

FORD & HARRISON^{LLP}
THE RIGHT RESPONSE AT THE RIGHT TIME

LEGAL ALERT



Legal Alert: Fourth Circuit Refuses to Stay Implementation of Federal Contractor E-Verify Rule

9/10/2009

The U.S. Court of Appeals for the Fourth Circuit has denied a motion to stay implementation of the federal contractor E-Verify rule pending resolution of challenges filed by the U.S. Chamber of Commerce and several business groups. See *Chamber of Commerce of the United States of Am. v. Napolitano*, Case No. 09-2006 (9/9/09). Accordingly, the E-Verify rule – which took effect on September 8, 2009 – remains in effect for qualifying federal contracts and subcontracts entered into on or after that date.

The E-Verify rule requires certain federal contractors and subcontractors to agree, through specific language inserted into their federal contracts, to use the E-Verify system to confirm the employment eligibility of all persons they hire during the contract term, as well as their current employees who perform work within the United States under the federal contract.

In late August 2009, a federal trial court in Maryland denied a lawsuit filed by a group of businesses challenging the validity of the E-Verify rule. For more information on this decision, please see our prior Legal Alert, [Federal Contractor E-Verify Rule Goes Into Effect on September 8, 2009](#). The business groups have appealed this decision to the Fourth Circuit and requested that the appellate court stay implementation of the rule until the appeal is resolved. On September 9, 2009 the Fourth Circuit denied the groups' request to stay implementation of the E-Verify rule. As a result, the E-Verify rule remains in effect and government agencies will be issuing federal contracts that contain the E-Verify requirements.

Ford & Harrison LLP will host a complimentary webinar on September 29, 2009, which will discuss the issues and requirements arising under the federal contractor E-Verify rule. To register for this free webinar, please click [here](#) and click on "Register" at the bottom of the page. For more information regarding the E-Verify rule, please contact Charles Roach, a partner in our Minneapolis office at croach@fordharrison.com, 612-486-1631, or the Ford & Harrison attorney with whom you usually work.