



LEGAL ALERT

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Arizona's New Immigration Law Takes Effect January 1, 2008

On December 7, 2007, Judge Neil Wake of the United States District Court, District of Arizona, dismissed the legal challenge filed against The Legal Arizona Workers Act ("H.B. 2779"). Judge Wake threw out the lawsuit because the plaintiffs sued the wrong defendants and because the plaintiffs had not sustained any harm as a result of the governor signing H.B. 2779 into law. Although the plaintiffs have vowed to file yet another lawsuit, Arizona employers should take steps to ensure they are in compliance on January 1, 2008.

Beginning January 1, 2008, H.B. 2779 will prohibit employers from knowingly or intentionally hiring unauthorized aliens. H.B. 2779 will also require employers to sign up with E-Verify—a government managed Internet-based system that checks new employees' identifying information with the records maintained by the Social Security Administration and the Department of Homeland Security. Employers can sign up for E-Verify by logging on to <https://www.vis-dhs.com/EmployerRegistration>.

While H.B. 2779 is one of the toughest laws of its kind in the country, it is important to keep in mind that Immigration and Customs Enforcement ("ICE") has also embarked on an aggressive campaign to enforce the federal immigration law. Employers in Arizona must now deal not only with a tough new state law, but also increased enforcement of the federal immigration laws. Penalties on the state level can mean loss of your business license and penalties on the federal level can mean federal indictments against persons at all levels in your company and loss of millions of dollars.

It is essential that employers develop a corporate compliance program to ensure that your company is in compliance with both the federal and state immigration laws. The corporate compliance program should be tailored to your specific business and your industry. It is no longer



sufficient to simply conduct an I-9 audit and assume that you are in compliance. A good corporate compliance program must include a review of your hiring practices, policies and procedures; creation of a training program, processes for handling no-match letters and tips about undocumented workers; and a review of other critical infrastructure so that your company is taking steps to ensure compliance.

Arizona employers need to be at the forefront of creating a new corporate culture premised on best practices designed to minimize costly business risks and maximize compliance with both state and

federal immigration laws. The threat of criminal prosecution is very real as many unsuspecting business owners and managers have discovered. Please make sure that the correct decision makers in your business receive this notice.

For more information, please contact Rebecca Winterscheidt (602.382.6343) or Manuel H. Cairo (602.382.6534).



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Rebecca Winterscheidt is a partner with the labor and employment law practice in Snell & Wilmer's Phoenix office. She joined the firm in 1983, and has built a practice focused on representing employers on all types of personnel issues, including employment discrimination, wrongful discharge, disability and leave issues and sexual harassment. She also leads the firm's immigration practice.

Ms. Winterscheidt is an active member in the State Bar of Arizona, the American Bar Association, the Arizona Women Lawyers Association and the American Immigration Lawyers Association.



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