

By Rep. Steve King

Speaking about America's unemployment problem on Nov. 2, President Obama expressed a desire for new ideas on how to create good-paying jobs. The president stated that "if somebody can show me a strategy that's going to work, then we are happy to consider it."

I have introduced legislation that the president should be "happy to consider," right down to and including the bill's title — New IDEA. On Sept. 16, I introduced H.R. 3580, the Illegal Deduction Elimination Act (New IDEA), which will immediately reduce America's unemployment and result in the hiring of millions of unemployed Americans. New IDEA will crack down on employers and illegal workers and level the playing field for law-abiding American employers and employees.

According to the Department of Labor, the December national unemployment rate was 10 percent and Iowa's unemployment rate was 6.6 percent. There are 15.3 million unemployed American citizens while the Pew Hispanic Center reports that 8 million illegal aliens hold American jobs. In Iowa alone, there are 112,700 unemployed workers while 35,000 illegal aliens hold jobs.

It is inexcusable for American citizens and law-abiding immigrants to be jobless while law-breaking illegal aliens hold American jobs. New IDEA clarifies that wages and benefits paid to illegal aliens are not deductible for federal income tax purposes. So if employers hire illegal workers, the wages and benefits paid to illegal workers will be denied as a business expense, resulting in taxable income for employers.

E-Verify is an online government system that enables employers to determine whether an employee is eligible to work in the U.S. E-Verify is currently a voluntary program that by law can only be used on new hires. New IDEA will make E-Verify permanent and authorize its use on all current and prospective employees.

Under New IDEA, employers that use E-Verify will have "safe harbor." By using E-Verify to check the legal status of new hires, employers will not be punished if

they mistakenly hire an illegal alien. Employers who fail to check their employees via E-Verify or ignore proof of an employee's illegal status will be subject to wage and benefit taxation, including interest and penalty on past taxes.

This system will level the playing field for employers that hire only legal workers, who are typically paid more than illegal workers. Under New IDEA, if employers are paying illegal workers \$10 per hour and an IRS audit uncovers the violations, the tax liability plus interest and penalty may then cost employers \$16 per hour. Removing the cost motivation associated with hiring illegal workers will result in millions of unemployed Americans going to work at newly vacated \$10-per-hour jobs for pay in the \$12- to \$14-per-hour range, or more. New IDEA requires the Internal Revenue Service to notify the Social Security Administration and the Department of Homeland Security of identity theft and immigration law violations. It also requires government agencies to work in cooperation with each other to enforce immigration laws.

New IDEA will also be a revenue raiser for the IRS. The bill will result in the IRS collecting interest, penalties and taxes, and newly hired legal workers will pay taxes, unlike the illegal workers they replace.

President Obama and liberals in Congress continue to promote amnesty while overlooking the impact that illegal workers have on American unemployment. Immigration laws protect American citizens, including legal immigrants, from losing jobs to those who have entered our country illegally. We must enforce our immigration laws and allow a sustainable number of legal immigrants into the country each year.

Our immigration policy must protect the interests of Americans citizens and those who played by the rules to legally enter the United States. Immigration law needs to be designed to enhance the economic, social and cultural well-being of the United States. If President Obama is sincere about finding new and effective economic plans, he should immediately endorse New IDEA. Enforcing and strengthening our current immigration laws, through programs such as New IDEA, will put many unemployed citizens back to work and protect American workers.