Documented: Company's Ads Tout Workers' Legal Status

By L.M. SIXEL June 23, 2011

It's impossible to miss the barrage of ads for pool, pest and yard services this time of year, with most operators touting their low prices and good service. But one business owner is hoping he can stand out based on his immigration policies.

Raleigh Jenkins, president of ABC Home & Commercial Services, is advertising that his company only employs workers who are legally entitled to work in the U.S. The company uses the E-Verify system, a free federal government service that verifies Social Security numbers.

Jenkins is betting homeowners want to know that the person who's cutting their grass, cleaning their pool or killing their pests is working legally. He also runs criminal background checks and tests for drugs and alcohol.

"I'm sending people into your home and into places your best friends don't go," said Jenkins, who has 200 employees in Houston. "I have to make sure I do my due diligence."

But he says he's competing against individuals who often pay less than the minimum wage or improperly classify their workers as independent contractors, and who have invested little in their business besides a truck and some lawn mowers, edgers and leaf blowers. Jenkins said his lowest-paid employees — the ones who push the mowers - earn a minimum of \$24,000 a year. They also receive health insurance and a 401(k).

"When I talk to Mrs. Jones, I have to explain why I'm charging more," Jenkins said. He charges \$32 to mow a 6,000-square-foot lawn, while many of his freelance competitors charge \$25.

'Cheap lawn service'

His lawn-care advertisements, however, aren't making the headway he had hoped for.

About a year ago he conducted a focus group of middle-income and wealthy homeowners and asked whether they value doing business with a company that does background checks and uses E-Verify to make sure its workers are legally entitled to work in the U.S. "They didn't care," Jenkins said. "Women want a cheap lawn service." And men just want someone else to cut the grass. That doesn't surprise Lou Congelio, owner of Acme Fish, a boutique ad agency in Houston, who said he'd focus on dependability, quality and price rather than the employees' legal status. It's a non-issue among homeowners unless someone is running for public office, said Congelio, who does not work for ABC or its competitors. He said people don't care who cuts the grass as long as the worker shows up and does a good job. Jenkins said he didn't even make much headway with the focus group when he reminded the homeowners they'd be liable if their grass cutter didn't carry insurance and chopped off a toe. It's a different story, however, for workers who come into customers' homes to work on the air conditioning or do pest control, he said. Then, the focus group participants said, they want to make sure the worker is carefully vetted.

Gordon Quan, an immigration lawyer with FosterQuan in Houston who represents individuals and corporate clients, said he doesn't know of another company that advertises the legal status of its employees and hopes Jenkins' ads raise the consciousness of other business owners. "I find it commendable that someone is proud that he is paying his workers a fair wage, providing health insurance and doing his duty by checking their background," Quan said.

E-Verify system

Jenkins said he's frustrated that more businesses aren't using the E-Verify system to ensure that their employees are either U.S. citizens or have visas allowing them to work. "I'm not a big government guy, but if we're going to make these rules, we have to enforce them," Jenkins said. According to the U.S. Department of Homeland Security, more than 238,000 employers are enrolled in the E-Verify program. Jenkins' business in Houston is about 70 percent pest control, 12 percent lawn care, 10 percent pool care and 8 percent heating and air conditioning. Jenkins' father started the business in San Antonio in 1949, and it has grown into a five-city family enterprise with 750 employees. Earlier this week, U.S. House Judiciary Committee Chairman Lamar Smith, R-San Antonio, introduced a bill that would require all employers to use the E-Verify system. The Legal Workforce Act would ensure that jobs are reserved for those who are authorized to work in the United States, according to Smith's website, which cited a recent poll that found 82 percent of likely voters believe businesses should be forced to use E-Verify.

Illegal workers

Smith said 7 million people are working illegally in the U.S., taking jobs that should go to U.S. workers during a time of high unemployment.

Employers are required now to check the employment eligibility of every applicant. For employers that don't use E-Verify, that means checking the applicant's Social Security card. However it's easy to get a fake Social Security card, and companies aren't on the hook if the card turns out to be counterfeit.

While many Americans are demanding tighter controls at the border, Jenkins said, a more effective measure against illegal immigration would be to focus enforcement on employers who hire people not permitted to work in United States. And that includes requiring them to use the E-Verify system, he said.