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# COSTLY IN EVERY WAY: STATES THAT HAVE IMPLEMENTED HARSH ANTI-IMMIGRANT LAWS FACE GRAVE ECONOMIC RISKS

States across the country, frustrated by Congress' failure to pass comprehensive immigration reform, have taken immigration into their own hands. Some have turned to ill-conceived immigration "enforcement only" approaches . These raise serious questions, from Constitutional to practical. States should reject them. More importantly, enforcement-only strategies do nothing to bring the some 8 million undocumented immigrants working in our country out of the shadows. Instead, they should adopt proposals that would protect all workers against the actions of unscrupulous employers.

States that have passed anti-immigrant bills are seeing immigrant families abandon their state and their economy. Labor commissioners and economists have expressed concern about the damage that such exodus might cause to states' economies, because studies show that immigrants represent a sum contribution to states' economies. All in all, legislation in this area subjects states and cities to grave economic risks, as shown in the press stories and studies that have been published in those states.

## Costly to Implement

In 2006, the State of Colorado passed a series of bills that its legislature touted as the toughest anti-illegal immigration legislation in the nation. The new laws were meant to deny public services to undocumented immigrants unless required under federal law, create a new penalty for use of fraudulent documents, enroll all state departments in the federal Basic Pilot program, and require state police to enforce immigration laws. A year later, eighteen state departments have reported they have spent a total of \$2.03 million on implementation of the new laws. The number of undocumented immigrants that they have identified? — None.

-----Mark P. Couch, *Colo. Immigration Laws Falls Short of Goals, State Agencies,\$2 million cost and no savings*, DENVER POST, January 25, 2007,

http://www.politicaldaily.org/link.asp?ID=159744&Title=Immigration%20law%20pricey%20for%20state

On October 2, 2007, in Prince William County, the county supervisors were unwilling to move forward with the police enforcement portion of the immigration law after they found that the price tag would be a minimum of \$14 million for five years. "Immigration isn't the only issue in this county," said the board's vice chairman. Martin E. Nohe (R-Coles). "Paying for all this is going to be difficult."

-----Nick Miroff, *Citing Cost, Prince William Delays Immigrant Measures,* Washington Post, October 3, 2007.

www.washingtonpost.com/wp-dyn/content/article/2007/10/02/AR2007100202446.html -

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# Costly to Litigate

At least one federal judge has questioned these assumptions as well, and entered an order prohibiting the City of Hazelton, Pennsylvania, from enforcing its anti-immigrant ordinance. In that case, the judge questioned a vague assertion that immigrants contribute to crime, countered by specific statistics showing a drop in crime rate in recent years. *Lozano v. City of Hazelton*, No. 3:06 CV 1586 (M.D. Pa, 2006). In a July 2007 opinion, Judge James Munley said that laws denying business licenses to employers who have hired undocumented workers were pre-empted by federal employer sanctions laws, since denying a business license is the "ultimate" employer sanction. At least three other local ordinances have been enjoined. See, Stewart v. Cherokee Country, GA, No. 07 CV 0015 (N.D. GA, January 4, 2007); Garrett v. City of Escondido, No 06 CV 2434 JAH (S.D. CA December 15, 2006); Vasquez v. City of Farmer's Branch, No. 3-deCV2376-R, (N.D. TX January 11, 2007). Two courts have reached contrary results, in *Gray v City of Valley Park*, EDMo, No 4:07-cv-00881-ERW, (January 31, 2008) and Valle del Sol v. Goddard, 2:2007cv02518 (Arizona District Court, February 14, 2008). The Arizona case has been appealed to the Ninth Circuit Court of Appeals.

A coalition that includes the U.S.,OKLAHOMA and Oklahoma City chambers of commerce filed a lawsuit in federal court on February 1 seeking to overturn the Sooner State law. In a prepared statement, the Oklahoma City Chamber said the law both imposes "unreasonable burdens" on Sooner State employers and circumvents the federal government's responsibility for managing immigration. "Piecemeal efforts to regulate the employment of unauthorized workers are unconstitutional and preempted by federal law," said Robin Conrad, executive vice president of the National Chamber Litigation Center which represents the U.S. Chamber in the case. SNCJ Spotlight.

In Hazleton, Pennsylvania the city s insurance carrier is asking a federal judge to rule that it is not responsible for nearly \$2.4 million in attorney fees being sought by the plaintiffs who successfully challenged the city s Illegal Immigration Relief Act.

----- *Hazleton Insurer Says It s Not Liable for Legal Fees.* TIMESLEADER.COM, September 19, 2007, <a href="http://www.timesleader.com/news/20070919">http://www.timesleader.com/news/20070919</a> 19hazleton tmb ART.html

In Riverside, New Jersey, the town of 8,000 had already spent \$82,000 in legal fees defending its ordinance, when the ordinance was rescinded in September, 2007.

----Ken Belson and Jill P. Capuzzo, Towns Rethink Laws against Illegal Immigrants, New York TIMES, September 26, 2007,

http://www.nytimes.com/2007/09/26/nyregion/26riverside.html?\_r=2&pagewanted=all&oref=slogin&oref=slogin



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### Costly to State Economies

"You really have to work hard at it to destroy our state's economy, but we found a way," said state Sen. Harry Coates, the only Republican member of the state Legislature to vote against the immigration law. "We ran off the work force."

-----Howard Witt, *Oklahoma asking, where have the immigrants gone?*, SEATTLE TIMES, February 14, 2008, http://seattletimes.nwsource.com/html/nationworld/2004181429\_immigokla14.html?syndication=rss.

The town of Riverside, New Jersey passed a restrictive immigration ordinance in 2006. A lawsuit was filed and the ordinance was never implemented; yet there were many longtime residents who left the town because they no longer felt welcome. The once vibrant downtown was empty as businesses closed and the town lost revenue. On August 2007, Riverside Township Committee voted to rescind the ordinance.

-----Riverside To Repeal Immigrant Laws, *The Philadelphia Inquirer*, August 23, 2007, <a href="https://www.philly.com/inquirer/local/20070823">www.philly.com/inquirer/local/20070823</a> N J town to repeal its immigrant laws.html

The Greater Oklahoma City Hispanic Chamber of Commerce estimates that as much as 20 percent of the city's construction workforce — 15,000 to 25,000 workers — has left the state

-----Emily Bazar, Immigrants Flee, Employers Fear Oklahoma Law, USA Today, January 21, 2008, <a href="https://www.usatoday.com/news/nation/2008-01-09-immigcover">www.usatoday.com/news/nation/2008-01-09-immigcover</a> N.htm - 63k

A study released by the center in July 2007 by the University of Arizona's Udall Center for Studies in Public Policy concluded that economic output would drop annually by at least \$29 billion, or 8.2 percent, if all non-citizens, which include undocumented workers, were removed from Arizona's workforce. About 14 percent of the state's 2.6 million workers are foreign-born, and about two-thirds to three-fourths of non-citizens are undocumented, she said.

-----Daniel González, *Migrants Fleeing Arizona as Hiring Law Nears, Immigration hard-liners cheer, but economic fallout begins*, ARIZONA REPUBLIC August 26, 2007,

http://www.hispanic.cc/migrants fleeing arizona as hiring law nears.htm

Businesses are pushing back against the law, even as they scramble to comply with it. "It's crystalclear that the employer sanctions law will harm the state economy," says Glenn Hamer, president of the Arizona Chamber of Commerce and Industry. "It's simply a question of degree."

-----Miriam Jordan, *Arizona Squeeze On Immigration Angers Business*, THE WALL STREET JOURNAL, December 14, 2007, <a href="http://www.azchamber.com/pdfs/12.14.07">http://www.azchamber.com/pdfs/12.14.07</a> WSJ.pdf

Ann Seiden, a spokeswoman for the Arizona Chamber of Commerce and Industry, said some businesses are reconsidering whether they want to expand in Arizona. "I think there's no question Utah will see an in-migration of residents from Arizona," Seiden said. "Arizona is a state that has historically been built on growth." Arizona's

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employer law offers lessons for Utah, she said. Seiden said the state must make safeguards so businesses are not prosecuted if they unwittingly hire an undocumented immigrant. "Overall, the law just makes Arizona an uncertain place to do business," Seiden said.

----Nate Carlisle, *Arizona crackdown could add to Utah's illegal immigration woes,* The Salt Lake Tribune, February 18, 2008, <a href="http://origin.sltrib.com/ci-8293867">http://origin.sltrib.com/ci-8293867</a>

Employer-sanction measures are "just a very bad idea," says Kent Yeager, public policy director for the INDIANA Farm Bureau.

-----Rich Ehisen, Will immigration crackdown have business backlash? SNCJ Spotlight February 11, 2008, <a href="https://www.statenet.com/capitol\_journal/02-11-2008/pdf">www.statenet.com/capitol\_journal/02-11-2008/pdf</a>

#### The Human Cost

Edgar Castorena had diarrhea for 10 days and counting, and the illegal immigrant parents of the 2-month-old didn't know what to do about it.

They were afraid they would be deported under a new Oklahoma law if they took him to a major hospital. By the time they took him to a clinic, it was too late.

A ruptured intestine that might have been treatable instead killed the U.S.-born infant.

----Justin Juozapavicius, *Oklahoma. Immigration Law Blamed for Death*, ASSOCIATED PRESS, January 25, 2008, <a href="http://www.businessweek.com/ap/financialnews/D8UD3AJG1.htm">http://www.businessweek.com/ap/financialnews/D8UD3AJG1.htm</a>.

In Roswell, New Mexico, a police officer was removed from a high school campus after he turned a pregnant high school student over to immigration authorities.

----Associated Press, *Roswell officer removed from school after calling immigration on student*, December 13, 2007.

Real problem, real solution. The real problem for state treasuries, immigrant and non-immigrant workers are employers who pay workers "off the books," fail to provide workers' compensation or pay their fare share of payroll taxes, fail to offer workers a lawful wage and a safe place to work, and weak labor and employment enforcement regimes in many states. The solution is real labor standards, coupled with vigorous enforcement of those rules – a new kind of "employer sanction" against low-road employers who abuse all workers. NELP's paper on models for enforcement, called "From Anti-Immigrant to Pro-Worker," <a href="http://www.nelp.org/docUploads/FromAnti-ImmigranttoPro-workerFinal.pdf">http://www.nelp.org/docUploads/FromAnti-ImmigranttoPro-workerFinal.pdf</a>, offers some alternatives.