

Testimony before House Federal and State Affairs Committee
House Bill 2712 House- Kansas Business, Workers, and Community
Partnership Act
Presented by Eric Stafford, Senior Director of Government Affairs



Monday, February 13, 2012

Mister Chairman and members of the committee:

On behalf of the Kansas Business Coalition for Immigration Reform and the organizations listed at the end of my testimony, we appreciate the opportunity to speak in support of House Bill 2712, the Kansas Business, Workers, and Community Partnership Act which offers Kansans a positive alternative to the law enforcement-style legislation which has wreaked havoc on communities in Arizona, Georgia and Alabama.

Going back to the 1800's when Europeans came to America in the largest mass migration in the history of the world, 15 year old Annie Moore and her two brothers were the first immigrants to be processed through the Federal Ellis Island, NY Immigration Facility on January 2, 1892. Over the next 62 years, over 12 million immigrants were processed through Ellis Island alone. According to the Ellis Island website, during those times, "as long as an immigrant's papers were in order and they were in reasonably good health, the Ellis Island inspection process would last approximately three to five hours." In today's information age, it only takes around 10 years.

Our country's immigration policy is broken. It has long been ignored by Congress and over the past four years, states have unfortunately started taking the issue into their own hands. This new patchwork of immigration policy leads to concerns over multi-state compliance. For example, a business located in Olathe, KS could be in compliance for Kansas laws, but out of compliance when conducting business in Missouri. Probably the most unattractive patches on the quilt are the "law enforcement" style bills which passed first in Arizona, then last year in Georgia and Alabama followed suit with Indiana and South Carolina passing "weaker" versions.

As one organization put it, these states are now the victims of their own success. They face costs of defending these laws and won't stop until they get to the United States Supreme Court. The costs only begin to add up during litigation.

We have brought HB 2712 forward as a pro-Kansas, pro-business, pro-growth alternative option for the legislature to consider. It is an alternative to the harmful, anti-economic, anti-immigrant, anti-business proposals currently wreaking havoc in other states.



The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.

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House Fed & State Affairs

Date: 2-13-12

Attachment 2

Part of the Governor's Roadmap for Kansas includes the desire to grow the Kansas economy. This includes increasing private sector employment in Kansas. In many industries, one of the most limiting factors involved in expansion of business in the state is the lack of an adequate labor force. If you look at the county by county unemployment rates in December 2011 compared to the 2010 census data regarding counties with the highest percentage of Hispanics, you will see that the counties with higher percentages of Hispanics also have low unemployment rates. In fact, most of the counties would be consider underemployed. At the least, they are at full employment. Therefore, the argument that undocumented workers are taking jobs from unemployed Americans appears to be nothing more than a red herring argument.

Another common argument regarding the immigration issue is that industries that hire Hispanic labor should simply pay a higher wage. These attacks are generally pointed toward the agricultural sector. Therefore, as an example, let's analyze the entry level wages for employees within the agriculture sector. The starting annual salary for most meatpacking, dairy, and feedlot facilities is between the \$25,000 and \$30,000 range. For purposes of this exercise, we will use \$25,000 for the entry level wage in these industries. In a rough analysis of the 2011 Kansas Wage Survey, a \$25,000 entry level wage is higher than 45% of the entry level wages for all jobs categorized in the survey. Once again, this appears to be a red herring argument at best.

HB 2712 works within the confines of the federal immigration matrix through a program developed by the Kansas Secretary of Labor. This work authorization program is limited in scope and is only available to noncriminal unauthorized aliens who are not a priority for deportation by the federal government. Later conferees will speak about our proposal in depth.

As I mentioned before, our immigration system is broken. None of the alternative options, whether it be mandatory E-Verify for businesses, strict harboring laws, or proof of citizenship/law enforcement laws fix the problem of having 11 million undocumented workers in our country. It is important to note, of those 11 million individuals, it is estimated that 3-4 million came to this country legally through work visas which have since expired due to slow response from the Federal Government.

Results of a survey from 10,000 Harvard Business School alumni were asked to make one suggestion to the government to improve the country. At the top of the list were a simplified tax code and reformed immigration policies to make it easier to import talent (*Glass Half Empty, The Economist, January 21, 2012 print edition*).

In an article titled "The Age of Mediocrity" Charles Payne writes about how the United States is not only falling behind in the Science, Technology, Engineering and Math (STEM) fields, but US students are "being left in the dust." In 1994, there were 6.2 US-born workers in these fields for every foreign-born worker. In 2006, those numbers were 3.1 to 1.0 US-born to foreign. Google, a company most of you are familiar with, spends \$4.5 million in visa compliance and administration for engineers. The proposed "fix:" a group of Silicon Valley entrepreneurs are considering a floating "startup incubator" placed 12 miles off of the San Francisco in international waters to "...sidestep immigration laws, but close enough to cultivate business relationships with Silicon Valley insiders."

No matter what any presidential candidate says on the stump, deportation is not a realistic option for our economy. A 2010 estimate put the price of mass deportation at \$285 billion over five years. This represents over \$900 in new federal taxes for every U.S. man woman and child. The Cato Institute puts the price tag at \$80 billion, but that's just deporting 30% of the workers.

We all agree that Washington has failed to take the necessary steps to reform and streamline our nation's immigration policy. We still believe immigration policy is best left to the federal government and that's why we support House Bill 2712. It provides Kansas the chance to work within the existing federal framework of this country's immigration policies to address needs of Kansas businesses in industries in need of workers throughout our state and in a number of varying industries.

In summary, we now know the costs of a "detain and deport" strategy are too significant to ignore. Instead of heading down this path, we strongly believe a proactive solution which offers the chance to gain work authorization status is the best approach for Kansas and its residents.

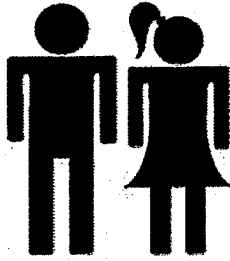
Thank you for allowing me to speak to you today in support of House Bill 2712. I would be happy to answer any questions.

**Corporate Immigration Compliance
Institute
Greater Topeka Chamber of Commerce
Kansas Agribusiness Retailers
Association
Kansas Building Industry Association
Kansas Chamber of Commerce
Kansas Contractors Association
Kansas Cooperative Council
Kansas Corn Growers Association
Kansas Dairy Association
Kansas Economic Progress Council
Kansas Farm Bureau
Kansas Grain and Feed Association**

**Kansas Livestock Association
Kansas Manufactured Housing
Association
Kansas Pork Association
Kansas Restaurant and Hospitality
Association
Kansas Society for Human Resource
Management
Kansans for Sensible Immigration
Policy
Manhattan Area Chamber of
Commerce
Mid-America Green Industry Council
Wichita Independent Business
Association**

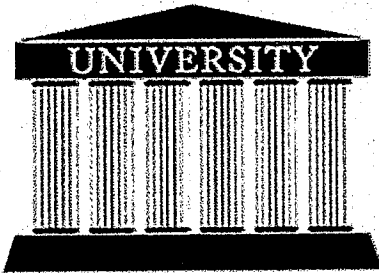
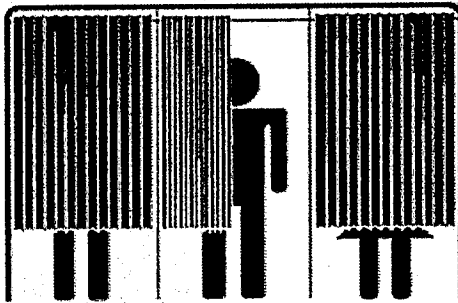
Kansas Business Coalition For Immigration Reform

NEW AMERICANS IN KANSAS

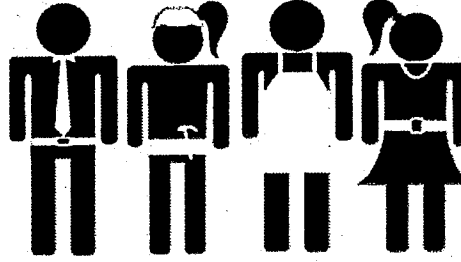


6.5% of Kansans are foreign born.
13% of Kansans are Latino or Asian.

32.5% of immigrants in the state are eligible to vote.
3.7% of registered voters are New Americans.



Kansas has 8,922 foreign students who contribute **\$186 million** to the state economy.
27.1% of foreign-born adults have a bachelor's degree or higher.

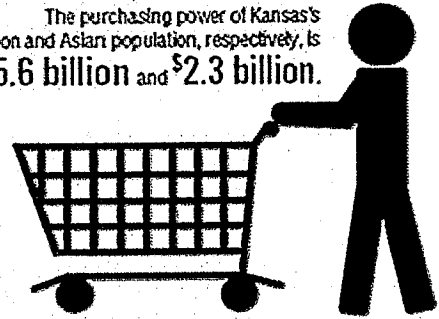


Immigrants are **8.3%** of the state's workforce. **3.3%** of the workforce is unauthorized.

Asian-owned businesses in Kansas have sales and receipts of **\$1.4 billion**.

Latino-owned businesses in Kansas have sales and receipts of **\$1.3 billion**.

The purchasing power of Kansas's Latino population and Asian population, respectively, is **\$5.6 billion** and **\$2.3 billion**.



87.9% of Kansas's children with immigrant parents are U.S. citizens.
83.4% of children with immigrant parents are English proficient.

DID YOU KNOW? Kansas would lose **\$1.8 billion** in economic activity if all unauthorized immigrants were removed.

www.immigrationpolicy.org