® Program operated by the Department of Homeland Security that electronically verifies employment eligibility for employees.

**Form** – Public Work Employment Verification Form



## Key Definitions

**Maintenance Work** – Annual inspection or routine upkeep of an existing facility which does not alter the use or size of the facility.

**Public Body** – The Commonwealth of Pennsylvania, its political subdivisions, authorities created by the General Assembly of the Commonwealth and instrumentalities or agencies of the Commonwealth.

**Public Work** - construction, reconstruction, demolition, alteration and/or repair work other than maintenance work, done under contract and paid for in whole or in part out of the funds of a public body where the estimated cost of the total project is in excess of twenty-five thousand dollars (\$25,000), but shall not include work performed under a rehabilitation or manpower training program.



## Key Definitions

**Public Works Contractor** – A contractor that provides work under a contract involving a public work.

**Public Works Subcontractor** – A person, other than a natural person, including a staffing agency, that performs works for a public works contractor under a contract for public works.

This term applies to subcontractors of every level.



## Scope of Act 141 of 2022

### Act 141 (the Act) applies to:

All public works contractors and subcontractors performing on a public works contract.

- Paid for in whole or in part out of the funds of a public body.
- The cost of the total project is in excess of \$25,000.

The total cost of the project includes the sum of all prime contracts and any subcontracts.

**Example:** If you are a contractor with a \$5,000 contract on a project with total costs over \$25,000, then you must comply with the Act.

If the project is subject to the Act, then every contract and subcontract, regardless of value, shall comply with the act.

**Example:** If you are a sub-contractor with a \$5,000 contract on a \$1,000,000 project, then you must comply with the Act.



## Scope of Act 141 of 2022

### **Emergency Procurement**

If the emergency procurement contract reached \$25,000 threshold, then it is subject to Act 141.

Before beginning work onsite or offsite, the contractor or subcontractor must submit an Employment Verification Form to the public body.



## Exemptions from Act 141 of 2022

Work performed under a rehabilitation program.

Work performed under a manpower training program.

Project material suppliers.

### Specific Services:

- Design Professional
- Commissioning Agent
- Construction Management
- Engineering



### **Bidding Phase**

Ensure that the bidding documents advise contractors as to the applicability of Act 141.

- Notice to bidders and/or bid proposal package should notify bidder of the Act's applicability.
  - Example from DGS bid proposal: Bidder acknowledges that this bid is for a public works contract and bidder is therefore subject to the provision, duties, obligations, and penalties of the Public Works Employment Verification Act, 71 P.S. 656.1-656.11, which is incorporated herein by reference.
- Bidding documents must contain the appropriate verification language.
  - Example: The lowest responsible bidder must comply with the Public Works Employment Verification Act by submitting a Commonwealth Public Works Employment Verification Form to the public body prior to award of the contract. The Form and relevant information can be found on the Department of General Services' website at <a href="www.dgs.pa.gov">www.dgs.pa.gov</a>.



### **Award Phase**

Prior to award, the public body must obtain a completed verification form from each successful bidder that will be awarded a contract.

The Verification form is a precondition of award.

A bidder will not be awarded a contract if he fails to submit a completed Public Works Employment Verification form to the public body.



### **Construction Phase**

Receive and retain Verification Forms from all subcontractors of any level.

- As subcontractors are added to the project, they must submit a Verification Form prior to commencing work on the project.
- Subcontractors must submit the Form to the public body, not the prime contractor.

It is incumbent upon the public body to know:

- All active contracts; and
- All prime contractors; and
- All subcontractors of every level.



### **Verification Form**

Must retain the Forms for the duration of the public works contract.

The "duration of the contract" is dictated by the individual public bodies' retention policies.

In accordance with Pennsylvania's Right to Know Law.

Public Bodies must be able to provide the Form in the event of an audit by the Department of General Services Public Works Employment Verification Compliance Office.



### **Audit of Public Bodies**

The Public Works Employment Verification Compliance Office will conduct random and complaint-based audits of public bodies for compliance with the Act.

The public body shall cooperate during an investigation or audit.

The public body must be able to provide upon request:

- Date of bids; and
- Date of Verification Form receipt; and
- Date of contract award; and
- Verification Forms for all prime contractors and subcontractors performing work on the project.



### Responsibilities - Contractors

Submit a completed Public Works Employment Verification Form to the contracting public body prior to the award of contract.

- The contractor may be required by the public body to submit the Form with its bid, or once it is determined to be the lowest bidder, but it must be submitted before the contract is awarded.
- Look to the bidding documents for the public body's requirements on submission of the Form.

All public works contractors and subcontractors are required to use EVP to verify employment eligibility of new employees.

- Verification must be completed within five (5) business days of the employee's start date. The employee may work during this time.
- All employees must be verified through EVP regardless of whether the employee will be working onsite or offsite of a public work.



### Responsibilities - Contractors

Notify all subcontractors in their subcontracts of:

- Applicability of the act; and
- Information regarding the use of EVP; and
- Reference to the website where they can obtain a copy of the Form:
  <u>Public Works Employment Verification Form</u>

Maintain documentation of continued compliance with the Act.

- Quick Audit Report
- Proof of Enrollment

Cooperate during an investigation or audit by providing upon request:

- Documentation of date of hire for all employees; and
- Documentation of use of EVP; and
- Other information as required.



### Responsibilities - Subcontractors

Submit a completed Public Works Employment Verification Form to the contracting public body.

- The Form must be submitted before the subcontractor can commence work on the project.
- The Form must be submitted to the public body, not the Prime Contractor.

All public works contractors and subcontractors are required to use EVP to verify employment eligibility of new employees.

- Verification must be completed within five (5) business days of the employee's start date. The employee may work during this time.
- All employees must be verified through EVP regardless of whether the employee will be working onsite or offsite of a public work.



### Responsibilities - Subcontractors

Maintain documentation of continued compliance with the Act.

- Quick Audit Report
- Proof of Enrollment

Cooperate during an investigation or audit by providing upon request:

- Documentation of date of hire for all employees; and
- Documentation of use of EVP; and
- Other information as required.



## Quick Audit Report

Quick Audit Report is generated on the Federal E-Verify® website.

- Report collects information from the U.S. Department of Homeland Security and the Social Security Administration.
- Report provides data on each employee, including basic company, employee information, and employment eligibility status.
- Report does not include social security numbers.
- Report downloads in Excel format.



## Quick Audit Report

COMPANY ID NUMBER	COMPANY NAME	CITY	STATE	INITIATED BY	CASE INITIATED DATE	CASE VERIFICATION NUMBER	LAST NAME	FIRST NAME	HIRE DATE	INITIAL RESOLUTION	ADDITIONAL RESOLUTION	DHS 3RD STEP RESOLUTION	FINAL STATUS	CASE CLOSURE DATE	CLOSURE DESCR
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	4/02/18	Xxxxxxxxx	Xxxxxxxxx	xxxxxxxxx	4/02/18				Closed	4/02/18	The employee continues to work for
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	3/27/18	Xxxxxxxxx	xxxxxxxxx	XXXXXXXXX	3/26/18				Closed	3/27/18	The employee continues to work for
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	4/19/18	Xxxxxxxxx	xxxxxxxxx	XXXXXXXXX	4/18/18				Closed	4/19/18	The employee continues to work for
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	4/12/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	4/09/18				Closed	4/12/18	The employee continues to work for
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	10/24/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	10/25/18	Employment Authorized	Not Referred	Not Referred	Closed	10/24/18	Employment Authorized Auto Close
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	5/14/18	Xxxxxxxxx	xxxxxxxxx	XXXXXXXXX	5/15/18	Employment Authorized	Not Referred	Not Referred	Closed	5/14/18	Employment Authorized Auto Close
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	5/29/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	5/29/18	Employment Authorized	Not Referred	Not Referred	Closed	5/29/18	Employment Authorized Auto Close
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	6/25/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	6/18/18	Employment Authorized	Not Referred	Not Referred	Closed	6/25/18	Employment Authorized Auto Close
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	7/31/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	7/30/18	Employment Authorized	Not Referred	Not Referred	Closed	7/31/18	Employment Authorized Auto Close
xxxxxxxxx	xxxxxxxxx	HARRISBURG	PA	xxxxxxxxx	8/01/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	8/01/18	Employment Authorized	Not Referred	Not Referred	Closed	8/01/18	Employment Authorized Auto Close
xxxxxxxxx	XXXXXXXXX	HARRISBURG	PA	xxxxxxxxx	8/28/18	Xxxxxxxxx	xxxxxxxxx	xxxxxxxxx	8/27/18	Employment Authorized	Not Referred	Not Referred	Closed	8/28/18	Employment Authorized Auto Close



### Proof of Enrollment

For a company to provide Proof of Enrollment they should:

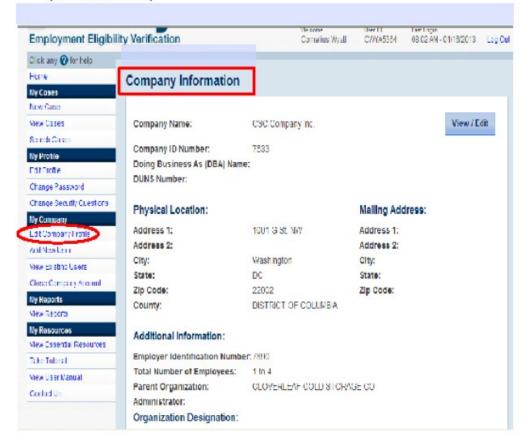
- Log into E-Verify®; and
- Access the Edit Company Profile link on the left navigation menu; and
- Print the screen containing their company information. This page contains proof of the company's enrollment in E-Verify®.

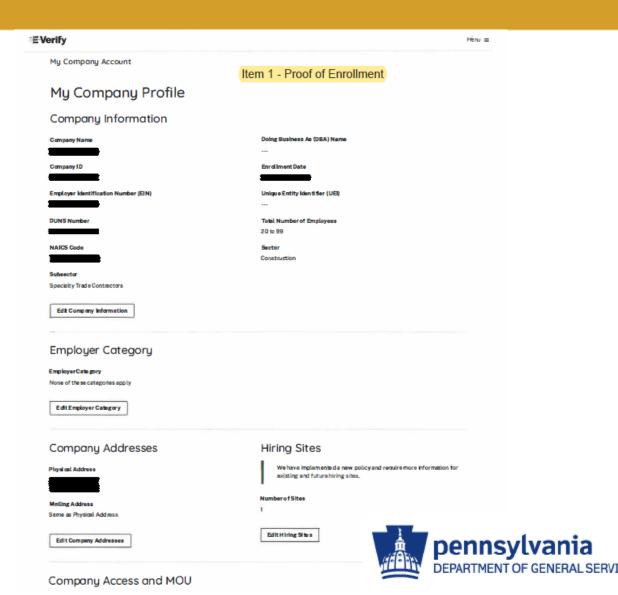


### Proof of Enrollment

#### HOW TO PROVIDE PROOF OF ENROLLMENT IN E-VERIFY

Below is an example of how Federal contractors that are subject to the Federal Acquisition Regulation (FAR) E-Verify clause may be asked to provide proof of enrollment in E-Verify, but can be used by anyone requesting confirmation of company enrollment. As shown below, to provide proof, access the 'Edit Company Profile' link on the left navigation menu and print the screen containing your company information. This page contains proof of your enrollment in E-Verify.





## Public Works Employment Verification Form

### **Public Works Employment Verification Form**

For use by public bodies, public works contractors, and subcontractors.

Complete and return the Form to the contracting public body prior to the award of the contract.

Form may not be changed or altered.



## Public Works Employment Verification Form

Shall be signed by an authorized representative.

- The Department may require supporting documentation that the representative signing the Form has authority to legally bind the public works contractor or subcontractor.
- Representative must have sufficient knowledge to make the representations and certifications in the Form.

Submitted Form shall be retained by the public body for the duration of the public works contract.

The Form is subject to the Pennsylvania Right to Know Law.



### Public Works Employment Verification Form



#### Commonwealth of Pennsylvania

#### Public Works Employment Verification Form

Company Legal Name:				
Doing Business As:				
(if different from Legal Name)				
Mailing Address:				
	Street Address 1			
	Street Address 2			
	City		State	Zip Code
Check one:	Contractor	Subcont	tractor	2,0000
	Contractor	Subcom	detoi	
Contracting Public Body: _				
Contract/Project Number:				
Project Description:				
Project Location:				
Date Enrolled in E-Verify (N	MM/DD/YYYY):			
As a contractor/subcontracthat as of the above date, Verification Act ('the Act') the United States Department of the United S	our company is in through utilization on ment of Homeland	compliance wit of the federal E-\ Security. To the	h the Public \ /erify Program	Works Employme (EVP) operated
It is also agreed to that all present to the employment eligistant date throughout the cuse of the federal EVP upo or audit.	oublic works contractibility of each new l duration of the publ	tors/subcontrac nire within five (s ic works contrac	5) business da t. Documenta	ys of the employ tion confirming t
l,		, auth	orized repre	sentative of t
company above, attest the correct and understand the with the above verification	at the submission	of false or misle	ading informa	
Authorized Representative	Signature		Date of Sig	gnature
Printed Name:				
Phone Number:	E	mail:		

Verification Form was updated in 2023

Available for download <a href="here">here</a>



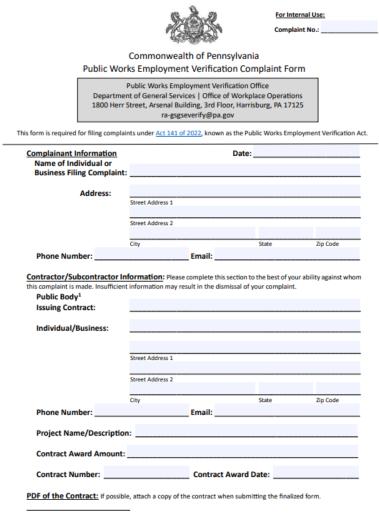
### Enforcement

### Investigation of complaints

- The Department will accept, review, and investigate timely and credible complaints submitted on the <a href="Complaint Form">Complaint Form</a>.
- Complaints must contain sufficient information to investigate the allegations.
- The Department reserves the right to reject complaints that do not provide sufficient information.
- The Department will consider the timeliness of the complaint when assessing its credibility.
- Public bodies, public works contractors and subcontractors shall cooperate with the Department during the investigation of the complaint.



## Complaint Form



Select type(s) of Public Work this complaint is in reference to: Construction ( )Reconstruction ( )Demolition ( )Alteration Public Work is defined as construction, reconstruction, demolition, alteration and/or repair work other than maintenance work, done under contract and paid for in whole or in part out of the funds of a public body in an excess of \$25,000, but shall not include work performed under a rehabilitation or manpower training program. Nature of Complaint: Please identify the factual basis giving rise to this claim. Include names, dates, times, locations, actions and/or inactions that are in alleged violation of the Public Works Employment Verification requirements. Attach additional sheets if more space is needed. Please note, the Department is only obliqued to accept, review, and investigate credible complaints. The Department will consider the timeliness of the complaint in assessing its credibility. Complaints lacking sufficient facts to support an investigation may be dismissed. I hereby certify that to the best of my knowledge and belief, this is a true statement of facts relating to the above complaint.

Printed Name:

# Complaint Form was updated in 2023

Available for download <u>here</u>



### Audit Documentation

# During an audit, all contractors/subcontractors must be able to produce the following documentation:

- 1. Proof of Enrollment into the federal E-VERIFY® system
- 2. Quick Audit Report from the E-VERIFY® system
- 3. Documentation establishing date of hire for all employees, which shall include, but is not limited to, the following:
  - Full Name (as it appears on W-2)
  - Date of Hire
- 4. Copy of page showing awarded contract and contract award date
- 5. Copy of the Employment Verification Form submitted to the contracting public body for the project
- 6. Documentation demonstrating representative has authority to bind the firm by signing the Employment Verification Form
- 7. A copy of Pennsylvania Labor & Industry Weekly Payroll Certification forms for the first and last (or most recent) week of the project during which on-site work commenced (form LLC-25)



### Violations

# A public works contractor or subcontractor violates the Act if either of the following applies:

Failure to verify the employment eligibility of a new employee through EVP in accordance with the Federal Law.

Not providing the verification form or make a false statement or misrepresentation with respect to completing the form.



### First Violation

A public works contractor or subcontractor shall receive a warning letter from the Department detailing the violation. The letter will be posted for 365 days at <a href="https://www.dgs.pa.gov">www.dgs.pa.gov</a>.

For purpose of sanction, a violation by a public works contractor or subcontractor that occurs ten (10) years or more after a prior violation will be deemed to be a first violation.

Violations committed by a contractor or subcontractor involving a single public works contract shall be considered a single violation despite the number of employees that are the subject of the violations.



### **Second Violation**

The Department will initiate debarment proceedings, which will prevent a contractor or subcontractor from submitting a bid or being awarded any contract of performing a subcontract on a public works project in the commonwealth for 60 days from the date of debarment.



Third and Subsequent Violation

The Department will initiate debarment proceedings, which will prevent a contractor or subcontractor from submitting a bid or being awarded any contract or performing a subcontract on a public works project in the commonwealth for no less than one (1) year and not more than two (2) years.



### Willful Violation

If the Department investigates and forms a reasonable belief that there has been a willful violation of the Act, the Secretary will file a petition in the Commonwealth Court seeking the court to issue a rule to show cause why a public works contractor or subcontractor did not engage in a willful violation of the Act. If the court finds that there was a willful violation, the Department will petition to have the public works contractor or subcontractor debarred from public works contracts for three (3) years from the date of the court's determination.



### Civil Penalties

Civil Penalties will be assessed in the following cases:

- Failure to submit a completed form
- Making a false statement or misrepresentation in the form

The Department will assess a Civil Penalty of not less than \$2,500 and not more than \$25,000 for each violation.

- The penalty amount is at the Department's discretion.
- The Department will consider the severity of the violation, as well as any prior violations.
- In addition, willful violations are subject to debarment for not less than sixty (60) days nor more than three (3) years.



### Additional Information

DGS guidelines for administering and enforcing the Public Works Employment Verification Act 141 of 2022 can be found at

www.dgs.pa.gov

Information pertaining to the
Federal E-Verify® program can be found at the
Department of Homeland Security's United States
Citizenship and Immigration Services website

www.e-verify.gov



### Contacts

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Public Works Employment Verification Compliance Office

Department of General Services

**Capital Programs** 

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