

**U.S. HISPANIC CHAMBER OF COMMERCE
TESTIMONY – CHAIRMAN DAVID LIZARRAGA
HOUSE JUDICIARY SUBCOMMITTEE ON IMMIGRATION
WORKING DRAFT - AUGUST 30, 2007**

Chairwoman Lofgren, Ranking Member King, members of the subcommittee, fellow panelists and staff,

As Chairman of the U.S Hispanic Chamber of Commerce, I am very appreciative of having this opportunity to testify before the subcommittee.

I am the son of immigrants from Mexico. I have been blessed with my immigrant family's virtue of hard work and dedication to achieve the American Dream. I owe my success as a businessman and my commitment to the economic development of my community to these same virtues. I dare say that most of those in this room owe much of their success to their immigrant roots and are immensely proud of their immigrant heritage. It is the strength of these immigrant roots that has made America a great nation.

That is why I am deeply troubled that demonizing immigrants and closing our hearts and borders to them jeopardizes our own future. Therefore, please accept the support of the United States Hispanic Chamber of Commerce for comprehensive immigration reform, and for the STRIVE Act as a vehicle that accomplishes this goal.

The STRIVE Act provides for increased border security and interior enforcement, revamping the employment verification system, a new worker program, a legalization program for undocumented workers, and reforming the current manner in which green cards are provided for both the family and employment-based categories so as to eliminate lengthy processing delays.

Madam Chair, I would like to respectfully offer a few observations and recommendations on the STRIVE Act. We commend that the third title of the bill, which focuses on employment verification, is a vast improvement over current regulations, especially the ones currently being proposed through rulemaking. One of the highlights of Title III is how it rolls out the Electronic Employee Verification System over a period of 6 years based on the size of the employer – one year for critical employers; large employers at 2 years; mid-size employers at 3 years; and small employers at 4 years. This is a fair approach given the difficulty that small businesses have in adjusting to new and complicated regulations.

Moreover, this legislation recognizes the economic reality of shortages in labor and that we must establish an immigrant worker program. We are further encouraged that the program is structured in such a way that some immigrant workers can earn permanent residency in the United States.

In addition, we recommend that the Subcommittee take into account that not all employers in a high unemployment area require the same type of workers. It is our

position that the legislation should take into account the variances in education and skills required of certain jobs. We believe it is appropriate to allow for a waiver process for jobs deemed to be in shortage for a particular metropolitan statistical area. Therefore, on behalf of our membership, we ask you not to punish businesses that require workers with special skills or education in sectors where shortages exist.

The employer community is fully committed to comprehensive reform, and even more so due to the Administration's imposition of a proposed enforcement initiative that may displace as many as 1.4 million workers in the coming months. We also support the lawsuit filed by the AFL-CIO, which seeks to freeze this enforcement initiative. This lawsuit references a letter signed by the USHCC and other employer associations expressing strong reservations about these proposed regulations. It is not everyday that labor unions and businesses join together to fight bad policy, which arose in the vacuum left by Congress' inability to reform our broken immigration laws.

The failure to pass comprehensive reform has also spurred a flood of state and local conflicting, fragmented and often intolerant state and local ordinances on immigration. Comprehensive immigration reform is needed now if we are to put an end to the more than 1,400 state and local laws – most being hostile to immigrants – that have been introduced or passed in the last two years. This legal patchwork is creating havoc for residents, businesses and immigrants across the nation.

For example, the recently passed amendment to the Illinois Human Rights Act will require businesses in Illinois to defy the proposed federal requirement to use the Basic Pilot verification system. In other cases, like Arizona's Fair and Legal Employment Act, businesses that are cited more than once for employing an undocumented immigrant are permanently barred from receiving a business license in the state. This Arizona law threatens entire business chains with penalties if a single location is cited and applies to hospitals and power plants.

Thankfully the Lozano vs. Hazelton decision, wherein the court stopped local anti-immigrant ordinances in a Pennsylvania town, makes for good precedent to stop similar local laws. But, the legal costs of fighting each of these local ordinances constitute an enormous economic burden on employers.

The USHCC believes that the weight of the economic and demographic evidence provides overwhelming support for comprehensive reform.

Immigrants — legal and illegal — fill a vital role in the American economy comprising 14 percent of our workers.

Immigrants hold 70 percent of agriculture jobs in the United States, 33 percent in building and grounds maintenance, 22 percent in food preparation and 22 percent in construction. The agriculture industry alone would suffer \$12 billion in losses without immigrant labor, and as much as one-third of the production would shift to other countries.

Global economic integration is a fact of life. Labor jobs go where labor is available, and that is why we need to allow a steady and regulated stream of immigrant labor into our country. The choice is between the further off-shoring of American industries and jobs or maintaining a productive and legal immigrant workforce that can fill the gaps in our labor supply.

Immigrants fulfill a critical part of the U.S. labor force by performing jobs that Americans simply don't want to take or perform. The CATO institute came to this same conclusion when it found that immigrant workers fill segments in the U.S. job market where Americans are either over or under qualified.

Furthermore, there are also very compelling demographic arguments for immigration reform. The current concern with the solvency of Social Security is based on a demographic problem – a high ratio of retirees to contributors. As such, we must assume that driving millions of workers out of the country or into the underground economy accelerates this insolvency to the tune of \$500 billion by 2022 and takes billions more out of the national treasury that would have otherwise been collected in taxes.

As someone that works with both businesses and the Hispanic community, I also call on Congress to pass comprehensive immigration reform for the sake of the countless families that are being ripped apart with every workplace raid, with every misdemeanor that is reclassified as an aggravated felony, and with the erosion of judicial review. I also urge reform for the sake of legal immigrant families that are being forced to pay steeper immigration fees, and will be soon be forced to navigate the bureaucratic maze of our government to renew all greencards in 120 days.

It is unfortunate that we have once again as a nation fallen into an unreasoned nativist response to addressing the status of immigrants. As you may be aware, as far back as the birth of our nation, Benjamin Franklin himself spoke against allowing German immigrants into the United States and how their lack of education, sanitation and assimilation would doom our nation.

The language and arguments that were used in the past have changed very little, and it is our hope that we, as a nation, can rise above the rhetoric to see the facts and weigh the national interest. Comprehensive immigration reform is necessary for our economy, our communities and our future prosperity.

Madam Chair, Ranking Member King, and members of the subcommittee, every person in this room owes their origin to our immigrant forefathers, many who weathered seemingly impossible odds in a strange land, and came to the U.S. to achieve the American Dream.

This is not the time to close the door to others that dare to pursue the American Dream, and we must lend a hand to the immigrant families that are here contributing to this nation's strength and economy.

We urge this subcommittee to remain steadfast in passing comprehensive immigration reform.

Thank you once again for allowing me to serve as a witness today.