

E-VERIFY, THE LEGAL ARIZONA WORKERS ACT (LAWA), AND EMPLOYMENT

An Analysis of Enrollment and Correlations

JUDITH GANS



Udall Center for Studies in Public Policy
The University of Arizona

research support provided by the
National Center for
Border Security and Immigration
(BORDERS)



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research support provided by the
National Center for Border Security and Immigration (BORDERS)
based at The University of Arizona
with funding from the U.S. Department of Homeland Security



June 2013

Acknowledgements

This material is based on work supported by the U.S. Department of Homeland Security under Award Number 2008-ST-061-BS0002. The views and conclusions contained in this document are those of the author and should not be interpreted as necessarily representing the official policies, either expressed or implied, of the U.S. Department of Homeland Security. Any opinions, findings, and conclusions or recommendations in this document are those of the authors and do not necessarily reflect views of the United States Department of Homeland Security.

The author wishes to thank William Ingersoll for his analytic input and for his support in gathering data. She also wishes to thank Robert Merideth, editor in chief at the Udall Center for Studies in Public Policy at the University of Arizona, for his support and diligence in editing this document. The Immigration Policy Program at the Udall Center would not exist without the unfailing support of the Center's director, Stephen Cornell, and its deputy director, Robert Varady. Their ongoing support is deeply appreciated.

Cover design by Renee La Roi

Photos courtesy U.S. Customs and Border Protection and White House Champions of Change Program

Published by the Udall Center for Studies in Public Policy at The University of Arizona.

803 E First Street | Tucson, AZ | 85719-4831 | (520) 626-4393

Research supported by the National Center for Border Security and Immigration (BORDERS) based at The University of Arizona.

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Executive Summary

A legal mandate by the Federal government for all employers to use the the E-Verify system to confirm the authorization of individuals to work in the United States has been included in all recent proposals to reform the U.S immigration system. Such a legal mandate—and its consequent increases in E-Verify enrollment and use by employers of different sizes across all sectors of the U.S. economy—raises a number of questions about likely patterns of enrollment and use and whether there might be variation in enrollment and use by industry type and by size of firm.

This report compares E-Verify use in Arizona (where the Legal Arizona Workers Act, or LAWAWA, went in to effect on January 1, 2008, and requires use of the E-Verify system by all employers) to E-Verify use in Nevada (which has no such legal mandate). The economies in Arizona and Nevada are similar, with the largest numbers of employers concentrated in service sectors, wholesale and retail distribution, and construction in both states.

Not surprisingly, the legal mandate to use E-Verify has resulted in higher levels of enrollment in Arizona than in Nevada. Arizona's enrollment as of December 2011 was 23,370 employers while Nevada's was only 1,209. What is surprising, however, is the fact that only approximately 18% of all employers in Arizona had complied with LAWAWA's legal mandate as of December 2011. While this is greater than Nevada 1.9% of enrolled employers as of the same date, it is a surprisingly low enrollment rate in the face of LAWAWA's legal mandate. In Arizona as of December 2011, the sector, "Public Administration," had the largest share (59%) of employers by sector enrolled in E-Verify; the sector in Arizona with the smallest share of enrolled employers (4%) was "Wholesale Distribution." By contrast, in Nevada, largest share of enrolled employers was around 5% in "manufacturing," "Utilities," as well as in "Construction."

E-Verify enrollment and use is widespread across the various economic sectors for each of the two states. Both Arizona and Nevada experienced fairly rapid increases during 2007 and 2008 in the number of sectors (i.e., 3-digit North American Industry Classification System, or NAICS, sectors) with employers enrolled in E-Verify. In Arizona, the share of 3-digit NAICS sectors with enrolled employers climbed from 52% in 2006 to 98% by 2008. In Nevada, the share of sectors with enrolled employers climbed from 23% in 2006 to 64% by 2008. And, as one would expect, these increases in enrollment translated to increases in use of the system by employers to verify new employees' authorization to work. In Arizona, the percent of 3-digit NAICS sectors with E-Verify use climbed from 44% in 2006 to 98% in 2008. In Nevada, E-Verify use climbed from 21% of sectors in 2006 to 60% of sectors in 2008.

The enrollment and use of E-Verify by size of employers, as measured by numbers of employees, has varied between the two states and over time. Currently, employers with 20-99 employees had the largest share of enrollment (compared to other employer size categories) in both Arizona (33%) and Nevada (34%) of the various size-categories examined. In Arizona, the size-category with the next largest share of enrollment (19%) was employers with 10-19 employees. In Nevada, on the other hand, the size category with the second highest share of enrollment (23%) was employers with 100-499 employees.

Both states have seen increases in enrollment of smaller employers since January 2008. In Arizona, the share of enrolled employers with 1-4 employees climbed from 8% to 22% after LAWA went into effect. Nevada saw the share of enrolled employers in this size category climb from 6% to 14% in the same period. Nevada also saw the share of enrolled employers in the 20-99 employees category climb from 30% to 35%. Arizona's share of enrolled employers in this size category dropped from 38% to 31%

Percent of Enrolled Employers in Various Size Categories

Size Measured by Number of Employees	Arizona		Nevada	
	Percent Before LAWA	Percent After LAWA	Percent Before Jan-08	Percent After Jan-08
1 to 4	8%	22%	6%	14%
5 to 9	11%	18%	5%	11%
10 to 19	17%	20%	10%	11%
20 to 99	38%	31%	30%	35%
100 to 499	20%	8%	31%	22%
500 to 999	3%	1%	6%	3%
1,000 to 2,499	2%	0.4%	7%	3%
2,500 to 4,999	1%	0.1%	4%	1%
5,000 to 9,999	0.2%	0.2%	0%	1%
10,000 and over	0.2%	0.1%	1%	1%
Total	100%	100%	100%	100%

For Arizona, analysis of the correlations between indexes of average E-Verify use per employer over time and an index of employment over time in 3-digit NAICS sectors revealed that there were fairly widespread increases—in 52 out of 99 sectors—in these correlations after LAWA went into effect. Increased correlations after January 2008 were not as widespread in Nevada as they were in Arizona, where only 17 of 99 3-Digit NAICS sectors saw increases after January 2008. (The January 2008 date was used as a point of comparison in Nevada in order to be consistent with the analysis for Arizona.) This is not a surprising result in light of the absence of a legal mandate to use E-Verify in Nevada.

Correlations Between E-Verify Use and Employment Before and After January 2008

Pre to Post Comparisons	Arizona	Nevada
Number with <i>higher</i> correlations post-LAWA compared to pre-LAWA	52	17
Number with <i>lower</i> correlations post-LAWA compared to pre-LAWA	31	22
Number where Pre-LAWA and Post-LAWA correlations cannot be compared	16	31
Number no correlations can be calculated due to insufficient E-Verify Use	7	29
Total number of Sectors	99	99
Early to Late Comparisons	Arizona	Nevada
Number with <i>increasing</i> post-LAWA correlations	24	27
Number with <i>decreasing</i> post-LAWA correlations	68	35
Number where post-LAWA correlations could not be calculated	1	8
Number with no E-Verify Enrollment or Transactions During the Period Studied	0	29
Total number of Sectors	99	99

Note: Pre-LAWA = Jul-04 to Dec-07 and Post-LAWA = Jan-08 to Aug-12
 Early post-LAWA = Jan-08 to Apr-10 (first half of the period)
 Late post-LAWA = May-10 to Aug-12 (second half)

This analysis revealed that correlations between E-Verify use and employment declined in more recent months. When correlations during the most recent months (May 2010 to August 2012) are compared to those in the months immediately after LAWA's enactment (January 2008 to April 2010) 68 out of 99 sectors had declines in these correlations in Arizona. Nevada also had a larger number of sectors (35) with later-period declines in correlations than the number of sectors (27) with increased later-period correlations. The reasons for this are not immediately obvious, are beyond the scope of this report, and warrant further study.

Introduction and Background

A significant objective of immigration enforcement has been to reduce the likelihood that immigrants who are in the United States without authorization to work are able to obtain employment. A key prerequisite for achieving this objective is for employers to have effective tools for verifying that newly hired employees are, in fact, eligible to work in the United States. Employers have noted that it is currently difficult to know the work-eligibility of potential employees when they are presented with fraudulent documents by those seeking employment.

The E-Verify system, developed and operated by the U.S. Citizenship and Immigration Service (USCIS) of the Department of Homeland Security, is an internet-based program operated in partnership with the Social Security Administration. It allows employers to electronically check whether potential employees' are authorized to work in the United States and whether documents presented are fraudulent. Employer participation in E-Verify is voluntary in most states, but some states have mandated its use by some or all employers in those state.

Since January 1, 2008, the Legal Arizona Workers Act (LAWA) has required all employers in Arizona to use E-Verify to screen newly hired employees. In spite of this requirement, a July 28, 2010, article in the *Arizona Republic* newspaper reported that, since the Legal Arizona Workers Act went into effect, only about half of new hires in Arizona have been screened using E-Verify and only about one-third of Arizona employers have enrolled in E-Verify. If accurate, these statistics raise a number of questions as to why, after a period of more than two years, the extent of E-Verify use was at these reported levels.

Widespread media reports prior to LAWA's enactment indicated a high degree of political controversy over mandated E-Verify use by all employers. This controversy included challenges to its constitutionality that were taken to the U.S. Supreme Court, and its substance fell into three broad categories:

1. Concern over the effects of mandatory E-Verify use on the regulatory environment for businesses in Arizona relative to that for businesses in other states where its use remained voluntary;
2. Disagreement about the role and consequences of worksite enforcement among advocates on various sides of debates over illegal immigration; and
3. Concerns over the accuracy of the databases used by E-Verify to confirm an individual's eligibility to work in the United States.

The substance or merits of these controversies are not the focus of this report. They are noted, however, because they shaped the political and economic context for enrollment in E-Verify by employers in Arizona. It is possible that uncertainty resulting from the immediate legal challenges to the law combined with concerns about its impacts on the regulatory environment in Arizona to slow its adoption by employers, although determining the extent, if any, to which this occurred is beyond the scope of this report. Further, specific enforcement provisions of LAW A shaped the “teeth” of the law,¹ which may also have undermined its adoption by Arizona employers.

Such controversies would be less salient in the event that use of E-Verify becomes mandatory at the Federal level. Federally mandated use would eliminate differences in the regulatory environment across states related to worksite enforcement of immigration laws. The economic consequences of federally mandated E-Verify will depend centrally on the specific changes to the structure of the U.S. immigration system that may be enacted by Congress and cannot be understood until these specifics are known. However, if use of E-Verify becomes mandatory as part of a comprehensive immigration reform package that addresses the current population of immigrants in the U.S. without authorization, controversies over E-Verify and worksite enforcement with regard to current unauthorized immigrants will be replaced by a prospective focus on worksite enforcement as a mechanism for discouraging future illegal immigration.

A number of questions remain, however, regarding the pace at which employers in Arizona enrolled in E-Verify, and there are important insights to be gleaned from comparing patterns of enrollment in E-Verify between mandatory (Arizona) and voluntary (Nevada) states. These include:

1. Are there differences in enrollment across industries in the face of mandatory E-Verify use?
2. Are there differences in enrollment by size of employer in the face of mandatory E-Verify use?
3. Does making E-Verify mandatory affect the extent to which E-Verify transactions correlate with employment across industries and, if so, do these correlations change over time?

The objective of this report is to profile the types, defined by size and industry, of employers who have enrolled in E-Verify in Arizona in contrast to those in Nevada. A second objective is to analyze the extent to which E-Verify use across industries in each state is correlated with overall employment across industries in each state.

¹ See Gans, Judith. 2008. *Arizona's Economy and the Legal Arizona Worker's Act*. Tucson, Ariz.: Udall Center for Studies in Public Policy. See, www.udallcenter.arizona.edu/immigration/publications/2008_GANS_lawa.pdf.

E-Verify Enrollment

Throughout this report we use the U.S. Census Bureau's North American Industry Classification System (NAICS) to define industry groups at both the 2-digit and 3-digit level of aggregation. E-Verify enrollment and employment in Arizona and Nevada are examined for these two aggregations of industry groups with the objective of better understanding relationships between E-Verify use and changes in employment.

Industry Profile of Arizona and Nevada Employers

Table 1 provides an overview of the number of employers at the 2-digit NAICS level in both Arizona and Nevada. Overall, the Bureau of Labor Statistics reports that Arizona had 127,821 employers in 2011, roughly twice as many as Nevada, which had 62,737.

Table 1. Number of Employers by Industry, 2011 (ranked by number of employers in Arizona)

Industry Sector (NAICS Code):	Arizona		Nevada	
	Number of Employers	Percent of Employers	Number of Employers	Percent of Employers
Professional, Scientific & Tech Services (54)	19,951	16	9,423	15
Wholesale Distribution (42)	13,690	11	4,856	8
Construction (23)	13,568	11	6,093	10
Health Care Services (62)	13,040	10	5,971	10
Repair & Maintenance (81)	10,745	8	4,123	7
Retail Trade (44-45)	10,403	8	5,323	8
Admin & Support Services (56)	9,003	7	4,993	8
Accommodation & Food Services (72)	7,946	6	4,198	7
Real Estate, Renting & Leasing (53)	6,818	5	3,326	5
Financial Institutions (52)	6,152	5	3,512	6
Manufacturing (31-34)	4,413	3	1,856	3
Transportation and Warehousing (48-49)	3,001	2	1,886	3
Educational Services (61)	2,244	2	884	1
Printing & Publishing (51)	1,774	1	1,110	2
Arts & Entertainment (71)	1,684	1	1,361	2
Agriculture, Fishing, Hunting & Trapping (11)	1,070	0.8	277	0.4
Management of Companies & Enterprises (55)	419	0.3	1,825	3
Public Administration (92)	320	0.3	454	0.7
Utilities (22)	280	0.2	106	0.2
Mining Except Oil & Gas (21)	222	0.2	280	0.4
Non-classified Establishments (99)	1,078	0.8	880	1
Total Number of Employers	127,821	100	62,737	100

Source: Bureau of Labor Statistics

We see that companies providing Professional, Scientific, and Technical Services (NAICS 54) are the largest shares of the total number of employers in both states, and that Arizona and Nevada share four of the five top sectors with regard to number of employers. Table A-1 (page 26 of the Appendix) includes information on the number of employers in Arizona and Nevada in each of the 3-digit NAICS categories.

E-Verify Enrollment in Arizona and Nevada by Industry

Table 2 provides a profile of the number and percent of employers enrolled in E-Verify in Arizona and Nevada in each of the 2-digit NAICS codes. We see that, as of December 2011, there were many fewer employers enrolled in Nevada (1,209) where E-Verify use is voluntary compared to Arizona (23,370) where LAWA requires use of E-Verify.

Table 2. December 2011 E-Verify Enrollment by 2-Digit NAICS Sector (ranked by enrollment in Arizona)

Industry Sector	Arizona		Nevada	
	Number	Percent	Number	Percent
Construction (23)	4,532	19	293	24
Accommodation & Food Services (72)	2,583	11	128	11
Retail Trade (44-45)	2,382	10	57	5
Professional, Scientific & Tech Services (54)	2,359	10	118	10
Health Care Services (62)	2,149	9	74	6
Repair & Maintenance (81)	1,967	8	74	6
Manufacturing (31-34)	1,785	8	97	8
Educational Services (61)	1,024	4	17	1
Financial Institutions (52)	653	3	13	1
Transportation and Warehousing (48-49)	626	3	86	7
Admin & Support Services (56)	568	2	94	8
Real Estate, Renting & Leasing (53)	556	2	12	1
Wholesale Distribution (42)	539	2	17	1
Agriculture, Fishing, Hunting & Trapping (11)	398	2	4	0.3
Arts & Entertainment (71)	354	2	52	4
Printing & Publishing (51)	324	1	32	3
Management of Companies & Enterprises (55)	203	1	14	1
Public Administration (92)	189	0.8	14	1
Utilities (22)	98	0.4	5	0.4
Mining Except Oil & Gas (21)	81	0.3	8	1
Total Numbers & Percent	23,370	100	1,209	100

Source: USCIS Transactions Database

In both states, the largest share of employers enrolled in E-Verify is in NAICS sector 23, “Construction,” and the second-largest share is in NAICS sector 72, “Accommodation and Food Services.” These high shares of E-Verify enrollment reflect, in part, the reality that these sectors are also a large share of the economies in both states. Employers in the construction sectors are 11% of all employers in Arizona and 10% of Nevada’s employers. Employers in the accommodation and food services sector are 6% of Arizona’s employers and 7% of employers in Nevada. Both of these sectors have high rates—in the top ten of all employers—who have enrolled in E-Verify. In general, as a result of similarities in the economies as well as in E-Verify enrollment patterns in each of the two states, nine of the top ten shares of E-Verify enrollment are the same for both Arizona and Nevada and underscore similar enrollment profiles for these states.

E-Verify Enrollment Over Time

It is instructive to compare trends in E-Verify enrollment and in the extent of E-Verify use over time by industries in Arizona and Nevada. To this end, using data from the USCIS transactions database, the percent of NAICS sectors with E-Verify enrollment in Arizona and Nevada were calculated, and these results are shown in Table 3.

Table 3. Percent of Sectors⁽¹⁾ with E-Verify Enrollment in Arizona and Nevada

	2004*	2005	2006	2007	2008	2009	2010	2011	2012*
Arizona	14%	40%	52%	94%	98%	98%	98%	99%	99%
Nevada	7%	12%	23%	53%	64%	76%	81%	83%	83%

(1) 3-Digit NAICS Sectors

* 2004 includes July through December and 2012 includes January through August of that year.

E-Verify enrollment has increased significantly since 2004 in both states. Between 2006 and 2007, however, there was a much larger share of sectors with E-Verify enrollment in Arizona, which went from 52% to 94%, than in Nevada, which grew from 23% to 53%. This increased enrollment in Arizona occurred during the months prior to passage of the Legal Arizona Workers Act (LAWA) when this legislation was being debated by the Arizona legislature. It appears that employers enrolled in E-Verify in anticipation of the its passage and possibly as a result of increased publicity about the system. As of August 2012, the only sector with no Arizona employers enrolled in E-Verify is 211, Oil and Gas Extraction, a sector whose August 2012 employment was 130 persons. By 2012, 83% of NAICS sectors Nevada had employers enrolled in E-Verify. The remaining 17 sectors with no E-Verify enrollment represented just 2.2% of Nevada employment in August of 2012. Please refer to Table A-2 (page 31 of the Appendix) for a list of sectors and their August 2012 employment with no E-Verify enrollment in Nevada.

E-Verify Use Over Time

The extent of E-Verify use over time was also examined. To this end, we calculated the percent of 3-digit NAICS sectors that had *any* E-Verify transactions during the year for each year between 2004 and 2012. Table 4 and Figure 1 show the results of this analysis for both states.

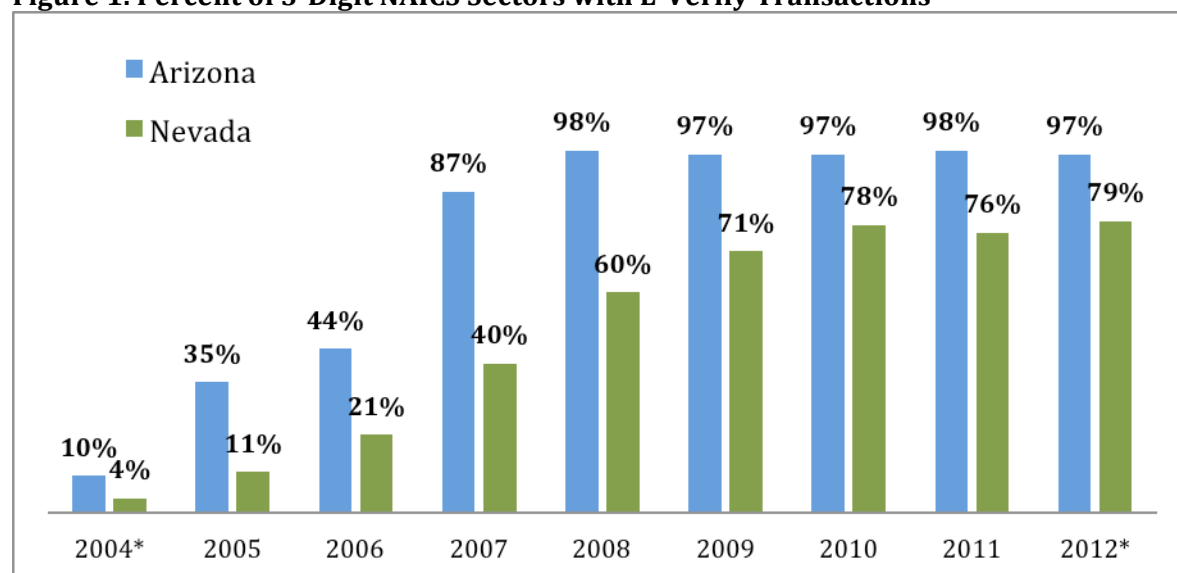
Table 4. Percent of Sectors⁽¹⁾ with Any E-Verify Transactions in Arizona and Nevada

	2004*	2005	2006	2007	2008	2009	2010	2011	2012*
Arizona	10%	35%	44%	87%	98%	97%	97%	98%	97%
Nevada	4%	11%	21%	40%	60%	71%	78%	76%	79%

(1) 3-Digit NAICS Sectors

* 2004 includes July to December and 2012 includes January to August of that year.

Figure 1. Percent of 3-Digit NAICS Sectors with E-Verify Transactions



*Note: 2004 includes July to December and 2012 includes January to August of that year.

Source: USCIS Transactions Database

Since 2004, both states have had annual increases in the share of 3-digit NAICS sectors whose employers use the E-Verify system. This rate increased dramatically in Arizona from 44% of 3-Digit NAICS sectors in 2006 to 87% of sectors with employers enrolled in the E-Verify system in 2007. In contrast to Nevada, this increase in Arizona occurred as political debates over illegal immigration became more heated prior to LAWA's enactment. In 2008, when LAWA went into effect, 98% of 3-digit NAICS sectors in Arizona had employers using E-Verify and this high rate of use has continued to the present.

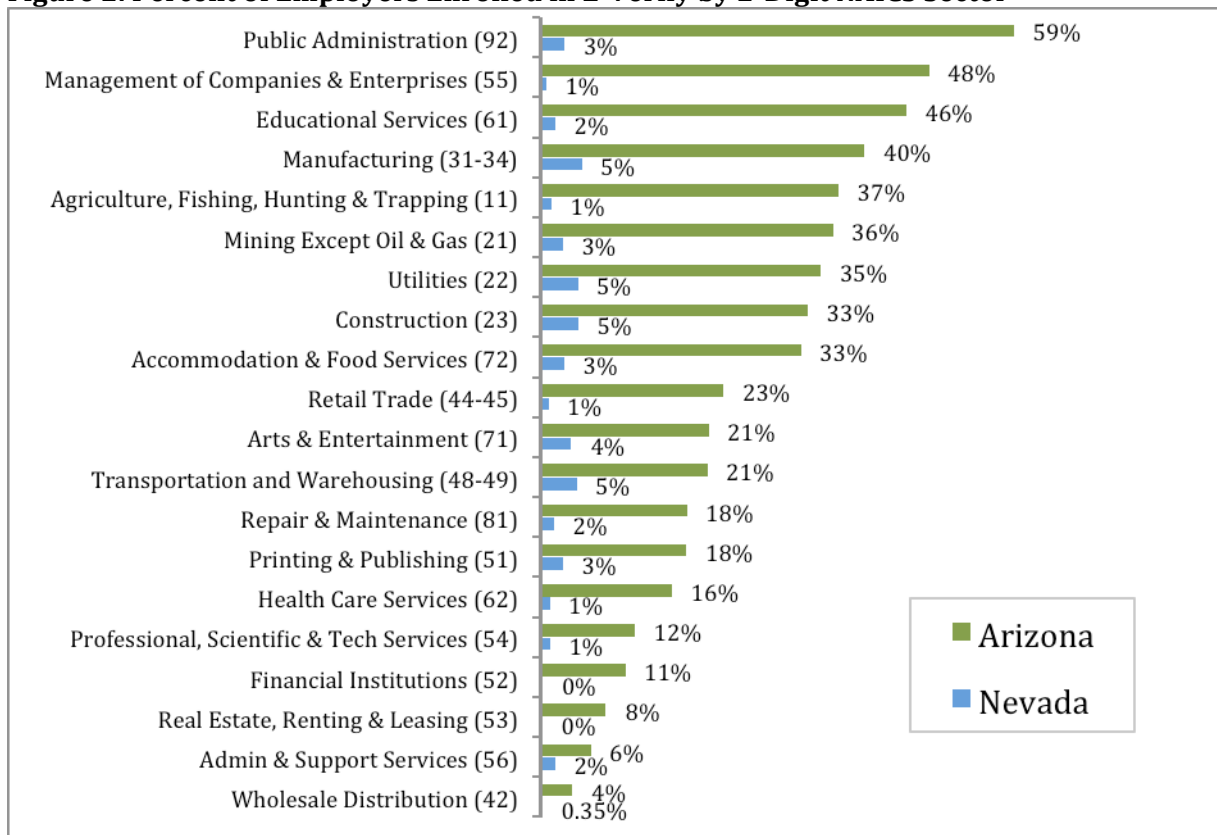
The share of sectors with employers using E-Verify in Nevada has climbed steadily each year but has not reached the Arizona's levels. As of 2012, 79% of 3-digit NAICS sectors in Nevada have employers using E-Verify. The share of sectors with E-Verify *use* can be lower than the share with *enrollment* when use is not universal by all enrolled employers.

It is clear from these data that, compared to Nevada, passage of LAWA with its legal mandate to use E-Verify had a large impact on the extent of E-Verify use in Arizona. Its use is widespread throughout Arizona's economy with employers in virtually all 3-digit NAICS sectors enrolled in E-Verify.

Share of Sectors Enrolled in E-Verify in Arizona and Nevada

An interesting ranking emerges when we combine data on E-Verify enrollment with data from the Bureau of Labor Statistics on the number of employers in each 2-digit NAICS sector, which allows calculation of the share of each sector that is enrolled in E-Verify. The results of these calculations are depicted in Figure 2 and detailed in Table 5 (see page 11).

Figure 2. Percent of Employers Enrolled in E-Verify by 2-Digit NAICS Sector



Source: USCIS Transactions database and Bureau of Labor Statistics

In Arizona, the sector with the largest share of employers enrolled in E-Verify is NAICS 92, "Public Administration," at 59% enrolled. This sector ranks sixth in Nevada for the share of employers enrolled in E-Verify. The sector with the second largest share of enrolled employers in Arizona is NAICS 55, "Management of Companies and Enterprises," while in Nevada, this sector ranks 17th out of 20 in employer enrollment. The third ranking sector in Arizona is ranked tenth in Nevada and the highest-ranking sector in Nevada is ranked fourth in Arizona.

Overall, 18.3% of employers in Arizona and fewer than 2% of employers in Nevada had enrolled to use E-Verify in 2011.² It is worth noting that 13 of the 20 2-digit NAICS sectors in Arizona have enrollment rates higher than the overall rate for the state, while in Nevada, 9 of the 20 have enrollment rates higher than the overall rate for the state.

Table 5. Percent of Sector Employers That Are Enrolled in E-Verify, December 2011
(ranked by Arizona's share of sector enrollment)

Industry Sector	Arizona		Nevada	
	Percent Enrolled	Rank	Percent Enrolled	Rank
Public Administration (92)	59	1	3.1	6
Management of Companies & Enterprises (55)	48	2	0.8	17
Educational Services (61)	46	3	1.9	10
Manufacturing (31-34)	40	4	5.2	1
Agriculture, Fishing, Hunting & Trapping (11)	37	5	1.4	13
Mining Except Oil & Gas (21)	36	6	2.8	9
Utilities (22)	35	7	4.7	3
Construction (23)	33	8	4.8	2
Accommodation & Food Services (72)	33	9	3.0	7
Retail Trade (44-45)	23	10	1.1	16
Arts & Entertainment (71)	21	11	3.8	5
Transportation and Warehousing (48-49)	21	12	4.6	4
Other Services, Except Public Administration (81)	18	13	1.8	12
Printing & Publishing (51)	18	14	2.9	8
Health Care Services (62)	16	15	1.2	15
Professional, Scientific & Tech Services (54)	12	16	0.4	14
Financial Institutions (52)	11	17	0.37	18
Real Estate, Renting & Leasing (53)	8	18	0.36	19
Admin & Support Services (56)	6	19	2.9	11
Wholesale Distribution (42)	4	20	0.35	20
Non-classified Establishments (99)	Na		na	
Percent of Employers Enrolled	18.3		1.9	

Source: Author's calculations using data from the USCIS Transactions Database and Bureau of Labor Statistics

These differences in ranking of the sector shares of employers enrolled in E-Verify in Arizona and Nevada do not obviously result from differences in the types of economic activity occurring in each state in that the differences in the industry profiles of each state are relatively minor (see Table 1, page 6). Clearly, a key difference between the two states is the fact that the Legal Arizona Workers Act (LAWA) makes use of E-Verify mandatory for all employers in Arizona while its use is voluntary in Nevada. Understanding the reason(s) that LAWA's legal mandate

² Note: While data from the USCIS Transactions Database is available through August of 2012, Bureau of Labor Statistics data at this level on the number of employers in each state is only available through 2011.

had differing impacts on enrollment across sectors is beyond the scope of this report but warrants further investigation.

Detail on each sector's share of E-Verify enrollment at the 3-digit NAICS level for Arizona and Nevada is provided in Table A-1 (see page 26 of the Appendix). Note that in some instances, the numbers of employers enrolled in E-Verify in a particular 3-digit NAICS code is greater than that NAICS code's total number of employers as classified by the Bureau of Labor Statistics. This is likely the result of difficulties in the Bureau of Labor Statistics being able to classify larger employers with multiple areas of business activity.

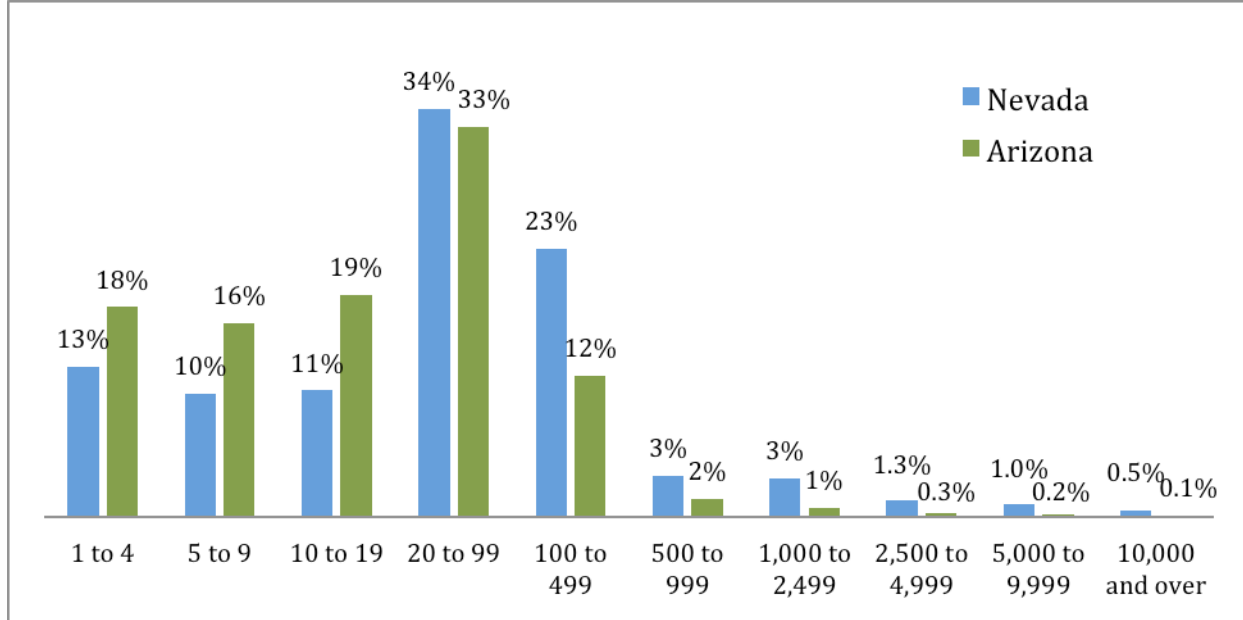
E-Verify Enrollment by Size of Employer

It is also instructive to contrast the size profile of employers enrolled in E-Verify in Arizona and Nevada. Table 6 and Figure 3 (see page 13) profile the number and percentage of employers using E-Verify as of August 2012 that fall into each of 10 size (measured by the number of employees) categories.

Table 6. E-Verify Enrollment by Size of Employer as of August 2012
(Employer Size Measured by Number of Employees)

Number of Employees	Arizona		Nevada	
	Number Enrolled	Percent by Size	Number Enrolled	Percent by Size
1 to 4	4,313	18	171	13
5 to 9	3,979	16	140	10
10 to 19	4,567	19	144	11
20 to 99	8,013	33	465	34
100 to 499	2,909	12	306	23
500 to 999	369	2	47	3
1,000 to 2,499	184	1	44	3
2,500 to 4,999	64	0.3	18	1.3
5,000 to 9,999	46	0.2	14	1.0
10,000 and over	26	0.1	7	0.5
Total	24,470	100	1,356	100

Source: USCIS Transactions Database

Figure 3. Size Profile of E-Verify Enrolled Employers as of August, 2012

Source: USCIS Transactions Database

Note: Percentages in each state add to 100

Employers with between 20 and 99 employees comprise the largest share of E-Verify users in both Arizona and Nevada, and the size distributions of employers enrolled in E-Verify in the two states are similar. We note, however, that a greater share of smaller firms in Arizona is enrolled than in Nevada. This suggests that larger firms, who are likely to have formalized HR departments, may be more likely than smaller firms to enroll in the absence a legal mandate to do so.

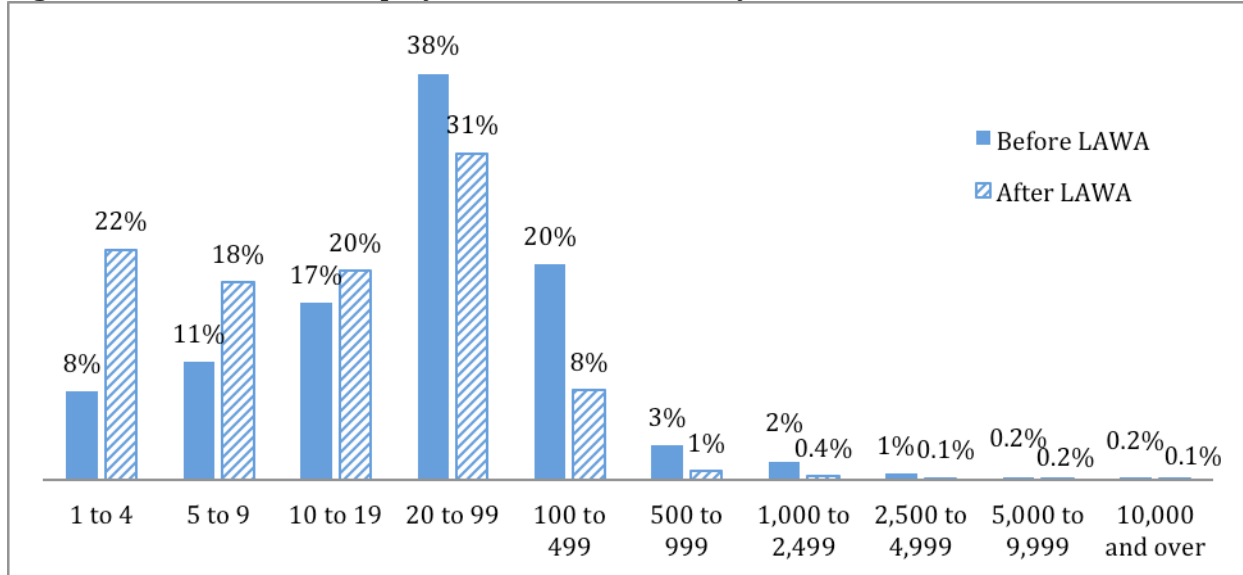
E-Verify Enrollment by Size of Employer Over Time

The timing of this greater proportion of smaller employers enrolled in E-Verify in Arizona compared to Nevada raises the question of whether the size profile of employers enrolled in E-Verify in Arizona changed after the Legal Arizona Workers Act became law. Figure 4 and Table 7 (see page 14) indicate that this may have been the case.

- The percent of E-Verify enrollment among very small employers with 1-4 employees almost tripled from 8% to 22%.
- The percent of enrollment among employers with 5-9 employees jumped from 11% to 18%.
- The increases in the proportion of enrollment in the three smallest size categories was offset by decreases in the proportion of enrollment in all size categories above 20-99 employees.

Thus, the observation that a greater proportion of overall enrollment by small employers in Arizona compared to Nevada may be the result of LAWA's legal mandate is confirmed by these changes in the size profile of Arizona's employers before and after LAWA became law.

Figure 4. Size of Arizona Employers Enrolled in E-Verify Before and After LAWA



Source: USCIS Transactions Database

Table 7. Size of Arizona Employers Enrolled in E-Verify Before and After LAWA

Size Measured by Number of Employees	Before LAWA	Percent Before LAWA	After LAWA	Percent After LAWA
1 to 4	598	8%	3,715	22%
5 to 9	798	11%	3,182	18%
10 to 19	1,198	17%	3,369	20%
20 to 99	2,745	38%	5,269	31%
100 to 499	1,459	20%	1,442	8%
500 to 999	230	3%	139	1%
1,000 to 2,499	122	2%	62	0.4%
2,500 to 4,999	43	1%	21	0.1%
5,000 to 9,999	18	0.2%	28	0.2%
10,000 and over	18	0.2%	14	0.1%
Total	7,229	100%	17,241	100%

Source: USCIS Transactions Database

By way of comparison, changes in the enrollment patterns of Nevada employers over time were also examined. In order to keep the comparison time-periods consistent between Arizona and Nevada, January 1, 2008 was used as the date for a “before” and “after” comparison of Nevada E-Verify enrollment. While, in the context of Nevada, it is an arbitrary date, its use allows comparison of consistent time periods between the two states. Further, as was shown in Figure

1 (see page 9), the trends in E-Verify enrollment over time in Arizona and Nevada followed similar trends in spite of the fact that overall enrollment in Arizona is higher than in Nevada. Figure 5 and Table 8 depict the size distribution, measured by numbers of employees, of employers in Nevada before and after January 1, 2008.

Figure 5. Size of Nevada Employers Enrolled in E-Verify Before and After Jan-08

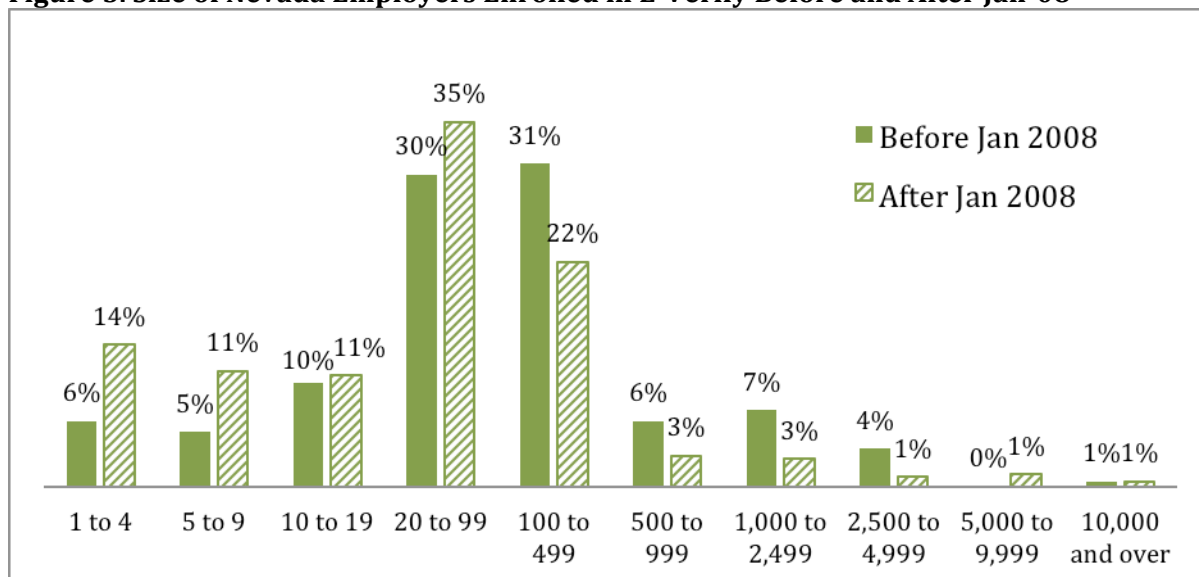


Table 8. Size of Nevada Employers Enrolled in E-Verify Before and After Jan-08

Size Measured by Number of Employees	Before Jan 2008	Percent Before Jan 2008	After Jan 2008	Percent After Jan 2008
1 to 4	12	6%	159	14%
5 to 9	10	5%	130	11%
10 to 19	19	10%	125	11%
20 to 99	57	30%	409	35%
100 to 499	59	31%	252	22%
500 to 999	12	6%	35	3%
1,000 to 2,499	14	7%	31	3%
2,500 to 4,999	7	4%	11	1%
5,000 to 9,999	0	0%	14	1%
10,000 and over	1	1%	6	1%
Total	191	100%	1,172	100%

A number of observations are evident from these data:

- The share of very small employers with 1-4 employees more than doubled between these two periods.

- The share of employers with 5-9 employees also more than doubled between these two periods.
- The increases in the proportion of smaller employers was off-set by a decrease in the proportion of employers in the four size categories between 100-499 and 2,500-9,999 employees.

A greater proportion of smaller of employers in both Arizona and Nevada enrolled in E-Verify in recent years compared to the period before January 2008. Because it occurred in both states,, while Arizona's legal mandate had some impact on enrollment by smaller employers, is insufficient to explain the reasons for this change. Understanding the reasons for increased enrollment by small employers in Nevada is beyond the scope of this report but may warrant further investigation. The trend toward a greater proportion of enrollment by small employers may also have implications for correlations between E-Verify use and overall trends in employment in industry sectors. These correlations are analyzed in the next section of this report.

Correlations of E-Verify Use and Employment

Having compared the size and industry profile of employers enrolled in E-Verify in Arizona and Nevada, this report now analyzes the extent to which E-Verify transactions are correlated with employment trends in the various sectors of the economy in each state.

Methodology

This comparison involved a number of steps:

- First, because E-Verify enrollment has increased over time, it was statistically important to distinguish between E-Verify transactions resulting from increased enrollment and E-Verify transactions resulting from frequency of use by enrolled employers. To this end, we calculated monthly average E-Verify transactions per employer in both states. This was done for the period from July 2004 to August 2012 in each of ninety-nine 3-digit and twenty 2-digit NAICS categories.
- An index of average monthly E-Verify transactions per employer was then created.
- For comparison, monthly data for this same time period from the Bureau of Labor Statistics on sector employment in all of the 2- and 3-digit NAICS categories were, where possible, indexed to January 2008.
- In order to examine the relationship between E-Verify use and sector employment over time, correlations in various time periods between E-Verify use and employment were calculated and compared in each sector and in each state. The time periods examined were:
 - Before LAWA became law – from July 2004 to December 2007 compared to
 - After LAWA became law – from January 2008 to August 2012
- And, in order to examine whether correlations between E-Verify use and sector employment was increasing or decreasing in recent periods:
 - Early Post-LAWA – from January 2008 to April 2010 compared to
 - Later Post-LAWA – from May 2010 to August 2012

The results of this analysis are presented below.

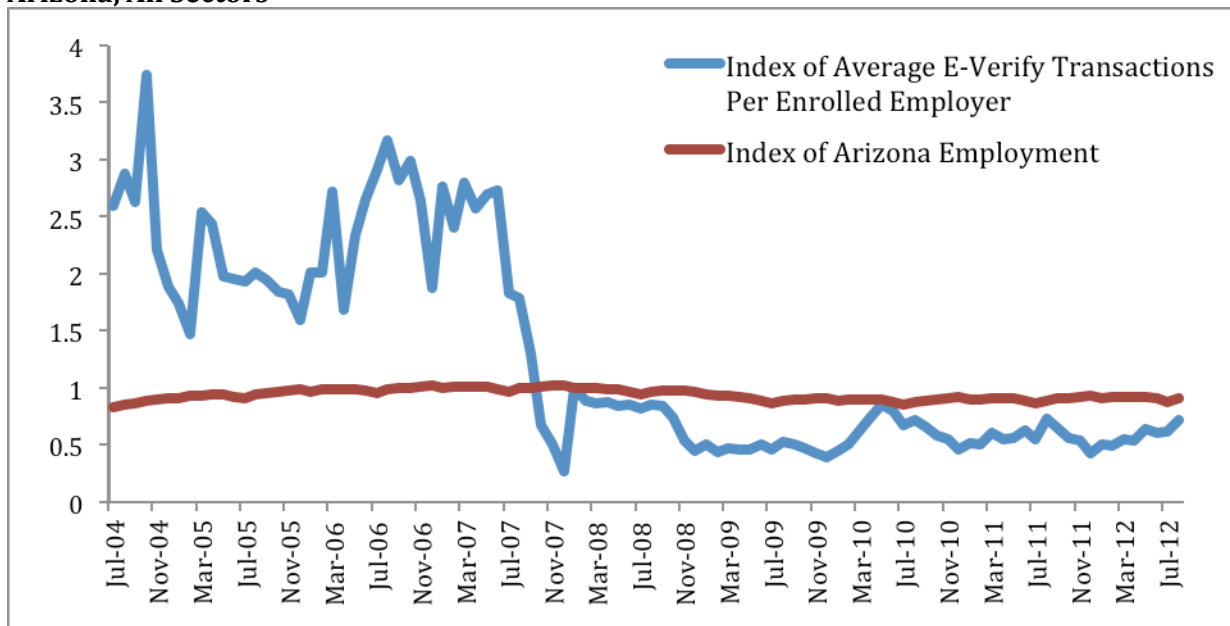
Trends in E-Verify Use and Sector Employment

Figure 6 (see page 18) depicts the index of average E-Verify transactions per employer for all sectors in Arizona over time along with an employment index for all sectors in Arizona. A number of observations can be made about the index of average E-Verify transactions relative to the employment index.

- The variability of average E-Verify use per employer declined as the number of employers enrolled in E-Verify increased over time.

- As the share of sectors with E-Verify enrollment approached 100%, the variability of E-Verify transactions compared to that of the employment index declined.
- The sharp decline in average transactions per employer from between 1.5 and 3 to less than 1 that occurred between 2007 and 2008 is likely to be the result of both the economic downturn and the increased proportion of small employers (those with fewer than 10 employees) enrolled in E-Verify.
- The abruptness of this decline, especially when compared to that in Nevada (Figure 7, see page 19) is likely to be the result of debate and passage of the Legal Arizona Workers Act and the more pronounced shift of enrollment to smaller employers that occurred in Arizona compared to Nevada.

Figure 6. Index of Average E-Verify Transactions Per Employer and Index of Employment – Arizona, All Sectors



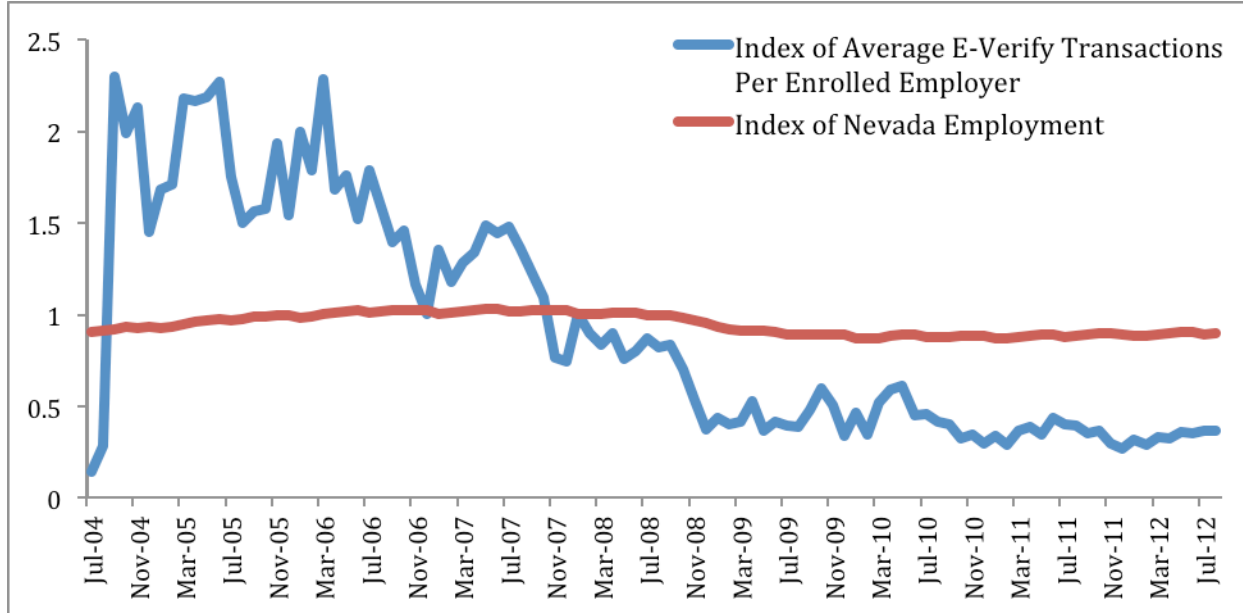
Source: Author's calculations using data from the USCIS Transactions database and Bureau of Labor Statistics

Figure 7 (page 19) depicts the index of average E-Verify transactions per employer for all sectors in Nevada over time along with the employment index for all sectors in Nevada. A number of observations can be made about these data for Nevada.

- The average number of transactions per employer in Nevada has, as in Arizona, been decreasing over time.
- Absent legislation in Nevada mandating use of E-Verify by all employers, this decline has been more gradual than that in Arizona.
- While the proportion of smaller employers enrolled in E-Verify in Nevada has been increasing, the economic downturn has likely been a major cause of this observed decline in transactions per employer.

- The index of average use per employer in Nevada since 2008 has, as in Arizona, been less than 1 and appears to be trending slightly up in 2012.

Figure 7. Index of Average E-Verify Transactions Per Employer and Index of Employment – Nevada, All Sectors



Source: Author's calculations using data from the USCIS Transactions database and Bureau of Labor Statistics

Trends in Correlations Between E-Verify Use and Sector Employment

The mandate for all Arizona employers to use E-Verify that was created by the Legal Arizona Workers Act suggests that average E-Verify use per employer might be increasingly correlated with trends in employment, both in the aggregate and in individual industry sectors. The results of our examination of this hypothesis are presented herein. Correlations between the index of average E-Verify use per employer and the index of employment were calculated for all sectors and as well as for 2- and 3-digit NAICS codes in Arizona and Nevada. For purposes of comparison, the same time periods were used for both states. Correlations were calculated and compared for two sets of time periods:

- So that correlations after LAWA went into effect could be compared to those before LAWA's enactment:
 - Between July 2004 and December 2007, before LAWA was enacted;
 - Between January 2008, when LAWA went into effect, and August 2012, the last month of the data set;
- In order to examine whether correlations were increasing or decreasing during the period after LAWA went into effect:
 - Between January 2008 and April 2010 (roughly half of the post-LAWA period):
 - Between May 2010 and August 2012.

Table 9 shows the correlations for all sectors in each state for the four time periods examined, and we see that in both Arizona and Nevada, the correlation between overall employment and E-Verify use did increase after January 2008 compared to the earlier period. But, interestingly, during the latter part of the post-LAWA period, the correlation between employment and E-Verify use declined significantly from .734 to -.46 in Arizona and from .83 to -.05 in Nevada.

Table 9. Correlation Between Index of E-Verify Use Per Employer and Index of Industry Employment in Arizona and Nevada

	Jul '04 to Dec '07 (Pre LAWA)	Jan '08 to Aug '12 (Post LAWA)	Jan '08 to Apr '10 (Early Post LAWA)	May '10 to Aug '12 (Later Post LAWA)
Arizona - All Sectors	-0.26	0.48	0.74	-0.46
Nevada – All Sectors	-0.16	0.85	0.83	-0.05

Source: Author's calculations using data from the USCIS Transactions database and the Bureau of Labor Statistics

The reasons for this are not obvious. The overall post-LAWA period coincided with a severe economic downturn and increased unemployment, but these macro-economic trends affected both aggregate economy and employers within it. As the economy began to recover, there was a widely reported lag between the early stages of the recovery as measured by GDP growth and reductions in unemployment. In addition, during this economic downturn, there was also a widely reported reduction in arrests at the U.S.-Mexico border of individuals attempting to enter the United States illegally and a reduction in the overall size of the foreign-born population in the United States. Whether and to what extent these trends relate to the decline in the correlations between employment and E-Verify use is beyond the scope of this report.

Correlations Between E-Verify Use and Employment Across 2-Digit NAICS Codes

Correlations between employment and E-Verify use in Arizona and Nevada for each of the four time periods examined were calculated at the 2- and 3-digit NAICS code level. Table 10 (see page 21) examines the change in the various correlations between the time-periods examined for 2-digit NAICS codes in both states. See Table A-3 (page 32 of the Appendix) for details of these correlations.

A striking pattern is evident in these data. In all but three of the twenty 2-digit NAICS sectors in Arizona, correlations between E-Verify use and employment were higher in the post-LAWA period compared to the pre-LAWA period. However, in the period after LAWA went into effect, correlations declined in 14 of the 20 sectors during the second half compared to the first half of the post-LAWA period. The reasons for this are not obvious and warrant further investigation.

Table 10. Changes in Correlations Across Time Periods Between E-Verify Use and Employment in Arizona and Nevada

	Arizona		Nevada	
	POST Compared to PRE	LATER Compared to EARLY	POST Compared to PRE	LATER Compared to EARLY
2-Digit NAICS Sector				
Ag, Forestry, Fishing & Hunting (11)	Higher	Higher	Higher	Higher
Mining (21)	Higher	<i>Lower</i>	na	<i>Lower</i>
Utilities (22)	Higher	<i>Lower</i>	na	<i>Lower</i>
Construction (23)	Higher	<i>Lower</i>	Higher	<i>Lower</i>
Manufacturing (31 to 33)	Higher	<i>Lower</i>	<i>Lower</i>	Higher
Wholesale Trade (42)	Higher	Higher	Higher	<i>Lower</i>
Retail Trade (44 to 45)	Higher	<i>Lower</i>	<i>Lower</i>	Higher
Transportation & Warehousing (48 to 49)	Higher	<i>Lower</i>	<i>Lower</i>	<i>Lower</i>
Information (51)	Higher	Higher	Higher	<i>Lower</i>
Finance & Insurance (52)	<i>Lower</i>	<i>Lower</i>	Higher	<i>Lower</i>
Real Estate Rental and Leasing (53)	Higher	<i>Lower</i>	<i>Lower</i>	<i>Lower</i>
Prof., Scientific, & Technical Services (54)	Higher	<i>Lower</i>	<i>Lower</i>	<i>Lower</i>
Mgmt. of Companies & Enterprises (55)	Higher	<i>Lower</i>	<i>Lower</i>	Higher
Admin & Support & Waste Mgmt. & Remediation Services. (56)	Higher	<i>Lower</i>	Higher	<i>Lower</i>
Educational Services (61)	<i>Lower</i>	Higher	na	Higher
Health Care and Social Assistance (62)	<i>Lower</i>	Higher	<i>Lower</i>	Higher
Arts, Entertainment & Recreation (71)	Higher	<i>Lower</i>	Higher	<i>Lower</i>
Accommodation & Food Services (72)	Higher	<i>Lower</i>	Higher	<i>Lower</i>
Other Services Except Public Administration (81)	Higher	<i>Lower</i>	Higher	<i>Lower</i>
Public Administration (92)	Higher	Higher	Higher	Higher
Total	Higher	<i>Lower</i>	Higher	<i>Lower</i>

Time Period Definitions:

PRE refers to the period from July 2004 to December 2007, before LAWA went into effect.

POST refers to the period from January 2008 to August 2012, after LAWA went into effect and the end of the period analyzed.

EARLY refers to the first half of the post-LAWA period, from January 2008 to April 2010.

LATER refers to the second half of the post-LAWA period, from May 2010 to August 2012.

The same phenomenon occurred in Nevada, where only seven of the 20 2-digit NAICS sectors had lower correlations in the period after compared to before January 2008 while over half—13 out of 20—saw correlations decline during the second half compared to the first half of the post January 2008 period. E-Verify use was insufficient in three of the sectors to calculate the correlation between its use and employment in Nevada before and after January 2008. Please refer to Table A-4 (see page 33 of the Appendix) for details of the correlations between E-Verify use and employment in Nevada in the various time periods.

Correlations Between E-Verify Use and Employment Across 3-Digit NAICS Codes

Correlations between E-Verify use and employment in 3-digit NAICS sectors were also calculated. The results of this analysis are summarized in Table 11 and the correlations themselves are provided in Table A-5 (see page 34 of the Appendix).

Table 11. Summary of Changes in Correlations Between Index of Average Per Employer E-Verify Use and Index of Employment in Arizona

Pre to Post Comparisons	Arizona	Nevada
Number with <i>higher</i> correlations post-LAWA compared to pre-LAWA	52	17
Number with <i>lower</i> correlations post-LAWA compared to pre-LAWA	31	22
Number where Pre-LAWA and Post-LAWA correlations cannot be compared	9	31
Number no correlations can be calculated due to insufficient E-Verify Use	7	29
Total number of Sectors	99	99
Early to Late Comparisons	Arizona	Nevada
Number with <i>increasing</i> post-LAWA correlations	24	27
Number with <i>decreasing</i> post-LAWA correlations	68	35
Number where post-LAWA correlations could not be calculated	1	8
Number with no E-Verify Enrollment or Transactions During the Period Studied	0	29
Total number of Sectors	99	99

Source: Author's calculations using data from the USCIS Transactions database and Bureau of Labor Statistics

In 52 of the 99 3-digit NAICS sectors in Arizona, there were increases in the correlations between E-Verify use and employment after LAW A went into effect. Thirty-one sectors had declines in the correlations in the post-LAW A period, and the comparison could not be made in 16 of the sectors. The declines in correlations between E-Verify use and employment after January 2008 that were observed at the level of 2-digit NAICS codes are also evident here. In Arizona, were correlations declined in 69% of 3-digit NAICS sectors when comparing the early period (May 2010 to August 2012) to the later period (Jan 2008 to April 2010.)

Because just 2% of employers in Nevada had enrolled in E-Verify as of August 2012, these calculations and comparisons are more difficult, however we note that in 35% of 3-digit NAICS sectors, the correlations between E-Verify use and employment declined in the later part of the period after January 2008 as compared to 27% that saw the correlations increase in the more recent months. Please refer to Table A-6 (see page 38 of the Appendix) for correlations between E-Verify use and employment in Nevada.

Conclusions

A comparison of E-Verify enrollment and use in Arizona and Nevada indicates that a state-level legal requirement to use the E-Verify system does result in increased enrollment in the program, but not to the extent that one might expect. In Arizona, approximately 18.3% of employers were enrolled in E-Verify as of December 2011 while Nevada's enrollment was just under 2% of employers.

The timing and extent of increased enrollment in Arizona makes clear that the Legal Arizona Workers Act was its key driver. Further, the jump in E-Verify enrollment in Arizona during 2007, before LAWA went into effect suggests that the political debates over LAWA and the requirement to use E-Verify generated publicity about the system that caused some employers to enroll prior to being required to do so, either as a result of the publicity itself or in anticipation of the legal requirement.

However, while there was an increase in E-Verify enrollment resulting from LAWA, the unavoidable reality is that most Arizona employers have not enrolled in the system. Further, there is tremendous variability across sectors in the share of employers that have enrolled in E-Verify, ranging from just 4% in the "Wholesale Distribution" sector to 59% in the "Public Administration" sector. Further, according to the author's calculations, "Public Administration" is the only sector with greater than 50% enrollment.

It is not clear why less than the majority of Arizona's employers have complied with the legal mandate to use the E-Verify system that was established by the Legal Arizona Workers Act. It is possible that the economic downturn and its consequent reductions in employment activity had an impact on enrollment in and use of E-Verify. Other possible explanations might be related to where hiring occurs in large employers with offices in multiple states or a lack of information among smaller business owners about E-Verify. Understanding which, if any of these factors could explain this result and identifying other relevant explanations is beyond the scope of this report and warrants further examination.

Enactment of a legal mandate to use the E-Verify system in Arizona did generally result in an increase in the correlations between average E-Verify use per employer and sector employment in Arizona, both in the aggregate and across 2- and 3-digit NAICS sectors. But, when the correlations between E-Verify use and employment in the period immediately after LAWA went into effect were compared to those in more recent months, we noted a widespread decline in these correlations. The reasons for these declines are not obvious, are beyond the scope of this report, they warrant further examination.

As use of the E-Verify system becomes more widespread throughout the U.S. economy, it is reasonable to expect that its use will become increasingly correlated with employment. Monitoring these correlations over time can help identify sectors where enrollment or use is lagging and suggest a need for outreach, education, or support for employers in those sectors by those administering the E-Verify program.

Appendix

E-Verify Enrollment Analysis | Judith Gans

Table A-1. December 2011 E-Verify Enrollment By 3-Digit NAICS Code

Source: Author's calculations using data from the USCIS Transactions database and Bureau of Labor Statistics

Note: Greater Than 100% enrollment in some sectors results from employer misclassifications at the 3-Digit NAICS Level

Sector	Arizona				Nevada			
	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment
Animal Production (111)	232	444	52%	1.0%	3	93	3%	0.2%
Forestry and Logging (112)	61	235	26%	0.3%	0	127	0%	0.0%
Forestry and Logging (113)	5	17	29%	0.02%	0	0	na	0.0%
Fishing, Hunting and Trapping (114)	1	3	33%	0.00%	0	10	0%	0.0%
Support Activities for Agriculture and Forestry (115)	99	371	27%	0.4%	1	47	2%	0.1%
Oil and Gas Extraction (211)	0	17	0%		0	7	0%	0.0%
Mining, Except Oil and Gas (212)	57	117	49%	0.2%	4	152	3%	0.3%
Support Activities for Mining (213)	24	88	27%	0.1%	4	122	3%	0.3%
Utilities (221)	98	280	35%	0.4%	5	106	5%	0.4%
Construction of Buildings (236)	966	3664	26%	4.1%	72	1,563	5%	6.0%
Heavy and Civil Engineering Construction (237)	255	874	29%	1.1%	32	468	7%	2.6%
Specialty Trade Contractors (238)	3311	9030	37%	14.2%	189	4,063	5%	15.6%
Food Manufacturing (311)	80	227	35%	0.3%	8	178	4%	0.7%
Beverage and Tobacco Product Manufacturing (312)	18	39	46%	0.1%	4	15	27%	0.3%
Textile Mills (313)	4	21	19%	0.0%	2	0	nc	0.2%
Textile Product Mills (314)	5	86	6%	0.0%	0	57	0%	0.0%
Apparel Manufacturing (315)	14	27	52%	0.1%	0	15	0%	0.0%
Leather and Allied Product Manufacturing (316)	2	22	9%	0.0%	0	6	0%	0.0%
Wood Product Manufacturing (321)	143	173	83%	0.6%	3	48	6%	0.2%
Paper Manufacturing (322)	23	46	50%	0.1%	2	23	9%	0.2%

Table A-1. December 2011 E-Verify Enrollment in Arizona and Nevada By 3-Digit NAICS (continued).

Sector	Arizona				Nevada			
	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment
Chemical Manufacturing (325)	40	176	23%	0.2%	1	65	2%	0.1%
Plastics and Rubber Products Manufacturing (326)	101	131	77%	0.4%	5	90	6%	0.4%
Nonmetallic Mineral Product Manufacturing (327)	22	199	11%	0.1%	1	134	1%	0.1%
Primary Metal Manufacturing (331)	40	86	47%	0.2%	3	16	19%	0.2%
Fabricated Metal Product Manufacturing (332)	337	834	40%	1.4%	13	307	4%	1.1%
Machinery Manufacturing (333)	83	297	28%	0.4%	4	83	5%	0.3%
Computer and Electronic Product Manufacturing (334)	124	357	35%	0.5%	9	102	9%	0.7%
Electrical Equipment, Appliance, and Component Manufacturing (335)	75	93	81%	0.3%	5	35	14%	0.4%
Transportation Equipment Manufacturing (336)	53	249	21%	0.2%	3	70	4%	0.2%
Furniture and Related Product Manufacturing (337)	70	319	22%	0.3%	3	126	2%	0.2%
Miscellaneous Manufacturing (339)	421	517	81%	1.8%	27	291	9%	2.2%
Merchant Wholesalers, Durable Goods (423)	310	4330	7%	1.3%	12	1,439	1%	1.0%
Merchant Wholesalers, Nondurable Goods (424)	205	1865	11%	0.9%	5	670	1%	0.4%
Wholesale Electronic Markets and Agents and Brokers (425)	24	7495	0%	0.1%	0	2,748	0%	0.0%
Motor Vehicle and Parts Dealers (441)	455	1419	32%	1.9%	9	523	2%	0.7%
Furniture and Home Furnishings Stores (442)	97	762	13%	0.4%	1	277	0%	0.1%
Electronics and Appliance Stores (443)	61	647	9%	0.3%	2	291	1%	0.2%
Building Material and Garden Equipment and Supplies Dealers (444)	128	724	18%	0.5%	3	293	1%	0.2%
Food and Beverage Stores (445)	355	1088	33%	1.5%	12	556	2%	1.0%
Health and Personal Care Stores (446)	93	605	15%	0.4%	2	346	1%	0.2%
Gasoline Stations (447)	120	607	20%	0.5%	4	442	1%	0.3%
Clothing and Clothing Accessories Stores (448)	158	1197	13%	0.7%	4	892	0%	0.3%

Table A-1. 2011 E-Verify Enrollment in Arizona and Nevada By 3-Digit NAICS (continued).

Sector	Arizona				Nevada			
	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment
Sporting Goods, Hobby, Musical Instrument, and Book Stores (451)	102	713	14%	0.4%	1	276	0%	0.1%
General Merchandise Stores (452)	141	198	71%	0.6%	8	111	7%	0.7%
Miscellaneous Store Retailers (452)	426	1803	24%	1.8%	4	772	1%	0.3%
Non-store Retailers (454)	246	640	38%	1.1%	7	544	1%	0.6%
Air Transportation (481)	33	121	27%	0.1%	1	92	1%	0.1%
Rail Transportation (482)	2	0	nc	0.0%	1	0	nc	0.1%
Water Transportation (483)	6	5	120%	0.0%	0	0	na	0.0%
Truck Transportation (484)	265	1384	19%	1.1%	32	639	5%	2.6%
Transit and Ground Passenger Transportation (485)	67	224	30%	0.3%	8	151	5%	0.7%
Pipeline Transportation (486)	1	8	13%	0.0%	0	4	0%	0.0%
Scenic and Sightseeing Transportation (487)	6	39	15%	0.0%	1	39	3%	0.1%
Support Activities for Transportation (488)	54	748	7%	0.2%	8	386	2%	0.7%
Postal Service (491)	10	43	23%	0.0%	1	32	3%	0.1%
Couriers and Messengers (492)	92	289	32%	0.4%	24	184	13%	2.0%
Warehousing and Storage (493)	90	140	64%	0.4%	10	355	3%	0.8%
Publishing Industries, Except Internet (511)	53	562	9%	0.2%	1	249	0%	0.1%
Motion Picture and Sound Recording Industries (512)	3	280	1%	0.0%	2	235	1%	0.2%
Broadcasting, Except Internet (515)	26	0	nc	0.1%	6	0	nc	0.5%
Internet Publishing and Broadcasting (516)	17	134	13%	0.1%	0	70	na	0.0%
Telecommunications (517)	47	312	15%	0.2%	9	209	4%	0.7%
Data Processing, Hosting, and Related Services (518)	47	270	17%	0.2%	4	172	2%	0.3%
Other Information Services (519)	131	216	61%	0.6%	10	175	6%	0.8%

Table A-1. 2011 E-Verify Enrollment in Arizona and Nevada By 3-Digit NAICS (continued).

Sector	Arizona				Nevada			
	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment
Monetary Authorities-Central Bank (521)	43	8	538%	0.2%	4	0	nc	0.3%
Credit Intermediation and Related Activities (522)	174	1371	13%	0.7%	1	869	0%	0.1%
Securities, Commodity Contracts, Other Financial Investments, Related Activities (523)	97	1354	7%	0.4%	1	507	0%	0.1%
Insurance Carriers and Related Activities (524)	282	3283	9%	1.2%	7	1,552	0%	0.6%
Funds, Trusts, and Other Financial Vehicles (525)	57	136	42%	0.2%	0	585	0%	0.0%
Real Estate (531)	303	6099	5%	1.3%	3	2,804	0.1%	0.2%
Rental and Leasing Services (532)	250	633	39%	1.1%	9	471	2%	0.7%
Lessors of Nonfinancial Intangible Assets, Except Copyrighted Works (533)	3	86	3%	0.0%	0	50	0%	0.0%
Professional, Scientific, and Technical Services (541)	2359	19951	12%	10.1%	118	9,423	1%	9.8%
Management of Companies and Enterprises (551)	203	419	48%	0.9%	14	1,825	1%	1.2%
Administrative and Support Services (561)	505	8672	6%	2.2%	85	4,827	2%	7.0%
Waste Management and Remediation Services (562)	63	331	19%	0.3%	9	166	5%	0.7%
Educational Services (611)	1024	2244	46%	4.4%	17	884	2%	1.4%
Ambulatory Health Care Services (621)	917	10672	9%	3.9%	22	4,618	0%	1.8%
Hospitals (622)	191	91	210%	0.8%	15	57	26%	1.2%
Nursing and Residential Care Facilities (623)	549	885	62%	2.3%	29	276	11%	2.4%
Social Assistance (624)	492	1392	35%	2.1%	8	1,020	1%	0.7%
Performing Arts, Spectator Sports, and Related Industries (711)	113	719	16%	0.5%	9	740	1%	0.7%
Museums, Historical Sites, and Similar Instit. (712)	20	72	28%	0.1%	2	53	4%	0.2%

Table A-1. 2011 E-Verify Enrollment in Arizona and Nevada By 3-Digit NAICS (continued).

Sector	Arizona				Nevada			
	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment	Number of Employers Enrolled in E-Verify	Total Number of Employers	Percent of Employers Enrolled	Percent of E-Verify Enrollment
Amusement, Gambling, and Recreation Inds. (713)	221	893	25%	0.9%	41	569	7%	3.4%
Accommodation (721)	575	1135	51%	2.5%	38	585	6%	3.1%
Food Services and Drinking Places (722)	2008	6811	29%	8.6%	90	3,613	2%	7.4%
Repair and Maintenance (811)	895	3610	25%	3.8%	30	1,687	2%	2.5%
Personal and Laundry Services (812)	246	2597	9%	1.1%	21	1,156	2%	1.7%
Religious, Grant-making, Civic, Professional, and Similar Organizations (813)	670	1423	47%	2.9%	16	756	2%	1.3%
Private Households (814)	156	3115	5%	0.7%	7	524	1%	0.6%
Executive, Legislative, and Other General Government Support (921)	100	151	66%	0.4%	9	103	9%	0.7%
Justice, Public Order, and Safety Activities (922)	49	98	50%	0.2%	1	62	2%	0.1%
Administration of Human Resource Programs (923)	29	14	207%	0.1%	3	51	6%	0.2%
Administration of Environmental Quality Programs (924)	2	17	12%	0.0%	0	90	0%	0.0%
Administration of Housing Programs, Urban Planning, and Community Devel. (925)	6	6	100%	0.0%	1	10	10%	0.1%
Administration of Economic Programs (926)	2	19	11%	0.01%	0	124	0%	0.0%
National Security and International Affairs (928)	1	15	7%	0.0%	0	15	0.0%	0.0%
Non-classified Establishments (999)	0	1078	na		na	880	na	na
Total	23,370	127,821	18.3%	100%	1,209	62,737	1.93%	100%

Table A-2. Sectors With No E-Verify Enrollment as of August 2012 in Arizona and Nevada

Arizona	Nevada	Nevada Aug-12 Sector Employment	Sector Share of Nevada Total Aug-2012 Employment
Oil and Gas Extraction (211), whose August 2012 sector employment was 130 persons.	Animal Production (112)	1,190	0.1%
	Forestry and Logging (113)	0	0.0%
	Fishing Hunting and Trapping (114)	0	0.0%
	Oil and Gas Extraction (211)	23	0.0%
	Textile Product Mills (314)	512	0.0%
	Apparel Manufacturing (315)	35	0.0%
	Leather & Allied Products Manufacturing (316)	0	0.0%
	Petroleum & Coal Products Manufacturing (324)	206	0.0%
	Wholesale Electronic Markets, Agents & Brokers (425)	6,231	0.6%
	Water Transportation (483)	0	0.0%
	Pipeline Transportation (486)	39	0.0%
	Internet Publishing & Broadcasting (516)	0	0.0%
	Funds, Trusts, & Other Financial Vehicles (525)	1,053	0.1%
	Lessors of Nonfinancial Intangible Assets (Except Copyrighted Works) (533)	119	0.0%
	Administration of Environmental Quality Programs (924)	4,355	0.4%
	Administration of Economic Programs (926)	8,318	0.7%
	National Security & International Affairs (928)	2,250	0.2%
Total Employment in Listed Sectors		24,331	2.2%
Total Nevada Employment in August 2012		1,124,311	

Source: Bureau of Labor Statistics

Table A-3. Correlation Between Index of E-Verify Use Per Employer and Index of 2-Digit NAICS Industry Employment in Arizona*Before LAWA = Jul 2004 to Dec 2007 | After LAWA = Jan 2008 to Aug 2012 | Early Post-LAWA = Jan 2008 to Apr 2010 | Later Post-LAWA = May 2010 to Aug 2012*

2-Digit NAICS* Sector	Correlations				Change in Correlations	
	Before LAWA	After LAWA	Early Post-LAWA	Later Post-LAWA	Post-LAWA	Later Post-LAWA
Agriculture, Forestry, Fishing & Hunting (11)	-0.06	0.49	0.48	0.49	Higher	Higher
Mining (21)	0.48	0.51	0.66	-0.24	Higher	Lower
Utilities (22)	0.41	0.43	0.61	0.24	Higher	Lower
Construction (23)	0.09	0.73	0.85	0.56	Higher	Lower
Manufacturing (31 to 33)	0.54	0.61	0.76	0.23	Higher	Lower
Wholesale Trade (42)	0.07	0.34	0.06	0.13	Higher	Higher
Retail Trade (44 to 45)	-0.12	0.75	0.84	0.00	Higher	Lower
Transportation & Warehousing (48 to 49)	0.44	0.49	0.69	-0.71	Higher	Lower
Information (51)	-0.70	-0.43	-0.31	0.20	Higher	Higher
Finance & Insurance (52)	0.55	-0.56	-0.31	-0.61	Lower	Lower
Real Estate Rental and Leasing (53)	0.14	0.47	0.86	-0.09	Higher	Lower
Professional, Scientific, & Technical Services (54)	-0.51	0.75	0.85	-0.29	Higher	Lower
Management of Companies & Enterprises (55)	0.56	0.63	0.65	0.19	Higher	Lower
Admin & Support & Waste Mgmt. & Remediation Svcs. (56)	-0.36	0.88	0.93	-0.31	Higher	Lower
Educational Services (61)	-0.21	-0.30	-0.34	-0.28	Lower	Higher
Health Care and Social Assistance (62)	0.72	-0.78	-0.87	-0.50	Lower	Higher
Arts, Entertainment & Recreation (71)	0.24	0.62	0.76	-0.03	Higher	Lower
Accommodation & Food Services (72)	-0.05	0.71	0.86	0.37	Higher	Lower
Other Services Except Public Administration (81)	0.57	0.80	0.91	0.02	Higher	Lower
Public Administration (92)	0.51	0.56	0.20	0.82	Higher	Higher
Total	-0.26	0.48	0.74	-0.46	Higher	Lower

* North American Industry Classification System

Table A-4. Correlation Between Index of E-Verify Use Per Employer and Index of 2-Digit NAICS Industry Employment in Nevada
Before = Jul 2004 to Dec 2007 | *After* = Jan 2008 to Aug 2012 | *Early Post* = Jan 2008 to Apr 2010 | *Later Post* = May 2010 to Aug 2012

2-Digit NAICS* Sector	Correlations				Change in Correlations	
	Before	After	Early Post	Later Post	Post	Later Post
Agriculture, Forestry, Fishing & Hunting (11)	-0.04	0.02	-0.26	0.04	Higher	Higher
Mining (21)	na	0.22	0.19	0.04	na	Lower
Utilities (22)	na	0.16	0.34	-0.11	na	Lower
Construction (23)	-0.09	0.73	0.71	0.63	Higher	Lower
Manufacturing (31 to 33)	0.49	-0.61	-0.57	-0.32	Lower	Higher
Wholesale Trade (42)	0.46	0.66	0.61	-0.24	Higher	Lower
Retail Trade (44 to 45)	0.45	-0.31	-0.50	0.17	Lower	Higher
Transportation & Warehousing (48 to 49)	0.70	0.57	0.71	-0.60	Lower	Lower
Information (51)	0.14	0.36	0.30	0.00	Higher	Lower
Finance & Insurance (52)	-0.45	0.84	0.76	0.30	Higher	Lower
Real Estate Rental and Leasing (53)	0.09	0.07	0.58	-0.03	Lower	Lower
Professional, Scientific, & Technical Services (54)	0.48	-0.11	0.32	-0.41	Lower	Lower
Management of Companies & Enterprises (55)	0.56	0.20	-0.24	-0.20	Lower	Higher
Admin & Support & Waste Mgmt. & Remediation Svcs. (56)	0.14	0.49	0.84	-0.14	Higher	Lower
Educational Services (61)	na	-0.24	-0.25	-0.17	na	Higher
Health Care and Social Assistance (62)	0.62	-0.57	-0.44	-0.31	Lower	Higher
Arts, Entertainment & Recreation (71)	0.63	0.63	0.67	0.12	Higher	Lower
Accommodation & Food Services (72)	-0.20	0.66	0.69	0.46	Higher	Lower
Other Services Except Public Administration (81)	-0.02	0.34	0.44	0.17	Higher	Lower
Public Administration (92)	0.27	0.34	-0.11	0.75	Higher	Higher
Total	-0.16	0.85	0.83	-0.05	Higher	Lower

* North American Industry Classification System

Table A-5. Correlation Between Index of E-Verify Use Per Employer in Arizona and Index of 3-Digit NAICS Employment in AZ*Before LAWA* = Jul 2004 to Dec 2007 | *After LAWA* = Jan 2008 to Aug 2012 | *Early Post-LAWA* = Jan 2008 to Apr 2010 | *Later Post-LAWA* = May 2010 to Aug 2012

	Correlations, E-Verify Use and Employment				Change in Correlations	
	Before LAWA	After LAWA	Early Post-LAWA	Later Post-LAWA	After LAWA Compared to Before LAWA	Later Post-LAWA Compared to Early Post-LAWA
3-Digit NAICS Sector						
Crop Production (111)	-0.209	0.547	0.507	0.587	Higher	Higher
Pipeline Transportation (486)	-0.078	0.126	-0.302	0.041	Higher	Higher
Internet Service Providers, Web Search Portals, & Data Processing Services (518)	-0.244	0.162	0.052	0.221	Higher	Higher
Monetary Authorities - Central Bank (521)	0.054	0.255	-0.712	0.196	Higher	Higher
Funds, Trusts, & Other Financial Vehicles (525)	0.306	0.324	-0.063	0.292	Higher	Higher
Private Households (814)	0.346	0.358	-0.504	0.098	Higher	Higher
Counts					6	6
Animal Production (112)	0.526	0.752	0.709	0.114	Higher	Lower
Support Activities for Agriculture & Forestry (115)	-0.164	0.441	0.444	0.436	Higher	Lower
Mining, Except Oil & Gas Extraction (212)	0.481	0.526	0.663	-0.215	Higher	Lower
Support Activities for Mining (213)	-0.112	0.131	0.137	0.041	Higher	Lower
Utilities (221)	0.407	0.431	0.607	0.235	Higher	Lower
Construction of Buildings (236)	0.391	0.809	0.839	-0.148	Higher	Lower
Specialty Trade Contractors (238)	0.760	0.824	0.884	0.594	Higher	Lower
Food Manufacturing (311)	-0.287	-0.118	-0.090	-0.290	Higher	Lower
Beverage & Tobacco Product Manufacturing (312)	0.480	0.702	0.819	0.465	Higher	Lower
Wood Products Manufacturing (321)	-0.572	0.578	0.914	-0.075	Higher	Lower
Paper Manufacturing (322)	-0.160	0.610	0.629	0.243	Higher	Lower
Printing & Related Support Activities (323)	-0.302	0.257	0.795	0.127	Higher	Lower
Chemical Manufacturing (325)	0.188	0.335	0.725	0.461	Higher	Lower
Plastics & Rubber Product Manufacturing (326)	-0.059	0.564	0.642	0.406	Higher	Lower
Primary Metal Manufacturing (331)	0.365	0.525	0.697	-0.212	Higher	Lower
Fabricated Metal Product Manufacturing (332)	0.563	0.768	0.825	0.369	Higher	Lower
Machinery Manufacturing (333)	0.342	0.509	0.605	0.468	Higher	Lower
Computer & Electronic Product Manufacturing (334)	0.106	0.319	0.543	-0.263	Higher	Lower
Miscellaneous Manufacturing (339)	-0.198	0.222	0.607	0.046	Higher	Lower
Merchant Wholesalers, Durable Goods (423)	0.129	0.766	0.750	0.243	Higher	Lower

Table A-5. Correlation Between Index of E-Verify Use Per Employer in Arizona and Index of 3-Digit NAICS Employment in AZ
(continued)*Before LAWA* = Jul 2004 to Dec 2007 | *After LAWA* = Jan 2008 to Aug 2012 | *Early Post-LAWA* = Jan 2008 to Apr 2010 | *Later Post-LAWA* = May 2010 to Aug 2012

3-Digit NAICS Sector	Correlations, E-Verify Use and Employment				Change in Correlations	
	Before LAWA	After LAWA	Early Post-LAWA	Later Post-LAWA	After LAWA Compared to Before LAWA	Later Post-LAWA Compared to Early Post-LAWA
Merchant Wholesalers, Nondurable Goods (424)	0.277	0.495	0.444	-0.398	Higher	Lower
Motor Vehicle & Parts Dealers (441)	0.258	0.876	0.889	0.545	Higher	Lower
Furniture & Home Furnishings Stores (442)	-0.063	0.761	0.801	-0.382	Higher	Lower
Building Material & Garden Equipment & Supplies Dealers (444)	0.088	0.684	0.778	0.474	Higher	Lower
Health & Personal Care Stores (446)	0.393	0.436	0.476	0.132	Higher	Lower
Gasoline Stations (447)	0.467	0.833	0.825	0.170	Higher	Lower
Sporting Goods, Hobby, Book, & Music Stores (451)	0.349	0.434	0.366	0.112	Higher	Lower
General Merchandise Stores (452)	0.295	0.490	0.638	0.371	Higher	Lower
Miscellaneous Store Retailers (453)	0.075	0.816	0.808	0.224	Higher	Lower
Air Transportation (481)	-0.001	0.467	0.922	-0.343	Higher	Lower
Couriers & Messengers (492)	-0.009	0.451	0.471	0.028	Higher	Lower
Publishing Industries, Except Internet (511)	-0.309	0.718	0.847	0.024	Higher	Lower
Broadcasting, Except Internet (515)	0.263	0.426	0.542	-0.327	Higher	Lower
Telecommunications (517)	-0.222	0.578	0.327	0.015	Higher	Lower
Credit Intermediation & Related Activities (522)	-0.015	0.473	0.842	0.359	Higher	Lower
Insurance Carriers & Related Activities (524)	-0.267	0.409	0.786	0.367	Higher	Lower
Real Estate (531)	0.230	0.768	0.772	-0.363	Higher	Lower
Professional, Scientific, & Technical Services (541)	-0.508	0.746	0.852	-0.288	Higher	Lower
Management of Companies & Enterprises (551)	0.565	0.626	0.654	0.195	Higher	Lower
Administrative & Support Services (561)	-0.347	0.883	0.935	-0.266	Higher	Lower
Waste Management & Remediation Services (562)	0.085	0.356	0.488	0.383	Higher	Lower
Amusement, Gambling, & Recreation Industries (713)	0.242	0.541	0.651	0.009	Higher	Lower
Accommodation (721)	0.182	0.752	0.734	0.342	Higher	Lower
Food Services & Drinking Places (722)	0.182	0.564	0.834	0.346	Higher	Lower
Repair & Maintenance (811)	0.359	0.833	0.917	0.148	Higher	Lower
Justice, Public Order, & Safety Activities (922)	0.229	0.259	0.302	-0.354	Higher	Lower
Counts					46	46

Table A-5. Correlation Between Index of E-Verify Use Per Employer in Arizona and Index of 3-Digit NAICS Employment in AZ
(continued)*Before LAWA* = Jul 2004 to Dec 2007 | *After LAWA* = Jan 2008 to Aug 2012 | *Early Post-LAWA* = Jan 2008 to Apr 2010 | *Later Post-LAWA* = May 2010 to Aug 2012

3-Digit NAICS Sector	Correlations, E-Verify Use and Employment				Change in Correlations	
	Before LAWA	After LAWA	Early Post-LAWA	Later Post-LAWA	After LAWA Compared to Before LAWA	Later Post-LAWA Compared to Early Post-LAWA
Petroleum & Coal Products Manufacturing (324)	-0.114	-0.251	-0.016	0.072	Lower	Higher
Transportation Equipment Manufacturing (336)	0.419	0.091	-0.456	0.100	Lower	Higher
Wholesale Electronic Markets & Agents & Brokers (425)	0.306	-0.204	-0.489	0.022	Lower	Higher
Electronics & Appliance Stores (443)	0.155	-0.580	-0.267	-0.142	Lower	Higher
Non-store Retailers (454)	0.358	-0.464	-0.586	-0.380	Lower	Higher
Transit & Ground Passenger Transportation (485)	0.326	-0.548	-0.670	-0.272	Lower	Higher
Educational Services (611)	-0.213	-0.300	-0.340	-0.282	Lower	Higher
Ambulatory Health Care Services (621)	0.492	-0.567	-0.752	-0.525	Lower	Higher
Hospitals (622)	0.415	-0.661	-0.712	-0.161	Lower	Higher
Nursing & Residential Care Facilities (623)	0.625	-0.760	-0.776	-0.166	Lower	Higher
Social Assistance (624)	0.123	-0.553	-0.654	-0.129	Lower	Higher
Executive, Legislative, & Other General Government Support (921)	0.602	0.121	-0.196	0.404	Lower	Higher
Administration of Human Resource Programs (923)	0.337	0.018	0.042	0.101	Lower	Higher
Counts					13	13
Heavy & Civil Engineering Construction (237)	0.465	-0.223	0.374	0.118	Lower	Lower
Textile Mills (313)	0.090	-0.219	0.124	-0.492	Lower	Lower
Non-metallic Mineral Product Manufacturing (327)	0.074	0.067	0.631	-0.430	Lower	Lower
Electrical Equipment, Appliance & Component Manufacturing (335)	0.515	0.314	0.553	-0.172	Lower	Lower
Furniture & Related Product Manufacturing (337)	0.643	0.385	0.677	0.265	Lower	Lower
Food & Beverage Stores (445)	0.601	0.152	0.468	-0.361	Lower	Lower
Clothing & Clothing Accessories Stores (448)	0.608	0.356	0.465	0.352	Lower	Lower
Truck Transportation (484)	0.519	0.300	0.527	-0.447	Lower	Lower
Support Activities for Transportation (488)	0.197	-0.153	0.463	-0.403	Lower	Lower
Warehousing & Storage (493)	0.373	0.102	0.416	-0.031	Lower	Lower
Other Information Services (519)	0.140	0.061	0.534	-0.120	Lower	Lower
Securities, Commodity Contracts, & Other Financial Instr. & Related Activities (523)	0.542	0.067	-0.034	-0.672	Lower	Lower
Renting & Leasing Services (532)	0.151	0.117	0.840	-0.227	Lower	Lower

Table A-5. Correlation Between Index of E-Verify Use Per Employer in Arizona and Index of 3-Digit NAICS Employment in AZ
(continued)*Before LAWA* = Jul 2004 to Dec 2007 | *After LAWA* = Jan 2008 to Aug 2012 | *Early Post-LAWA* = Jan 2008 to Apr 2010 | *Later Post-LAWA* = May 2010 to Aug 2012

	Correlations, E-Verify Use and Employment				Change in Correlations	
	Before LAWA	After LAWA	Early Post-LAWA	Later Post-LAWA	After LAWA Compared to Before LAWA	Later Post-LAWA Compared to Early Post-LAWA
3-Digit NAICS Sector						
Performing Arts, Spectator Sports & Related Industries (711)	0.342	0.316	0.555	-0.022	Lower	Lower
Museums, Historical Sites, & Similar Institutions (712)	0.194	0.039	-0.118	-0.253	Lower	Lower
Personal & Laundry Services (812)	0.397	0.204	0.209	-0.064	Lower	Lower
Religious, Grant-making, Civic, Professional, & Similar Organizations (813)	0.580	0.344	0.470	0.043	Lower	Lower
Administration of Environmental Quality Programs (924)	0.008	-0.030	-0.011	-0.041	Lower	Lower
Counts					18	18
Forestry and Logging (113)	na	-0.006	-0.127	0.156	na	Higher
Textile Product Mills (314)	na	-0.197	-0.010	0.469	na	Higher
Leather & Allied Products Manufacturing (316)	na	0.094	-0.276	0.035	na	Higher
Motion Picture and Sound Recording Industries (512)	na	0.515	0.200	0.636	na	Higher
Administration of Economic Programs (926)	na	0.098	0.034	0.116	na	Higher
Counts					5	5
Apparel Manufacturing (315)	na	-0.119	-0.009	-0.364	na	Lower
Scenic & Sightseeing Transportation (487)	na	0.085	0.245	-0.025	na	Lower
Lessors of Nonfinancial Intangible Assets, Except Copyrighted Works (533)	na	-0.213	-0.067	-0.095	na	Lower
Administration of Housing Programs, Urban Planning, & Community Development (925)	na	0.087	0.318	0.258	na	Lower
Counts					4	4
Fishing Hunting and Trapping (114)	na	-0.108	-0.093	na	na	na
Rail Transportation (482)	na	na	na	na	na	na
Water Transportation (483)	na	na	na	na	na	na
Postal Service (491)	na	na	na	na	na	na
National Security & International Affairs (928)	na	0.209	na	0.192	na	na
Internet Publishing and Broadcasting (516)	-0.268	na	na	na	na	na
Counts					6	6
Total Number of Sectors					98	98

Table A-6. Correlation Between Index of E-Verify Use Per Employer in Nevada and Index of Employment in Nevada Before and After January 1, 2008

Note: Period 1 = July 2004 to December 2007; Period 2 = January 2008 to August 2012; Period 3= January 2008 to April 2010; Period 4 = May 2010 to Aug 2012
 These periods were chosen, for purposes of comparison, to coincide with those analyzed in Arizona related to passage of the Legal Arizona Workers Act

Sector	Period 1	Period 2	Period 3	Period 4	Period 1 Compared to Period 2	Period 3 Compared to Period 4
Heavy & Civil Engineering Construction (237)	-0.27	-0.02	-0.12	0.17	Higher	Higher
Specialty Trade Contractors (238)	-0.09	0.43	0.14	0.62	Higher	Higher
Telecommunications (517)	-0.18	0.01	0.17	0.28	Higher	Higher
Personal & Laundry Services (812)	-0.06	0.23	-0.02	0.34	Higher	Higher
Executive, Legislative, & Other General Government Support (921)	-0.08	0.03	-0.36	0.50	Higher	Higher
Counts	5					
Construction of Buildings (236)	0.29	0.84	0.83	0.68	Higher	Lower
Food Manufacturing (311)	0.23	0.32	0.41	0.18	Higher	Lower
Printing & Related Support Activities (323)	0.10	0.38	0.52	-0.36	Higher	Lower
Plastics & Rubber Product Manufacturing (326)	0.18	0.42	0.48	0.41	Higher	Lower
Electrical Equipment, Appliance & Component Manufacturing (335)	0.12	0.18	0.18	-0.33	Higher	Lower
Merchant Wholesalers, Nondurable Goods (424)	0.34	0.50	0.51	-0.25	Higher	Lower
Insurance Carriers & Related Activities (524)	-0.66	0.74	0.69	-0.37	Higher	Lower
Administrative & Support Services (561)	-0.07	0.48	0.83	-0.11	Higher	Lower
Waste Management & Remediation Services (562)	0.60	0.60	0.83	-0.08	Higher	Lower
Amusement, Gambling, & Recreation Industries (713)	0.15	0.71	0.61	0.44	Higher	Lower
Accommodation (721)	-0.21	0.15	0.37	0.36	Higher	Lower
Food Services & Drinking Places (722)	0.28	0.42	0.74	0.22	Higher	Lower
Counts	12					
Crop Production (111)	-0.03	-0.24	-0.35	-0.19	Lower	Higher
Miscellaneous Manufacturing (339)	-0.18	-0.75	-0.75	0.56	Lower	Higher
Food & Beverage Stores (445)	0.39	-0.17	-0.44	0.28	Lower	Higher
Clothing & Clothing Accessories Stores (448)	0.43	0.08	-0.30	-0.04	Lower	Higher
General Merchandise Stores (452)	0.36	0.35	0.05	0.47	Lower	Higher
Warehousing & Storage (493)	0.70	0.57	-0.15	0.48	Lower	Higher

Table A-6. Correlation Between Index of Average E-Verify Use Per Employer in Nevada and Index of Employment in Nevada Before and After January 1, 2008, Continued

Note: Period 1 = July 2004 to December 2007; Period 2 = January 2008 to August 2012; Period 3= January 2008 to April 2010; Period 4 = May 2010 to Aug 2012

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Management of Companies & Enterprises (551)	0.56	0.20	-0.24	-0.20	Lower	Higher
Nursing & Residential Care Facilities (623)	0.63	-0.74	-0.80	-0.43	Lower	Higher
Count						8
Fabricated Metal Product Manufacturing (332)	0.62	-0.10	0.27	0.11	Lower	Lower
Merchant Wholesalers, Durable Goods (423)	0.39	0.07	0.17	-0.29	Lower	Lower
Miscellaneous Store Retailers (453)	0.31	0.19	0.26	0.23	Lower	Lower
Non-store Retailers (454)	0.10	-0.21	-0.32	-0.45	Lower	Lower
Transit & Ground Passenger Transportation (485)	0.71	-0.12	0.45	-0.06	Lower	Lower
Other Information Services (519)	0.30	-0.09	0.11	-0.47	Lower	Lower
Real Estate (531)	0.36	0.25	0.39	0.08	Lower	Lower
Renting & Leasing Services (532)	0.52	0.00	0.50	-0.24	Lower	Lower
Professional, Scientific, & Technical Services (541)	0.48	-0.11	0.32	-0.41	Lower	Lower
Hospitals (622)	0.26	-0.01	0.53	-0.31	Lower	Lower
Social Assistance (624)	0.33	-0.27	0.26	-0.32	Lower	Lower
Performing Arts, Spectator Sports & Related Industries (711)	0.22	-0.13	0.07	-0.32	Lower	Lower
Repair & Maintenance (811)	0.18	0.17	0.21	-0.16	Lower	Lower
Religious, Grant-making, Civic, Professional, & Similar Organizations (813)	0.48	0.11	0.20	-0.05	Lower	Lower
Counts						14
Mining, Except Oil & Gas Extraction (212)	na	0.36	-0.36	0.08	na	Higher
Wood Products Manufacturing (321)	na	-0.15	-0.52	-0.01	na	Higher
Machinery Manufacturing (333)	na	0.32	0.14	0.50	na	Higher
Furniture & Related Product Manufacturing (337)	na	-0.35	-0.40	-0.05	na	Higher
Building Material & Garden Equipment & Supplies Dealers (444)	na	-0.55	-0.66	0.27	na	Higher
Health & Personal Care Stores (446)	na	0.32	0.22	0.37	na	Higher
Air Transportation (481)	na	-0.51	-0.52	0.11	na	Higher
Truck Transportation (484)	na	-0.14	-0.20	-0.05	na	Higher
Scenic & Sightseeing Transportation (487)	na	-0.25	-0.59	0.18	na	Higher
Support Activities for Transportation (488)	na	-0.11	-0.57	-0.03	na	Higher

Table A-6. Correlation Between Index of Average E-Verify Use Per Employer in Nevada and Index of Employment in Nevada Before and After January 1, 2008, Continued

Note: Period 1 = July 2004 to December 2007; Period 2 = January 2008 to August 2012; Period 3= January 2008 to April 2010; Period 4 = May 2010 to Aug 2012

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Couriers & Messengers (492)	na	-0.19	-0.23	0.05	na	Higher
Motion Picture and Sound Recording Industries (512)	na	-0.07	-0.12	0.17	na	Higher
Internet Service Providers, Web Search Portals, & Data Processing Svc (518)	na	-0.11	-0.48	-0.08	na	Higher
Credit Intermediation & Related Activities (522)	na	-0.19	-0.33	-0.06	na	Higher
Educational Services (611)	na	-0.24	-0.25	-0.17	na	Higher
Private Households (814)	na	-0.26	-0.54	-0.15	na	Higher
Administration of Housing Programs, Urban Planning, & Community Development (925)	na	-0.03	-0.03	-0.03	na	Higher
Counts	17					
Support Activities for Agriculture & Forestry (115)	na	0.06	0.28	-0.03	na	Lower
Support Activities for Mining (213)	na	0.21	0.39	0.18	na	Lower
Utilities (221)	na	0.16	0.34	-0.11	na	Lower
Beverage & Tobacco Product Manufacturing (312)	na	0.30	0.41	-0.03	na	Lower
Paper Manufacturing (322)	na	-0.05	0.33	0.17	na	Lower
Primary Metal Manufacturing (331)	na	0.22	0.39	0.14	na	Lower
Computer & Electronic Product Manufacturing (334)	na	0.19	0.33	-0.26	na	Lower
Transportation Equipment Manufacturing (336)	na	0.49	0.61	0.32	na	Lower
Motor Vehicle & Parts Dealers (441)	na	0.42	0.45	-0.18	na	Lower
Electronics & Appliance Stores (443)	na	-0.03	0.07	-0.05	na	Lower
Publishing Industries, Except Internet (511)	na	0.19	0.39	-0.17	na	Lower
Broadcasting, Except Internet (515)	na	0.39	0.48	-0.09	na	Lower
Ambulatory Health Care Services (621)	na	0.37	0.47	0.02	na	Lower
Museums, Historical Sites, & Similar Institutions (712)	na	-0.07	0.39	-0.14	na	Lower
Justice, Public Order, & Safety Activities (922)	na	0.15	0.31	-0.11	na	Lower
Administration of Human Resource Programs (923)	na	0.34	0.36	0.05	na	Lower
Counts	16					
Animal Production (112)	na	na	na	na	na	na
Forestry and Logging (113)	na	na	na	na	na	na

Table A-6. Correlation Between Index of Average E-Verify Use Per Employer in Nevada and Index of Employment in Nevada Before and After January 1, 2008, Continued

Note: Period 1 = July 2004 to December 2007; Period 2 = January 2008 to August 2012; Period 3= January 2008 to April 2010; Period 4 = May 2010 to Aug 2012

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Fishing Hunting and Trapping (114)	na	na	na	na	na	na
Oil and Gas Extraction (211)	na	na	na	na	na	na
Textile Mills (313)	na	-0.08	-0.12	na	na	na
Textile Product Mills (314)	na	na	na	na	na	na
Apparel Manufacturing (315)	na	na	na	na	na	na
Leather & Allied Products Manufacturing (316)	na	na	na	na	na	na
Petroleum & Coal Products Manufacturing (324)	na	na	na	na	na	na
Chemical Manufacturing (325)	na	0.35	na	0.69	na	na
Nonmetallic Mineral Product Manufacturing (327)	na	-0.22	na	-0.30	na	na
Wholesale Electronic Markets & Agents & Brokers (425)	na	na	na	na	na	na
Furniture & Home Furnishings Stores (442)	na	-0.18	na	-0.01	na	na
Gasoline Stations (447)	na	-0.58	na	-0.50	na	na
Sporting Goods, Hobby, Book, & Music Stores (451)	na	-0.09	na	-0.05	na	na
Rail Transportation (482)	na	na	na	na	na	na
Water Transportation (483)	na	na	na	na	na	na
Pipeline Transportation (486)	na	na	na	na	na	na
Postal Service (491)	na	-0.14	na	-0.14	na	na
Internet Publishing and Broadcasting (516)	na	na	na	na	na	na
Monetary Authorities - Central Bank (521)	na	na	na	na	na	na
Securities, Commodity Contracts, & Other Financial Instruments & Related Activities (523)	na	-0.18	-0.26	na	na	na
Funds, Trusts, & Other Financial Vehicles (525)	na	na	na	na	na	na
Lessors of Nonfinancial Intangible Assets, Except Copyrighted Works (533)	na	na	na	na	na	na
Administration of Environmental Quality Programs (924)	na	na	na	na	na	na
Administration of Economic Programs (926)	na	na	na	na	na	na
National Security & International Affairs (928)	na	na	na	na	na	na
Counts	27					
All Sectors	-0.16	0.85	0.83	-0.05	Higher	Lower