

## Immigration Reform

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### Problem:

Small-business owners stand to be significantly impacted by various broad immigration reform proposals, specifically as they relate to availability of workers and compliance with new and/or existing rules and regulations. Small firms are facing a shortage in skilled workers, making reform necessary, however some reform proposals put the onus of verifying immigration status on small firms and include unfair and hefty penalties.

- According to NSBA data, more than one-in-three small employers hire some kind of immigrant worker: green-card holders, temporary foreign workers or VISA holders. Only one-half of one percent of small firms say they hire undocumented workers.
- More than half of all small-business respondents to the NSBA survey said they rely on highly-skilled workers with a STEM background—with one-third of small-business owners responding they are having difficulties hiring STEM workers. Thus, nearly half of small businesses support the creation of a new VISA category for students in STEM fields.
- Despite the high levels of concern over illegal immigration, just one-third of small-business respondents to the NSBA survey currently use the E-Verify system, making a gradual phase-in even more critical. However, the majority of small firms support some kind of required use of an improved E-Verify or similar employee verification system if it included a safe harbor clause for employers operating in good faith.
- Just 22 percent of small firms support requiring illegal immigrants to return to their country of origin before beginning the process of becoming a legal citizen.

### Solution:

Any comprehensive immigration legislation must address the concerns of the small-business community in order to foster economic growth and to help small businesses prosper and create jobs. Any actionable reform proposals should:

- Ensure that any E-Verify requirements have reasonable penalties, contain swift error correction mechanisms and compensate individuals and small businesses for out-of-pocket losses sustained due to database errors;
- Increase the number of available visas for foreign-born students graduating from a U.S. university with an advanced degree in a STEM field;
- Increase the cap for H-1B visas (for skilled workers) and H-2B visas (for temporary workers) or accomplish a similar substantive result with new visa categories or by increased employment-related permanent resident slots;
- Establish a new visa category for highly-skilled immigrant entrepreneurs;
- Eliminate the per-country numerical limit on employment-based visas; and
- Ensure that the administrative burden for employment-related visas is reasonable.