

**Testimony before Senate Commerce Committee  
Business Community Briefing on Immigration Policy  
Presented by Eric Stafford, Senior Director of Government Affairs**



**Monday, March 11, 2013**

Madam Chair 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 to the committee today on immigration policy. Today I would like to focus on the harmful economic impact of immigration policies passed in other states.

First, we believe immigration policy should be set at the national level as opposed to a patchwork of laws set on a state-by-state basis. In recent weeks, a group of eight bipartisan Senators in Washington, D.C., have laid out a comprehensive immigration reform plan which focuses on border security, modernizes and streamlines the current immigration system, and addresses those currently in the country.

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. We assure you if Kansas takes similar steps as Arizona, Alabama, Georgia and others, we will see significant economic damage to our state.

A report released by the Center for Business and Economic Research from the University of Alabama's College of Commerce and Business Administration analyzing HB 56 states "Instead of boosting state economic growth, the law is certain to be a drag on economic development even without considering costs associated with its implementation and enforcement."

Estimates show that 80,000 of the 120,000 legal and illegal immigrants have fled the state. The construction, agricultural and landscape/horticulture industries have been outspoken in the lack of available workers in the state. The state's unemployment rate today hovers around 7%. Proponents of this measure argued illegal immigrants were taking jobs away from citizens. Assuming estimates are correct that 80,000-120,000 legal and illegal immigrants fled the state, we should be seeing a significant decline in the unemployment rate. We maintain that the argument of "taking jobs from Americans" is unfounded. We would argue immigrants are filling jobs Americans do not want. Immigrants move here for opportunity and to improve their lives. Their hard work in America will provide more opportunities for their children than in their native countries. Their aspiration and desire for opportunity should not be punished. It should be embraced. The system is broken and makes it near impossible for immigrants to legally enter the workforce.



*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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Alabama estimated their total economic loss to the state to be around \$2.5 billion. Georgia, another state which passed harmful, anti-immigrant legislation, suffered significant economic harm as well. In 2011 alone, 50% of produce never made it to market and the total economic loss approached \$1 billion. It is also important to mention the financial impact of the Arizona/Alabama-style legislation on local governments by dumping the enforcement burden on local law enforcement agencies.

Alabama hasn't only faced economic damage. They have also suffered a hit to their reputation. Alabama has taken aggressive steps to attract foreign businesses to the state. As a right-to-work state, Alabama has successfully recruited several foreign car manufacturers to their state to open assembly plants. Last fall, Alabama was back in the news after a German Executive Vice President for Mercedes-Benz was arrested and jailed after not carrying a driver's license while driving a rental car. He was imprisoned until his co-workers could get his passport and other documents proving he was authorized to be in the country. Twelve days later, a Japanese man with Honda suffered the same fate. Although he had his passport on him, he could not present an Alabama or country-of-origin license as required by law.

Two years ago, after the passage of Georgia's immigration bill, the agricultural industry immediately felt the effects of HB 87. After the Governor began hearing of complaints from businesses of the law's adverse impact, he asked Agriculture Commissioner Gary Black to investigate.

- He conducted a survey and found there to be a shortage of 11,080 workers.
- The Georgia Agribusiness Council estimated the monetary loss of unharvested crops to be around \$300 million with total economic loss approaching \$1 billion for 2011.

In addition to summoning Commissioner Black to survey the industry on the economic loss, Governor Deal also came up with a grand plan to use prison parolees to fill the vacancies left after he signed HB 87 into law. Some parolees quit after only hours on the job and all had quit by the end of the week.

A 2011 survey conducted by Deloitte and the National Association of Manufacturers' Manufacturing Institute found that even with unemployment hovering close to 9 percent, US manufacturing companies could not fill 600,000 open positions for skilled workers. More than half the executives who participated in the survey expected the shortage to grow over the next three to five years.

According to the UN Food and Agriculture Organization, the global agriculture industry must double food production by 2050 if it is to meet projected global demand, and this in turn will mean a growing demand for agricultural labor. Currently, 75 percent of hired agricultural workers in the United States are foreign born, and according to the USDA Economic Research Service, over the long haul a decrease in available immigrant labor could reduce US agricultural output and exports even as the demand for food is growing.

America's immigration system is failing its businesses. 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. Not only are we failing to educate our children in the highest demand fields, but we are making it nearly impossible to import the world's best talent.



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America grew strong on the hope and vision of opportunity for everyone, by embracing the largest mass migration in the history of the world. Policies like those passed in Alabama are not free market. They limit competition. They limit labor, which in itself is and should remain a free market.

Government should only intervene when employers cannot find a sufficient number of workers for their industry. Government should be able to adapt and rapidly respond to the needs of industry, and work to import talent to fill vacancies when labor resources are not available. Canada for example, rewards immigrants by moving them to the top of the line if they have high demand skill sets needed by employers.

I'll close with a statement from Grover Norquist who spoke at a breakfast some of you attended the first week of the legislative session. He said "you can erase a lot of good policies by passing a bad one. If you have a great tax climate, but a poor immigration policy, you can do great damage to your state."

Thank you for the opportunity to speak to you today on the economic impact of harmful immigration policy. I would be happy to answer any questions.

**Corporate Immigration Compliance Institute**  
**Greater Kansas City Chamber of Commerce**  
**Greater Topeka Chamber of Commerce**  
**Kansas Economic Progress Council**  
**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 Development Alliance**  
**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**  
**Overland Park Chamber of Commerce**  
**Travel Industry Association of Kansas**  
**Unified Government of Wyandotte County / Kansas City**  
**Wichita Independent Business Association**

