

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is made and entered into by and between Tecon Services, Inc. ("Respondent"), and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section ("IER") (collectively, "the Parties").

I. BACKGROUND

WHEREAS, on August 22, 2018, IER received a charge filed by [REDACTED] ("Charging Party") against Respondent, DJ No. 197-74-628 (the "IER Charge"), alleging that Respondent demanded more or different documents than required by law to demonstrate work authorization, based on her national origin, in violation of 8 U.S.C. § 1324b(a)(6) of the Immigration and Nationality Act ("Act");

WHEREAS, on August 31, 2018, IER notified Respondent that it had initiated an investigation of the IER Charge (the "Investigation") to determine whether Respondent had violated 8 U.S.C. § 1324b;

WHEREAS, IER concluded, based upon its Investigation, that there is reasonable cause to believe that an employee employed by and acting on behalf of Respondent subjected the Charging Party to an unfair documentary practice when Respondent's employee rejected her valid U.S. Passport, presented for the Form I-9, and demanded more or different documents than required by law to demonstrate work authorization, because of the Charging Party's Venezuelan national origin, in violation of 8 U.S.C. § 1324b(a)(6);

WHEREAS, Respondent denies liability and the conclusions of IER, but wishes to resolve the matter expeditiously and without the expense of litigation;

WHEREAS, the Parties wish to resolve the Investigation without further delay or expense, and hereby acknowledge that each party is voluntarily entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual promises contained below and to fully and finally resolve the Investigation, the Parties agree as follows:

II. TERMS OF SETTLEMENT

1. This Agreement becomes effective as of the date the latest signature below, which date is referenced hereafter as the "Effective Date." The term of the Agreement shall be three years (36 months) following the Effective Date.
2. Respondent shall pay a civil penalty to the United States Treasury in the total amount of \$1542 for the above-referenced alleged violation. No later than five days after the Effective Date, Respondent shall give IER the name and contact information for the person who will make the payment on its behalf. After IER receives this information, it will send the designated person the FedWire payment instructions. Respondent shall pay the monies discussed in this paragraph via the FedWire electronic fund transfer system, within ten days of receiving IER's FedWire instructions. On the day of payment, Respondent shall confirm via email to Angela Miller at Angela.Miller5@usdoj.gov that the payment was made.

3. Except as set forth in Paragraph 2, IER shall not seek from Respondent any additional civil penalties for any violation of 8 U.S.C. § 1324b which was a subject of the Investigation, through the Effective Date.
 4. Pursuant to 8 U.S.C. § 1324b, Respondent shall not discriminate against individuals based on citizenship, immigration status, or national origin, during the recruitment, hiring, firing, referral for a fee, and employment eligibility verification and reverification processes (together, the “EEV” process), or intimidate, threaten, coerce, or retaliate against any person for participating in the Investigation or exercising any right or privilege secured by 8 U.S.C. § 1324b.
 5. Respondent shall not: (a) make any reference to the IER Charge, Investigation, or this Agreement in any applicant or other personnel records Respondent maintains regarding the Charging Party, or any potential future employment records; or (b) disclose to any individual, employer, contractor, or other non-governmental entity information or documentation concerning the IER Charge, the Investigation, or this Agreement (except to Respondent’s officers, employees, and counsel with a business need to know) unless required by law.
 6. During the term of this Agreement, Respondent shall provide a copy of the most current version of the Form I-9 Lists of Acceptable Documents (“Lists”) to individuals at the same time and in the same manner as Respondent provides them with the Form I-9 to complete, and shall inform those individuals of their right to choose to present any documentation that is on the Lists or is otherwise acceptable for purposes of employment eligibility verification or reverification.
 7. During the term of this Agreement, Respondent shall ensure that all individuals who are responsible for formulating, providing training on, or implementing Respondent’s hiring, equal employment, and EEV policies (collectively, “Human Resources Personnel”), can readily access:
 - a. the most current version of the USCIS Handbook for Employers (M-274) (“Handbook”), available at www.uscis.gov/I-9Central, and
 - b. the most current version of the USCIS E-Verify Manual (M-775) (“Manual”), available at www.uscis.gov/e-verify/publications/manuals-and-guides/e-verify-user-manual;
- Copies of these documents and future revisions of the Handbook, Manual and guidance can be obtained from the United States Citizenship and Immigration Services at www.uscis.gov.
8. Within fourteen (14) calendar days of 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 places where notices to employees and job applicants are normally posted. Respondent shall post the IER Poster and it will remain posted at least the term of this Agreement.
 9. Within fifteen (15) business days of the Effective Date, Respondent shall pay the amount of \$ \$3783.75 back pay and \$480 interest to the Charging Party in the form of a check via certified mail or reliable courier service. On the day of payment, Respondent shall confirm via email to Angela Miller at Angela.Miller5@usdoj.gov that payment was made. The email confirming payment shall have Respondent’s name and the investigation number, DJ # 197-74-628, in the subject line. IER will provide to Respondent the Charging Party’s address for the payment.

10. Respondent may withhold applicable taxes based on the tax rate of the current calendar year, and shall provide the Charging Party with any applicable income tax reporting form. Respondent is separately responsible for paying any employer-side taxes or Social Security contributions or other payments due under applicable federal or state law based on the back pay award. Respondent shall follow the applicable instructions contained in IRS Publication 957, including timely filing a Special Wage Report Form with the Social Security Administration, to ensure that the back pay is credited to the quarter in which it would have been earned.
11. All communications from Respondent to the Charging Party relating to this Agreement, or the back pay and interest described in Paragraph 9, shall be submitted to IER for prior review and approval. Respondent shall not require the Charging Party to accept or otherwise agree to any additional terms as a condition of receiving the back wages and interest outlined in this Agreement.
12. Within 60 calendar days of the Effective Date, Respondent will review any existing employment, recruitment, and employment eligibility verification policies that relate to compliance with the prohibitions set forth in 8 U.S.C. § 1324b. Respondent will revise or create policies to ensure that they:
 - a. Prohibit requesting more or different documents, specifying documents, or rejecting valid documents, because of an individual's citizenship, immigration status, or national origin in the recruitment, referral, or hiring processes, and during the Form I-9/E-Verify employment eligibility verification and reverification processes;
 - b. Prohibit conducting employment eligibility verification, including requesting information or documents to confirm work authorization, before required to do so under 8 U.S.C. § 1324a, and comply with USCIS Form I-9 rules and policies, as described in the M-274 Handbook for Employers;
 - c. Include citizenship, immigration status, and national origin as prohibited bases of discrimination, and ensure inclusion of these bases in any similar Equal Employment Opportunity statements that Respondent makes available to the public or employees;
 - d. Refer individuals who complain, formally or informally, of discrimination in the referral, hiring, firing or Form I-9/E-Verify employment eligibility verification or reverification processes immediately to IER by directing the affected individual to the IER Poster and IER's worker hotline (800-255-7688) and website, <https://www.justice.gov/ier>, and advise the affected individual of his or her right to file a charge of discrimination with IER; and
 - e. Prohibit any reprisal action against any individual for having opposed any employment practice made unlawful by 8 U.S.C. § 1324b, for filing any charge alleging violation(s) of 8 U.S.C. § 1324b, or participating in any lawful manner in any IER investigation or matter.
13. Within 90 days of the Effective Date, Respondent will ensure that all Human Resources Personnel complete training on their obligation to comply with 8 U.S.C. § 1324b, by viewing a free Employee/HR webinar presentation, either online or via an IER-provided recording. In addition:

- a. All personnel will be paid their normal rate of pay during the training, and the training will occur during their normally scheduled workdays and work hours. Respondent shall bear all costs associated with these training sessions, not including IER's webinar platform or other related expenses;
 - b. Respondent shall compile attendance records listing the individuals who attend the training described in this paragraph, including their full name, title, and the date of the training, and send them via email to Angela.Miller5@usdoj.gov (or any other individual IER designates) within 10 days of the training session(s); and
 - c. For the term of the Agreement, all new Human Resources Personnel who assumed their duties after the initial training described in this paragraph, shall view the training pursuant to this paragraph, within 30 days of hire or promotion. Respondent shall compile and send attendance records for these individuals pursuant to Paragraph 13(b).
14. IER reserves the right to make reasonable inquiries to Respondent to determine Respondent's compliance with this Agreement. As a part of such review, IER may require written reports concerning compliance, inspect Respondent's premises, examine witnesses, and examine and copy Respondent's documents. Any such inquiries shall be directed to Catherine Funkhouser, Counsel, Catherine.Funkhouser@Steptoe-Johnson.com (or any other individual Respondent designates). Respondent shall comply with IER's reasonable requests within 30 days unless IER grants Respondent additional time to comply.
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 without opening an investigation. Respondent will have 30 days from the date of IER's notification to cure the violation to IER's satisfaction before IER deems Respondent to be in violation of this Agreement.
16. This Agreement does not affect the right of any individual to file a charge with IER alleging an unfair immigration-related employment practice, IER's authority to investigate or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Respondent's employment practices.

III. ADDITIONAL TERMS OF SETTLEMENT

17. 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 Investigations. This Agreement is governed by the laws of the United States. This Agreement shall be deemed to have been drafted by the Parties and shall not be construed against any one party in the event of a subsequent dispute concerning the terms of the Agreement. The Parties agree that the paragraphs set forth in Part II of this Agreement and attachments (entitled "Terms of Settlement") are material terms, without waiver of any Party's right to argue that other terms in the Agreement are material.
18. The United States District Court for the Southern 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 this 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.

19. Should any court declare or determine that any provision(s) of this Agreement is/are illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected and said illegal or invalid part(s), term(s), or provision(s) shall be deemed not to be part of this Agreement. The Parties shall not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.
20. The Parties agree that, as of the Effective Date, litigation concerning the violation of 8 U.S.C. § 1324b that is the subject of the Investigation 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.
21. The Parties shall each bear their own costs, attorneys' fees and other expenses incurred in this action.
22. 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 shall be bound by facsimile signatures.

Tecon Services, Inc.

By:

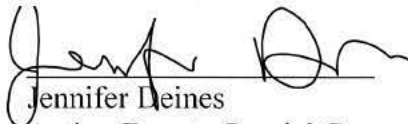


Curtis Ford
President/CEO
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Dated: 6/7/21

Immigrant and Employee Rights Section

By:



Jennifer Deines
Acting Deputy Special Counsel

Dated: June 15, 2021

C. Sebastian Aloit
Special Litigation Counsel

Angela J. Miller
Trial Attorney