

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “Agreement”), the material terms of which are set forth in Parts I through III below, is entered into by and between State Farm Mutual Automobile Insurance Company (“Respondent”) and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section (“IER”) as to Part I, and by and between Respondent and [REDACTED] (“Charging Party”) as to Part II, and by and between IER, Respondent, and Charging Party (together, “the Parties”) as to Part III.

BACKGROUND

WHEREAS, on August 20, 2023, IER received a charge filed pursuant to 8 U.S.C. § 1324b(a)(6) by the Charging Party against Respondent, DJ # 197-24-50 (the “IER Charge”), alleging violations of the unfair immigration-related employment practices provisions of 8 U.S.C. § 1324b (“Act”).

WHEREAS, on August 31, 2023, IER notified Respondent that it had initiated an investigation of the IER Charge (“the IER Investigation”).

WHEREAS, the IER Investigation determined that there is reasonable cause to believe that Respondent retaliated against the Charging Party in violation of 8 U.S.C. § 1324b(a)(5). Specifically, the IER Investigation found that Respondent retaliated against the Charging Party when it placed her on a “do not rehire” list and terminated her from employment because the Charging Party opposed Respondent’s rejection of her valid documents showing her permission to work (i.e., an expired Permanent Resident Card and I-797C Notice of Action, which extended the validity of the card).

WHEREAS, Respondent contends it cooperated fully with IER in the course of its investigation and does not admit to any wrongdoing or liability, including the allegations in the IER charge and investigation; and Respondent further contends there have been no adjudicated findings of any unlawful actions, wrongdoing or non-compliance.

WHEREAS, the Charging Party does not want and is not seeking reinstatement with Respondent.

WHEREAS, the Parties wish to resolve this matter without further delay or expense and hereby acknowledge that they are voluntarily entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained below and to fully and finally resolve this matter as of the date of the latest signature below, the Parties agree as follows:

I. TERMS OF SETTLEMENT BETWEEN THE UNITED STATES AND RESPONDENT

1. This Agreement becomes effective as of the date of the latest signature on the dually-signed Agreement, which date is considered to be and referenced herein as the “Effective Date.” The “term of this Agreement” is defined as and shall be three years following the Effective Date.
2. Respondent shall pay civil penalties to the United States Treasury in the amount of \$4,610.
3. Respondent shall provide IER with the name, title, email address, and telephone number of the individual responsible for effectuating payment of the civil penalties no later than the Effective Date. Respondent shall pay the monies discussed in Paragraph 2 via the FedWire electronic fund transfer system within 10 business days of receiving fund transfer instructions from IER. On the day of payment, Respondent shall send confirmation of the payment to Tamara Hoflejer at Tamara.Hoflejer@usdoj.gov and to IER@usdoj.gov. The email confirming payment shall have Respondent’s name and the investigation number, DJ # 197-24-50, in the subject line.
4. Respondent shall not discriminate on the basis of citizenship, immigration status or national origin in violation of 8 U.S.C. § 1324b.
5. Respondent shall pay the Charging Party the amount set forth in Paragraph 19 below, which comprises backpay, and shall comply with all provisions of such Paragraph.
6. Respondent shall not intimidate, threaten, coerce or retaliate against the Charging Party or any other individuals, including by taking or refusing to take employment-related or any other actions, based in whole or in part on their cooperation with or participation in the IER Investigation or this Agreement, or their raising concerns about discrimination based on citizenship status or national origin, including in the employment eligibility verification process.
7. Within seven calendar days of the Effective Date, Respondent shall remove any reference to “do not rehire” and/or any negative reference in the Charging Party’s personnel file and shall email confirmation that this requirement has been completed to Tamara Hoflejer at Tamara.Hoflejer@usdoj.gov (or any other individual IER designates in writing).
8. Respondent, and any third-party agents it contracts to perform personnel or human resources functions, shall not disclose to any employer or prospective employer of the Charging Party any information or documentation related to the Charging Party’s IER Charge, the IER Investigation, or this Agreement.

9. Respondent shall remove, and shall not make in the future, any reference to the IER Charge, the IER Investigation, or this Agreement in the Charging Party's personnel file and other employment records. Nothing in this Agreement shall prohibit or prevent the Charging Party from applying to a position with Respondent. Respondent shall consider the Charging Party's application, if any, as it would any other job applicant's application.
10. If it has not already done so, within 14 days from the Effective Date, Respondent shall post an English and Spanish version of the IER "If You Have The Right to Work" poster ("IER Poster"), in color and measuring no smaller than 8.5" x 11", an image of which is available at <https://www.justice.gov/crt/worker-information#poster>, in all physical and electronic locations where notices to employees and job applicants are normally posted for Respondent's Richardson, Texas location. Respondent shall ensure it will remain posted at least for the duration of this Agreement. This provision does not affect or supersede other legal obligations Respondent may have to maintain such a posting beyond that period.
11. Within 60 calendar days of the Effective Date, Respondent shall review any existing employment policies and revise such policies, or develop and propose new policies, that relate to nondiscrimination in hiring and firing and to retaliation, and provide them to IER. IER shall review and provide input regarding such policies, and Respondent shall incorporate IER's input and implement final revised policies within 30 days after IER's approval. These revised or new employment policies shall:
 - (a) continue to prohibit discrimination on the basis of citizenship or immigration status, and national origin in the hiring, firing, and employment eligibility verification processes as prohibited by 8 U.S.C. § 1324b;
 - (b) continue to include, as lawful and appropriate, citizenship, immigration status, and national origin as prohibited bases of discrimination; any similar Equal Employment Opportunity (EEO) statements Respondent includes in printed or electronic materials available to the public or employees shall also include these prohibited bases of discrimination;
 - (c) refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or Form I-9 employment eligibility verification and reverification process immediately to the Immigrant and Employee Rights Section by directing the affected individual to the IER Poster and IER's worker hotline and website, and advise the affected individual of his or her right to file a charge of discrimination with the Immigrant and Employee Rights Section; and

- (d) prohibit any reprisal action against anyone for having opposed any employment practice made unlawful by 8 U.S.C. § 1324b, contacting the Department of Justice, or for filing any charge, or participating in a lawful manner in any investigation or action under 8 U.S.C. § 1324b.

During the term of this Agreement, Respondent shall provide any additional revisions to such policies to IER for approval at least 30 calendar days prior to the proposed effective date of such new or revised policies.

12. Within 14 calendar days of the Effective Date, all of Respondent's human resources personnel for the Richardson, Texas location, and any other employees or contractors whose job duties involve hiring and employment eligibility verification on Respondent's behalf for the Richardson location shall view IER's free on-demand employer training video, available at: <https://www.justice.gov/crt/video/employer-training-avoiding-unlawful-immigration-related-employment-discrimination>, and shall review the educational material on retaliation in violation of federal law, available at <https://www.justice.gov/crt/case-document/file/1138456/dl>. Within 21 calendar days of the Effective Date, Respondent shall send to Tamara Hoflejzer at Tamara.Hoflejzer@usdoj.gov (or any other individual IER designates in writing) a certification attesting that the requirements of this paragraph have been completed and listing the name and job title of each individual who completed the training, and the date it was completed. In addition:
 - (a) During the term of the Agreement, all new human resources personnel and other Respondent employees or contractors with the duties described above shall also view the same training video and review the same materials within seven calendar days of their first day of work.
13. During the term of this Agreement, IER reserves the right to make such reasonable inquiries as it, in its discretion, believes necessary or appropriate to assess Respondent's compliance with this Agreement.
14. Nothing in this Agreement limits IER's right to inspect Respondent's Forms I-9 within three business days pursuant to 8 C.F.R. § 274a.2(b)(2)ii. Respondent shall, at IER's discretion, provide data fields from such documents in Excel spreadsheet format unless requested otherwise.
15. If IER has reason to believe that Respondent is in violation of any provision of this Agreement, IER may, in its sole discretion, notify Respondent of the purported violation rather than initiate a new discrimination investigation or seek to judicially enforce the Agreement. If IER has exercised its discretion to notify Respondent of the purported violation, Respondent shall have 30 calendar days

from the date IER notifies it of the purported violation(s) to cure the violation(s) to IER's satisfaction.

16. This Agreement does not affect the right of any individual to file a charge under the Act alleging an unfair immigration-related employment practice against Respondent, IER's authority to investigate Respondent or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Respondent's employment practices occurring after the Effective Date or outside of the scope of the Investigation.
17. This Agreement is governed by the laws of the United States. This Agreement shall be deemed to have been drafted by both Respondent and IER and shall not be construed against any one party in the event of a subsequent dispute concerning the terms of the Agreement. Respondent and IER agree that the paragraphs set forth in Parts I through III of this Agreement are material terms, without waiver of either Party's right to argue that other terms in the Agreement are material.
18. This Agreement resolves any and all differences under 8 U.S.C. § 1324b between Respondent and IER relating to the IER Investigation, DJ # 197-24-50, through the Effective Date. The provisions of Paragraph 2 notwithstanding, IER shall not seek from Respondent any additional civil penalty for the retaliation in violation of 8 U.S.C. § 1324b that is the subject of the IER Investigation, designated as DJ # 197-24-50 through the Effective Date.

II. TERMS OF SETTLEMENT BETWEEN CHARGING PARTY AND RESPONDENT

19. Within seven calendar days of the Effective Date, Respondent shall pay the Charging Party \$30,000.00, less any deductions and withholding required by law, plus interest. The sum, which comprises backpay, includes a calculation of base wages, minus interim earnings. In addition:
 - (a) Respondent shall follow the applicable instructions contained in IRS Publication 957 with respect to payment;
 - (b) Respondent shall make the payment in accordance with the Charging Party's preferred method, which IER will communicate to the Respondent by email to Respondent's counsel no later than the Effective Date of the Agreement;
 - (c) Within three days of making the payment, Respondent shall confirm the disbursement of funds via email to Tamara Hoflejzer at Tamara.Hoflejzer@usdoj.gov (or any other individual IER designates in writing); and

(d) Within 45 days after remitting the Charging Party's W-2 form for calendar year 2023 and 2024 to the Social Security Administration (but not before doing so), Respondent shall file a special report to the Social Security Administration allocating the payment made to the Charging Party pursuant to this paragraph to the appropriate quarter. On the day Respondent submits the documentation, Respondent shall confirm via email to the Charging Party that Respondent submitted such documentation to the Social Security Administration and the date it was submitted.

20. This Agreement resolves any and all differences under 8 U.S.C. § 1324b between Respondent and the Charging Party relating to the IER Investigation, DJ # 197-24-50, through the Effective Date, and the ongoing litigation relating to the Charging Party's IER charge, OCAHO Case No. 2024B00090. Within 7 business days of Respondent's compliance with Paragraph 19, the Charging Party and Respondent shall file a Notice of Settlement and Joint Motion to Dismiss the matter before OCAHO, OCAHO Case No. 2024B00090.
21. The Charging Party acknowledges that she has read and understands Part II of this Agreement, and she is executing this Agreement knowingly, voluntarily, and without coercion. The Charging Party has been informed of the benefit of seeking counsel, had the opportunity to seek the advice of counsel, and either has done so or expressly waives that right.

III. TERMS OF SETTLEMENT BETWEEN THE UNITED STATES, RESPONDENT, AND CHARGING PARTY

22. The Parties agree that, as of the Effective Date, litigation concerning the violations of 8 U.S.C. § 1324b that IER has reasonable cause to believe that Respondent committed is not reasonably foreseeable. To the extent that any party previously implemented a litigation hold to preserve documents, electronically stored information, or things related to this matter, the party is no longer required to maintain such a litigation hold. Nothing in this paragraph relieves either party of any other obligations imposed by this Agreement.
23. The United States District Court for the Eastern District of Texas shall be the preferred venue for enforcement of any claims over which that court has subject matter jurisdiction. Otherwise, a party must bring any claim or counterclaim to enforce the Agreement in a court of competent jurisdiction. This provision does not constitute a waiver of sovereign immunity or any other defense the United States might have against a claim for enforcement or counterclaims asserted against it.
24. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected and the term or provision shall be deemed not to be a part of this

Agreement. The Parties agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.

- 25. The Parties agree to bear their own costs, attorneys' fees and other expenses incurred in this investigation.
- 26. This Agreement sets forth the entire agreement between the Parties and fully supersedes any and all prior agreements or understandings between the Parties pertaining to the subject matter herein.
- 27. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The Parties agree to be bound by electronically transmitted signatures.

State Farm Mutual Automobile Insurance Company

By: Jae Lynn Akin
Jae Lynn Akin
Human Resources Executive

Dated: 10.22.2024

Charging Party

By: _____

Charging Party

Dated: _____

Immigrant and Employee Rights Section

By: Alberto Ruisanchez
Alberto Ruisanchez
Deputy Special Counsel

Dated: 10-24-2024

Julia Heming Segal
Special Litigation Counsel

Tamara Hoflejzer
Trial Attorney

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State Farm Mutual Automobile Insurance Company

By:

Jae Lynn Akin
Human Resources Executive

Dated: _____

Charging Party

By:

[Redacted]
Charging Party

Dated: 10/23/2024

Immigrant and Employee Rights Section

By:

Alberto Ruisanchez
Deputy Special Counsel

Julia Heming Segal
Special Litigation Counsel

Tamara Hoflejer
Trial Attorney

Dated: _____