

DEPARTMENT OF JUSTICE**Immigration and Naturalization Service****8 CFR Part 274a**

[INS No. 1713-95]

RIN 1115-AB73

Demonstration Project Concerning Electronic Options for Processing of Forms I-9**AGENCY:** Immigration and Naturalization Service, Justice.**ACTION:** Notice inviting submission of applications.

SUMMARY: The Commissioner of the Immigration and Naturalization Service (Service) invites applications from businesses, consortium of businesses, other employing entities interested in participating in a demonstration project dealing with the electronic production and/or storage of a Form I-9, Employment Eligibility Verification Form. This notice and proposed demonstration project are the result of numerous inquiries made by members of the business community expressing a desire to electronically produce and/or store the Form I-9. If the project is found to be successful, changes to existing regulations governing the methods of production, completions, storage, and output of the Form I-9 will be promulgated.

DATES: Written applications, responding to all of the Application Requirements and Criteria cited in this notice, must be submitted on or before January 29, 1996.

ADDRESSES: Please submit an original application and five copies to the Immigration and Naturalization Service, 425 I Street, NW., Room 1000, Washington, DC 20536 Attention: Form I-9 Demonstration Project.

FOR FURTHER INFORMATION CONTACT: Robert Atwater, Immigration and Naturalization Service, 425 I Street, NW., Room 1000, Washington, DC 20536, telephone (202) 514-2998.

SUPPLEMENTARY INFORMATION:**Statutory Authority**

Pursuant to the authority contained in Section 274A(d)(4) of the Immigration and Nationality Act, the Service plans to conduct a demonstration project to test different methods of electronic preparation, completion, storage, and output of the Employment Eligibility Verification Form (Form I-9).

Purpose

The purpose of this demonstration project is to investigate and test various technologies which would provide both

the private sector and the Government with electronic alternatives to paper Forms I-9 which will address compliance and enforcement needs under the Immigration and Nationality Act.

Goals

- To assess existing technologies for electronic preparation, completion, storage, and/or output of Forms I-9.
- To develop prototype processes.
- To identify specific technological standards for electronic Form I-9 processes.
- To draft legislative and/or regulatory proposals which would allow for implementation of an electronic Form I-9 process on a national scale.

Application Requirements and Criteria

No specific application form has been designed for this demonstration project; however, applicants must follow the format prescribed in Section III below.

Applicants may wish to refer to the Federal "Guidelines for Security of Computer Applications," FIPS Publication 73.

I. Eligibility for Participation

Any business, consortium of businesses, or other employing entities, may submit an application for participation in the demonstration project provided they, or a client business for which they provide Form I-9 services, meet the following criteria: they have been in operation at least 1 year; have at least 100 employees, either at one or multiple locations; have their headquarters in the United States; have or are able to have available the resources to begin their demonstration project within 3 months of approval; and agree to participate in the an evaluation of the project (through reporting mechanisms as well as on-site reviews).

II. Project Restrictions

The Service will not, at this time, entertain approaches which include the use of an electronic identifier, e.g. PIN number, without an associated written signature. Companies proposing to electronically generate or store Forms I-9 and/or related signatures should include samples of computer-generated signatures and associated originals for evaluation by the Service's Forensic Document Lab.

Scanned signatures must be of photographic quality. Handwritten signatures made with black ballpoint pen on white paper forms, scanned at a minimum resolution of 600 horizontal x 1200 vertical dots per inch (DPI) optical resolution (color) with output resolution

of 1200x1200 DPI and produced by a printer at a minimum of 512 lines per inch (LPI) on photographic (dry silver) paper, or 600 DPI on a laser jet printer, may produce a signature acceptable for INS forensic examination as long as magnetic disk (3.5") containing 600x1200 DPI color optical resolution with output resolution of 1200x1200 DPI scanned image is available. Compression of the scanned image on the disk will not be acceptable; image must be in a Tagged-image file format (TIF).

Participants will be required to retain hard copies of the Forms I-9 for a specified term.

III. Information To Be Included in the Application

A. A company profile should be provided to include: The company name; headquarters address; listing of additional company locations, if any; number of employees (total and/or number by location); average number of new hires per year; if the data is available, the average number of reverifications per year; and the name and phone number of the company contact for this project.

B. A brief summary of the approach described in the application. Such a summary may be published in the Federal Register notice announcing the implementation of the demonstration project.

C. The company's plan describing, in as much detail as possible, the method to be employed to electronically prepare, complete, store, and/or output Forms I-9. (Your need only address the areas which your company would be interested in pursuing).

1. Describe the process from completion of the Form I-9 by the employee and employer to storage.

2. Indicate measures to be taken to ensure the integrity of the employment verification process as outlined in Title 8 of the Code of Federal Regulations, Part 274a. Include issues such as the provision of the Form I-9 instructions and the listing of acceptable documents to all employees during the verification process.

3. Discuss the scope of the project within your company and clearly indicate whether or not all new hires and reverifications will be included in this process.

4a. Discuss the type of equipment and software which will be used and describe the information flow of the system (i.e., how the new process would work compared to the present manual/paper-based process).

b. Discuss the number of staff resources which will be used to support

the initiatives being proposed. If it will be necessary for your company to acquire additional or specialized equipment and/or staff for the purposes of this initiative, provide the costs and timeframe associated with this effort.

c. Include a process map and/or flow chart of system operation; description of data elements; description and specification of the software to be used; and specifications for all equipment devices (input scanner, storage device, etc.).

5. Describe the specific Form I-9 data which will be capture electronically; where and how it will be stored; procedures for ensuring the integrity of the database; where and how data will be output; what the methods and timeframes will be for electronic record retention and disposal; and what, if any, hardcopy versions of the Form I-9 will be used in the process. If electronic signatures are a component of the proposal, describe how the electronic signature will be linked to a physical signature by the same individual (refer to Section II. Project Restrictions, above).

6. Explain plans for internal assessment of the project's performance throughout the demonstration period.

D. If any provisions of the current regulations will need to be waived for purposes of the demonstration, describe these and also explain how your proposed process would achieve the same purpose as the existing regulations.

E. Describe the electronic access which will be available if your company is proposing to digitally store data.

F. Identify accompanying recordkeeping procedures which would allow the Government to verify the signature and date of the form's preparation, revision, and/or updating.

G. Provide a brief analysis of the cost and benefits associated with the electronic Form I-9 process being proposed.

IV. Criteria to be Used to Evaluate Applications

A. Eligibility under the requirements set forth in Item I of this notice (10 percent);

B. Comprehensiveness and quality of the application, particularly with respect to the integrity of the verification process and the security of the proposed system (22 percent);

C. Likelihood of the system to gain widespread adoption and acceptance, as reflected in the technology, start-up costs, and cost-benefit analysis (20 percent);

D. Likelihood of the system to facilitate compliance with the verification process and to permit the Government to independently review the employer's compliance with the law, as reflected in the proposed audit trail and methods of providing Government access (22 percent);

E. The company's ability, as described in the application, to: ensure that all activities described in its plan are performed in accordance with the applicant's proposal, be able to implement its proposal within 3 months of approval, and commit to at least 24 months participation in the project (10 percent);

F. The number of new hires/verification transactions per year (3 percent);

G. Achievement of a mix of technologies and procedures (10 percent); and

H. In the event the Service receives a number of equally qualified applications, preference may be given based upon the date the application was received (3 percent).

An applicant's failure to adequately address evaluation criteria A-F may result in denial of the application.

The final review panel will be composed of no fewer than five members with experience in information systems, forensic document examinations, investigations, and legal compliance. They will recommend, to the Commissioner of the Immigration

and Naturalization Service (Commissioner), no more than 20 applicants for participation in the demonstration project. The final decision will be made by the Commissioner. Applications which are not approved for this demonstration project will be retained for possible future consideration.

The Service will endeavor to complete the evaluation process and make final participant selections within 3 months following the close of the application period. Participants will be required to enter into a Memorandum of Understanding with the Service. All participants in the demonstration project will be advised that their involvement in the project will not preclude the Government from conducting compliance audits and any other enforcement actions.

OMB Reporting Burden

The public reporting burden for this collection of information is estimated to be 23 hours, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collections of information. Please send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Immigration and Naturalization Service, 425 I Street, NW, HQPDI, Room 5307, Washington, DC 20536. These requirements have been approved by the Office of Management and Budget under the provisions of the Paperwork Reduction Act, and are recorded as OMB Control Number 1115-0198, with an expiration date of 9-30-98.

Dated: November 22, 1995.

Doris Meissner,

Commissioner, Immigration and Naturalization Service.

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