Senior Vice President & Chief Lobbyist

James W. Tobin III



1201 15th Street NW Washington, DC 20005

T 800 368 5242 F 202 266 8400

www.nahb.org

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The Honorable Lamar Smith Chairman House Committee on the Judiciary 2138 Rayburn House Office Building Washington, DC 20515

Dear Chairman Smith:

On behalf of the 160,000 members of the National Association of Home Builders (NAHB), I want to express strong support for H.R. 2885, the Legal Workforce Act. H.R. 2885 strikes the correct balance between a mandatory, nationwide, E-Verify program and the employer community's role in addressing the illegal immigration issue. We urge the members of the Judiciary Committee to support H.R. 2885 and reject any amendments that would undermine the workability of this legislation.

While NAHB members do not eagerly crave the additional regulatory requirement created by a mandatory E-Verify system, we recognize that the current situation-where states and localities are creating a patchwork quilt of differing rules and regulations related to E-Verify--is absolutely unworkable for employers. For that reason, we appreciate that H.R. 2885 creates a fair, efficient and workable employee verification system, first, by including pre-emption language to eliminate the burdensome piling on of scores of state and local regulations related to this federal program. Further, H.R. 2885 ensures that all U.S. employers are held accountable for the work authorization status of their direct employees, and it contains a robust safe harbor for employers in order to ensure that those who are using the system in good faith will not be held accountable by the Department of Homeland Security, or by the employer's workers, for errors in the E-Verify system.

Approximately 84% of the NAHB membership has ten or fewer employees. H.R. 2885 acknowledges the challenges that small employers will face when complying with the mandatory E-Verify system, and includes provisions to ensure that the system is workable not only for large U.S. employers, but also for small employers. H.R. 2885 provides small employers with important tools: toll-free telephonic access to the system; the opportunity for employers to begin the verification process as soon as possible; the ability for employers to fix paperwork errors if the errors were made as part of a good faith effort to comply; and a phase-in to the program based on business size, ensuring that larger employers enter the system first, followed by a gradual inclusion of smaller businesses.

H.R. 2885 honors the direct employer-employee relationship. NAHB strongly supports current law, which holds employers accountable for the work authorization status of their direct employees, and prohibits employers from knowingly using any type of subcontract labor to circumvent immigration law. NAHB strenuously opposes

any amendment that would cause cross-liability between employers and subcontractors or weaken the "knowing" standard. Employers should not be held liable for the work authorization status of people whom they have no power to hire, or fire.

NAHB recognizes the important role employers play in addressing illegal immigration. NAHB strongly supports H.R. 2885, which creates a fair, efficient and workable E-Verify system for both the employer and employee. We appreciate the Committee's continued attention to the residential construction industry's concerns, and look forward to advancing this important legislation.

Sincerely,

James W. Tobin III

Cc: House Committee on the Judiciary