

REUTERS

U.S. firms push back against immigration sanctions

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By Tim Gaynor

PHOENIX (Reuters) - Arizona steel fabricator Sheridan Bailey was frustrated by a state law that punished employers who hire illegal immigrants so he joined local employers and business owners to change it.

After behind-the-scenes lobbying from employers, the Arizona law was amended by Gov. Janet Napolitano in May to provide clarification and relief for businesses facing new restrictions and penalties.

"We want a balanced and reasonable approach to immigration reform," said Bailey, the president of Ironco Enterprises. "We don't want knee-jerk reactions to complex issues ... that affect the health of our economy."

Immigration has turned many business into activists across the country and it has stirred strong passions in the United States in this election year.

In the first half of 2008, legislatures in 39 states passed at least 175 immigration related laws, many seeking to clamp down on 12 million illegal immigrants living and working in the shadows.

Bailey is among employers and trade associations in more than 20 states from Oregon to Florida who have been banding together in business coalitions to push back.

The businesses, from construction firms to fast-food outlets, seek either to block or soften the effects of some of the more strident state legislation, such as the Arizona sanctions law that went in to effect January 1.

They argue the measures create a confusing patchwork of codes that can be onerous for employers to comply with, are off-putting to potential investors, and fail to meet local firms' need for workers.

"Businesses are realizing that they are in an ideal position to explain the need for immigrant workers and push back against policies that could damage the economy," said Tamar Jacoby, the CEO of ImmigrationWorksUSA, a national employer's coalition incorporated earlier this year.

"They want the workers that they need delivered in a legal way and they want to be on the right side of the law," she said.

COORDINATED RESPONSE

Both presumptive presidential candidates -- Democratic Sen. Barack Obama of Illinois and Republican Sen. John McCain of Arizona -- supported a comprehensive immigration overhaul in the U.S. Senate last year that was rejected by lawmakers.

The fight-back by businesses was triggered by federal government inaction and by a deepening crackdown by federal police who have nabbed hundreds of illegal workers across the United States in work site raids in recent months -- and they claim several successes.

In Arizona, the sanctions law requiring firms to check employees' immigration status using E-Verify, an online federal database, was amended May 1 to cover new hires put on the payroll after the law came into effect on Jan 1.

Rules seeking the revocation of business licenses for firms caught a second time hiring illegal immigrants were restricted to the individual location where the employee worked, limiting liability for large firms with many worksites.

In Indiana and Kentucky, meanwhile, immigration bills were defeated following debates in which business groups cautioned they could damage the local economy.

A coalition of business groups in Virginia blocked legislation that would have required all employers to confirm workers' immigration status using E-Verify.

While the battles in state legislatures continue this year business leaders hope their activism will put them in a stronger position to lobby for immigration reform, regardless of whomever wins the November 4 general election.

"When you create a coalition of like-minded groups it helps to amplify the message that reform is needed," said Hobe Bauhan of the Virginia Poultry Federation, and a prominent member of the Virginia Employers for Sensible Immigration Policy coalition.

"Hopefully it will give us a stronger voice to support immigration reform at the federal level," he said.

(Editing by Bill Trott)

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