

# AZ business groups back federal lawsuit against 1070

*Contact: Todd Landfried, Arizona Employer for Immigration Reform, [602-617-0897](tel:602-617-0897); or James E. Garcia, Arizona Hispanic Chamber of Commerce, [623-252-2772](tel:623-252-2772)*

Phoenix (March 26, 2012) Three Arizona business associations will host a press conference today, March 26, at noon on the Senate lawn of the Arizona State Capitol to explain their support for the federal government's pending Supreme Court case challenging SB 1070.

Representatives of the organizations and a Tucson-based company will announce why they've signed on to an amicus brief to be filed today on behalf of Arizona Employers for Immigration Reform, Arizona Hispanic Chamber of Commerce, American Subcontractors Association of Arizona, and Hill & Usher, L.L.C., a Tucson-based insurance firm, in support of the U.S. Department of Justice lawsuit filed against the State of Arizona and its passage of Senate Bill 1070. The brief is one of many being filed this week by organizations nationwide in support of the DOJ's lawsuit against SB 1070.

"We oppose Arizona's attempt to unleash SB1070 because it does further damage to Arizona's business climate and reputation, while doing nothing to help fill the real needs for semi-skilled workers with qualified migrant labor," said Sheridan Bailey, president of Ironco, a steel fabrication company and president of Arizona Employers for Immigration Reform. "Arizona should be focused on building up economic resources, not tearing them down with dishonest rhetoric and harmful legislation."

"The passage of SB 1070 has cost Arizona hundreds of millions if not billions of dollars in lost economic activity, as a result of cancelled conventions, companies unwilling to locate here and lost tourism, and at the worst possible period in our economy," said James Garcia, spokesman for the Arizona Hispanic Chamber of Commerce. "It is the federal government's responsibility to regulate immigration, not a state responsibility, and this law is an unconstitutional attempt to usurp that authority."

"Senate Bill 1070 also is bad law because of the horrendous impact it is having on immigrant families and the communities where they live, especially in Arizona's Latino communities," Garcia added. "Immigration is not the problem. The problem lies in our nation's unwillingness to properly and humanely regulate who and under what conditions we legally allow people to enter the United States. Federal immigration reform is not only overdue, but unless we fix the system we stand to undercut the nation's economy in ways that may potentially cripple our country's ability to prosper long into the future."

Copies of the brief are available online at [www.azeir.org](http://www.azeir.org).

###

## **SUMMARY OF ARGUMENT (From the Amicus Curiae)**

The principal parties direct their briefs to the issue of federal preemption, that is, whether Arizona's immigration law, S.B. 1070, conflicts with Congress's plenary authority to regulate immigration or with the Immigration and Nationalization Act. But preemption focuses the analysis on the scope of federal and state power while ignoring an equally important issue—namely, S.B. 1070's negative impact on interstate commerce. S.B. 1070 affects other states and the national economy as a whole. The law violates the Dormant Commerce Clause.

A state law violates the Dormant Commerce Clause when (1) it discriminates against out of state interests, or (2) it burdens interstate commerce such that the burden outweighs the law's putative benefits. As an initial matter, S.B. 1070 is discriminatory. It encourages immigrants to move to other states, thereby externalizing the supposed costs of unauthorized immigration to these states. Additionally, S.B. 1070 burdens commerce. It raises the price of produce by driving away migrant agricultural workers. It imposes costs on out of state businesses with operations in Arizona. And, by discouraging immigration, S.B. 1070 depletes the national tax base and labor pool.

What is more, the supposed benefits of S.B. 1070 are illusory and do not outweigh its burdens. Arizona claims it enacted S.B. 1070 to address the severe fiscal and economic effects of unauthorized immigrants—specifically, the rising costs of incarceration, education, and health care. But Arizona's contentions lack empirical support. To the contrary, unauthorized immigrants provide a net benefit to state economies.

In short, S.B. 1070 violates the Dormant Commerce Clause, discriminates against other states, and it burdens interstate commerce without any real local benefit. Unfortunately, several states—Alabama, Georgia, Indiana, South Carolina, and Utah—have enacted laws similar to S.B. 1070. Therefore, it is necessary for this court to strike S.B. 1070; otherwise the burden it imposes on commerce will metastasize.

## **Background on organizations filing the amicus brief:**

**Arizona Employers for Immigration Reform (“AZEIR”)** is a grass roots organization comprised of 350 small, medium, and large businesses dedicated to sensible federal immigration reform. In furtherance of this goal, AZEIR seeks to inform the public and elected officials about the facts of local and state immigration enforcement efforts. AZEIR believes sensible immigration reform must come from the federal government and must address economic and labor concerns as well as border security.

**The Arizona Hispanic Chamber of Commerce (“AZHCC”)** is a membership trade association that advocates on behalf of Latino-owned businesses in Arizona. AHCC seeks to empower Latino-owned businesses to succeed in the state, national, and global economy. Consistent with this goal, AHCC is a proponent of pragmatic federal immigration reform that respects Latino-owned business and does not hurt Arizona’s or the national economy.

**The American Subcontractor’s Association of Arizona (“ASA”)** is a membership trade association with over 5,000 subcontractors, specialty trade contractors, suppliers, and service providers serving Arizona’s construction industry. ASA is dedicated to improving the business environment for all segments of the construction industry, working at both the federal and state level to protect subcontractors’ rights. The ASA is concerned about the effect laws like S.B. 1070 will have on Arizona’s construction industry.

**Hill & Usher, L.L.C.**, is an Arizona insurance company that insures businesses and individuals, including many construction companies. Hill & Usher joins this brief because it is worried about the burden S.B. 1070 imposes on the commercial insurance industry. For instance, proponents of S.B. 1070 argue that business should mitigate labor shortages caused by the law by employing convicts. Needless to say, forcing businesses to hire convicts, many of them violent felons, will greatly affect commercial insurance costs in Arizona.