

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB 3725
Version:	POLPCS1
Request Number:	16036
Author:	Rep. Shaw
Date:	2/2/2026
Impact:	One-Time: \$1,900,000
	Recurring: \$640,000

Research Analysis

The proposed policy committee substitute for HB 3725 requires all employers to use a federal status verification system, such as E-Verify, to confirm the citizenship or immigration status of new hires. The Oklahoma Department of Labor must establish an online portal with necessary forms, multilingual guidance, and training on these verification requirements.

Employers with at least 50 employees must use this system within 90 days of the portal launch, while smaller employers have 180 days to comply. All new businesses organized after this measure takes effect must use the system immediately. Initial fines for employers who knowingly violate this policy range from \$100 to \$500 per offense, with repeat violations incurring fines of at least \$1,000 per offense and \$5,000 per month for continuing employment of unauthorized individuals.

Employees exempt from status verification include independent contractors and previously authorized seasonal employees who are rehired within one year. Agricultural employers may delegate verification to qualified third parties.

If the verification system data extends beyond their scope when this measure takes effect or if the system's purpose extends beyond U.S. Immigration and Customs Enforcement (ICE) and workforce authorization purposes, the department must suspend enforcement for six to 12 months, notify state leadership, and allow the Legislature to pass necessary amendments. If no legislative action occurs, the provisions in the measure will cease to have effect.

Prepared By: Autumn Mathews

Fiscal Analysis

The proposed policy committee substitute to HB 3725 requires all employers to utilize a status verification system for new hires. This measure requires the Oklahoma Department of Labor to create and maintain a centralized online portal that contains all relevant materials regarding the status verification system and requirements. The Department of Labor must also publish an annual report regarding compliance and enforcement details.

The Department of Labor conservatively estimates a One Million Nine Hundred Thousand Dollars (\$1,900,000.00) one-time cost in order to create and implement the online portal. After implementation, the agency would require Six Hundred Forty Thousand Dollars (\$640,000.00) in recurring appropriations to cover the projected annual operating costs of the online portal. Therefore, the total fiscal impact of this measure to FY-27 budgetary resources is Two Million Five Hundred and Forty Thousand Dollars (\$2,540,000.00).

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.

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