

October 4, 2017

The Honorable Bob Goodlatte Chairman, Committee on the Judiciary U.S. House of Representatives Washington, DC 20515

Dear Mr. Chairman,

The National Roofing Contractors Association (NRCA) writes in support of the Legal Workforce Act (H.R. 3711), legislation to phase in mandatory use of the E-Verify workforce authorization program for all employers. NRCA believes this is a positive first step in addressing immigration policy in the 115th Congress.

Established in 1886, NRCA is one of the nation's oldest trade associations and the voice of professional roofing industry employers worldwide. NRCA's 3,600 member companies represent all segments of the industry, including contractors, manufacturers, distributors, consultants and other employers. NRCA members are typically small, privately held companies with the average member employing 45 people and attaining sales of about \$4.5 million per year.

NRCA has supported bipartisan legislation to fix our broken immigration system for nearly two decades. This includes policies designed to enhance workplace enforcement to prevent the hiring of persons not authorized to work in the U.S. without imposing costly burdens on job creators. NRCA believes the LWA meets this test given the extensive work that has been done in recent years to address employer concerns and ensure that the E-Verify program is easy to use and does not impose substantial costs or regulatory burdens on employers. Many NRCA members currently utilize E-Verify on a voluntary basis or as required for government contractors and indicate they have generally had positive experiences with the program.

The LWA will mandate use of the E-Verify program by employers to electronically verify the employment status of all new hires. Under the bill, employers with over 10,000 employees would need to begin using E-Verify within 6 months of enactment; employers with 500 to 9,999 employees would have one year to comply; employers with 20-499 employees would have 18 months; and employers with 1-19 employees would be given two years before they must use the program. A sufficient phase in period is critical to ensure that implementation is as smooth as possible and does not adversely impact employers or workers with bureaucratic problems.

NRCA appreciates your efforts and those of Rep. Lamar Smith and other members of Congress to address employer concerns with earlier versions of this legislation. In particular, NRCA is pleased that the bill includes safe harbor provisions for employers that use E-Verify in good faith; preempts state and local laws and sets one uniform standard across state lines; provides a toll-free telephonic option so that businesses can use the program without additional expense; requires the use of E-Verify only for new hires; and the current limitation preventing employers from using E-Verify before hiring is eliminated, so

NATIONAL ROOFING CONTRACTORS ASSOCIATION WASHINGTON OFFICE

employers may require potential workers to submit to verification once a job offer is made. These and other provisions designed to meet employer concerns are essential to providing a workable system for NRCA members.

NRCA is aware that the House Judiciary Committee will mark-up separate legislation to provide a new guest-worker program designed to enable the agriculture industry to meet its workforce needs at the same time committee members will vote on the LWA, and that these bills are likely to move through the legislative process simultaneously. As you know, the roofing industry faces workforce challenges very similar to those encountered in the agriculture industry, and we look forward to working with you and other members of Congress on legislative approaches to addressing the workforce needs of the roofing industry moving forward.

Workforce shortages are now reaching crisis proportions in the roofing industry and we believe this issue must be addressed by Congress. NRCA members provide high-paying jobs for qualified workers but still face shortages due to the demographic trends of an aging workforce, the physically demanding nature of roofing work, and educational trends (BLS reports the mean hourly wage for roofing at \$20.23 per hour, or \$42,080 annually, in 2016). NRCA members consistently indicate they could increase their volume of work by 10 to 20 percent or more if they could fill vacant positions within their companies. This translates to an estimated \$3.6 billion to \$7.2 billion in lost economic activity annually.

Workforce shortages will become even more acute in the future due to an aging workforce and other demographic trends. Also, the enormous rebuilding efforts needed due to the recent hurricanes will greatly exacerbate this problem, and the ongoing workforce shortages will hamper the rebuilding efforts, as many contractors from other regions cannot spare any workers to allow them to travel temporarily to the hurricane zones.

NRCA members cite a lack of access to qualified workers as the biggest limitation on growing their businesses. Given this problem, the establishment of a well-structured guest worker program is vital to meeting the needs of the roofing industry in a dynamic economy. NRCA believes such a program should be governed by market forces, ensure protection of U.S. workers, and provide a legal avenue that enables job creators to obtain the workers needed to meet demand and grow their businesses. Sensible immigration reform should address the needs of industries facing prolonged workforce shortages in a manner that ends illegal immigration without encouraging a black-market economy.

NRCA looks forward to working with you and other lawmakers to develop balanced solutions to fix our broken immigration system and boost economic growth. Thank you for your consideration of NRCA's views on this important issue. For more information, please contact Duane Musser in NRCA's Washington, DC, office at 202-546-7584 or <u>dmusser@nrca.net</u>.

Sincerely,

Brin

Jim Barr Barr Roofing Company, Abilene, TX NRCA Chairman of the Board

cc: Members of the House Judiciary Committee