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FRESH RAIDS TARGET ILLEGAL HIRING

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The Department of Homeland Security, continuing its crackdown on employers who hire illegal immigrants, has ordered hundreds of companies in recent weeks to submit their hiring records for inspection.

This year's first "silent raids" haven't been publicly announced by Immigration and Customs Enforcement, the DHS agency that conducts them. But an ICE spokeswoman confirmed on Tuesday that as of March 29, the agency had notified 500 businesses "of all sizes and types" to turn over I-9 employment-eligibility forms and other documents for audits.

"These inspections will determine whether or not the businesses are complying with their employment-eligibility verification requirements," said Gillian Christensen, ICE deputy press secretary. "No one industry is targeted, nor is any one industry immune from scrutiny," she added. The government doesn't divulge the names of companies under investigation.

Since January 2009, the Obama administration has audited at least 7,533 employers suspected of hiring illegal labor and imposed about \$100 million in administrative and criminal fines – more audits and penalties than were imposed during the entire George W. Bush administration. The latest penalty hit HerbCo International Inc., a big Washington state-based supplier of organic herbs, which agreed Tuesday to pay \$1 million in fines for employing illegal immigrants and then rehiring some of them after an ICE audit last year.

President Barack Obama is walking a fine line as he turns up the heat on companies that hire illegal immigrants and at the same time courts Hispanic voters, many of whom oppose a crackdown. While the audits don't lead to the deportation of a firm's illegal workers, they all lose their jobs. Critics of the crackdown say it drives more immigrants to exploitative, off-the-books work. For firms, the audits can lead to deep losses in productivity, in addition to civil and criminal fines.

"The president is trying to have it both ways – appease the enforcement hard-liners while appealing to Hispanic voters," said Craig Regelbrugge, co-chairman of the Agriculture Coalition for Immigration Reform, a group that lobbies for a loosening of restrictions on illegal immigrants. The audits "routinely hit good employers who...treat workers well, leaving crippled farms and shattered families in their wake."

The audits are most visible when they hit high-profile fast-food chains, hotels and agricultural concerns. But the inspections have also affected light manufacturers, financial-services firms and the garment industry.

"The expanding rate and reach of I-9 audits is starting to chip away at the perception that only the most egregious employers are at risk of an enforcement action by ICE," said Julie Myers, who was ICE chief during the Bush administration and runs a compliance consultancy. "Companies in all industries need to be vigilant."

ICE's Washington headquarters confirmed it has instructed regional field offices to dedicate a specific number of hours to initiating audits. For instance, an ICE agent this year told several grower labor conferences in Michigan that each field agent had been instructed to devote 250 hours to audits this year, several people in attendance said.

Craig Anderson, a Michigan Farm Bureau manager who was at the events, said the agent also told the group to expect a 40% increase in the number of employers inspected this year. "There is no question there has been a steady increase in audits," said Mr. Anderson.

ICE declined to provide details of audit quotas. But the agency spokeswoman, Mrs. Christensen, said "performance goals" had been set for each of its 26 field offices "to ensure the best use of taxpayer dollars."

Attorneys who advise audited companies report that some employers are being subjected to a second audit. "I have several clients who were audited once, complied and were then audited again six months to a year later," said Wendy Madden, a business immigration attorney.

At a hearing in the Senate Judiciary Committee last week, Sen. Dianne Feinstein (D., Calif.) voiced concern to Homeland Security Secretary Janet Napolitano that I-9 audits "are going to decimate our farms and farm-dependent jobs."

Ms. Napolitano responded that through the audit process, "we try to pick those [employers] who are really knowingly and intentionally violating the law when they have other options...but the underlying issue goes back to the immigration law itself."

House Judiciary Committee Chairman Lamar Smith (R., Texas), said Tuesday that ICE audits "point to an underlying issue: The current paper-based I-9 system is unreliable and outdated. Because fake documents are produced by the millions and can be obtained cheaply, the I-9 system is susceptible to fraud. We should replace this outdated system with E-Verify, a successful Web-based program that quickly identifies illegal immigrants working in the U.S. and protects jobs for legal workers."

On the nation's farms, the overwhelming majority of laborers are illegal immigrants, according to the Department of Labor. Farmers in Michigan, who rely on 45,000 seasonal workers to pick apples, berries and other crops, say they're bracing for audits as the harvest begins.

"An audit would force us to fire 70% to 80% of our workers," said Fred Leitz, a fourth-generation Michigan farmer employing 250 seasonal workers. "The people working the fields and harvesting the crops that feed our nation need work authorization."

The surge in enforcement activity and the lack of an immigration overhaul risk undermining U.S. agriculture and the nation's food security, Mr. Leitz argued.