

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6372

BILL NUMBER: SB 87

NOTE PREPARED: Jan 28, 2026

BILL AMENDED: Jan 27, 2026

SUBJECT: E-Verify Requirements for Public Works Projects.

FIRST AUTHOR: Sen. Goode

BILL STATUS: As Passed Senate

FIRST SPONSOR: Rep. Karickhoff

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that a public agency may not enter into or renew a contract for a public works project with a contractor unless, among other requirements, the contractor signs a notarized affidavit affirming that the contractor does not knowingly employ an unauthorized alien. It provides that a contractor for a public works project must take certain actions with respect to the immigration status of employees. The bill provides that a contractor may not employ an individual for a public works project if the person has no E-verification number, except under certain circumstances. The bill also provides civil immunity for a contractor that in good faith misidentifies the immigration status of a worker to comply with certain provisions of this bill. It makes conforming changes.

Effective Date: July 1, 2026.

Explanation of State Expenditures: This bill requires contracts for all public works projects entered into or renewed after June 30, 2026, to include certain provisions regarding utilization of the E-Verify program, a federal system that allows employers to verify the lawful immigration status of an employee. These requirements may require state entities that contract for public works to amend standard contract language. These requirements are within the routine administrative functions of such agencies, and all requirements of this bill are expected to be met within existing resources.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Expenditures*.

State Agencies Affected: State agencies that contract for public works projects.

Local Agencies Affected: Local units that contract for public works projects.

Information Sources:

Fiscal Analyst: Camille Tesch, 317-232-5293.