Strict immigration law rattles Okla. businesses

By Emily Bazar, USA TODAY January 8, 2008



PARK HILL, Okla. — Autumn had arrived in eastern Oklahoma, and workers at the sprawling Greenleaf Nursery were prepping for deadly frosts. They needed to ship plants, erect greenhouses and bunch trees together to protect them against the cold.

But in late October, about 40 employees disappeared from the 600-acre nursery about an hour's drive from Tulsa. "Some went to Texas, some went to Arkansas," nursery President Randy Davis says. "They just left."

Why did the workers, all immigrants, flee? "Those states don't have 1804," Davis says.

In a matter of weeks, "1804" has become part of the Sooner State's lexicon. It refers to House Bill 1804, the Oklahoma Taxpayer and Citizen Protection Act of 2007, arguably the nation's toughest state law targeting illegal immigrants.

Dozens of state legislatures, citing inaction by Congress, have adopted measures aimed at curbing illegal immigration. Oklahoma's new law, which took effect Nov. 1, is particularly far-reaching and has begun sending ripples through the state's economy and its immigrant communities. Besides highlighting the impact of illegal immigration on Oklahoma, the law has made the state a laboratory in the national debate over immigration.

The Oklahoma measure is broader than a controversial Arizona law that suspends or revokes business licenses of employers who knowingly hire illegal immigrants. Among other things, 1804 makes it a felony to transport or shelter illegal immigrants. It also denies illegal immigrants driver's licenses and public benefits such as rental assistance and fuel subsidies.

Many business owners are especially nervous about provisions of 1804 that kick in July 1, when employers with government contracts must start checking new hires against a federal database to make sure they are legally eligible to work. If the employers don't, they won't get the contracts.

"I've already had customers who came in here and told me they've fired employees because they didn't know if they were here legally," says Tim Wagner, an owner of Cocina De Mino, a Mexican restaurant in Oklahoma City. He predicts industries such as agriculture will face worker shortages.

Widespread reports of vanishing employees and schoolchildren suggest thousands of illegal immigrants have left Oklahoma for neighboring states or their native countries.

Cotton gins, hotels and home builders have lost workers. Restaurant and grocery store owners complain of fewer customers.

Some businesses and lawmakers are warning that the economic effects will hit consumers hard. Having a smaller pool of workers for certain jobs will cause delays and create competition among employers, leading them to raise wages and prices, Davis and others say.

Republican state Rep. Shane Jett, who opposed 1804, offers a more dire prediction. Without changes, the law "will be the single most destructive economic disaster since the Dust Bowl," he says.

State Rep. Randy Terrill, the Republican author of the law, counters that 1804 will save money because taxpayers won't be subsidizing services for illegal immigrants. "There's significant evidence that HB 1804 is achieving its intended purpose, which is illegal aliens leaving the state of Oklahoma," he says. "HB 1804 is a model not only for Oklahoma, but for other states and the nation as well."

An exodus from Tulsa

Legislatures in 46 states adopted 244 immigration-related measures last year, the National Conference of State Legislatures says. Before the passage of 1804, Oklahoma's immigrant population was growing, fueled by an expanding economy.

Nearly 5% of Oklahoma's 3.6 million residents are foreign-born, Census figures show. The Pew Hispanic Center estimated in April 2006 that up to 75,000 were illegal immigrants.

Texas, which borders Oklahoma and Mexico, has a longer history with immigration issues. Daniel Kowalski, a Texas immigration lawyer who edits *Bender's Immigration Bulletin*, believes a measure such as 1804 couldn't win approval in Texas, in part because about 16% of that state's 23.5 million residents are foreign-born. The center estimates that up to 1.6 million of them are illegal immigrants.

Since 1804 was approved in Oklahoma, 15,000-25,000 illegal immigrants have left Tulsa County, the Greater Tulsa Hispanic Chamber of Commerce says. Executive director Francisco Trevi?o bases the estimate on school enrollment, church attendance and reports from bus companies with service to Mexico.

"People are leaving to Mexico or Canada or other states," says Jim Garcia, manager of Tulsa's El Mercadito, a Hispanic grocery. He says sales have fallen 40% since Nov. 1. "A lot of people are going to Missouri or Arkansas because they think it's safer."

Arkansas state Rep. Rick Green, a Republican, says he has heard from a doctor who complained that illegal immigrants from Oklahoma have crossed the state line for medical care.

"With Arkansas being a very poor state economically, the concern is whether we can shoulder these expenses" stemming from any influx of immigrants from Oklahoma, he says.

Supporters of 1804 say the state will benefit from illegal immigrants leaving. "That's money in our pocket," says Carol Helm of Immigration Reform for Oklahoma Now.

Not all of those leaving Oklahoma are in the USA illegally. "I've lost two housekeepers out of a staff of 12," says Joe Geis, general manager of the Sleep Inn & Suites in Edmond. "They were here legally, (but) they have family" members who were not.

Immigrant activist Blanca Thames says she has helped more than 1,000 families prepare power-of-attorney papers to protect children in case parents are deported. Many illegal immigrants have U.S.-born children who are citizens.

Constitutionality challenged

At Iglesia Piedra Angular (Cornerstone Hispanic Church) in Tulsa, senior pastor José Alfonso estimates that he has lost 15% of his 425-member congregation.

His church was a plaintiff in two lawsuits filed by the National Coalition of Latino Clergy and Christian Leaders that challenged the constitutionality of the law. Both were dismissed, the latest last month when U.S. District Judge James Payne ruled that the plaintiffs, who included illegal immigrants, didn't have standing to sue. He said they would not have been hurt if they had not violated U.S. law.

The coalition says it will appeal.

Several national and statewide business groups say they are considering their own lawsuit to challenge the law. "You're basically putting employers in the middle of this fight," says Jenna Hamilton of the National Association of Home Builders, one of the groups.

Lawmaker Terrill says he has little sympathy for businesses that hire illegal workers. He believes 1804 will create jobs for U.S. citizens.

"There is no job that an American citizen is unwilling to do," he says. "They're just not willing to do it at the wage rates that are being paid to illegal aliens."

But some employers say it's hard to hire citizens in their industries.

"We have extremely low unemployment. ... The people in southwest Oklahoma who want to work are working," says Tom Buchanan, a cotton, cattle and wheat farmer in Jackson County.

Chris Ellison, manager of the Motley Gin cotton gin in Hollis, lost eight of 16 workers since Nov. 1. He says the loss sent his overtime costs soaring.

"I would love to hire 20 U.S. citizens here," Ellison says, but "local people are not going to quit a job to work three weeks during the year."

Both men say they obey U.S. laws and check workers' identity documents, but they acknowledge that some may have fake papers.

"We are not documents experts," Buchanan says.

Like farmers and landscapers, builders say they're struggling.

Earlier in 2007, Portillo Construction, which specializes in masonry and stone work in the Tulsa area, employed about 15 people, co-owner Natanael Portillo says. All were immigrants.

"On Nov. 1, not one employee showed up for work," he says.

He has since hired several laborers but lost a contract on a house, he says. "We're looking at between a \$15,000 to \$20,000 loss" for 2007, Portillo says.

Home builder Caleb McCaleb, who works in Oklahoma City and Edmond, says his framer lost 30 of his 80 workers, his painter lost 10 of 35 and his landscaper lost 15 of 40. That has put homes three or four weeks behind schedule.

"If we continue to lose workers, we are going to have to raise prices," he says.

Cocina De Mino has seen its Hispanic clientele decline, especially on Sundays, Wagner says.

"After church, usually at 2 or 3 in the afternoon, they (would) bring their family. It's usually groups of eight, 10 and 12," he says. "Those groups are not coming in."

At Plaza Santa Cecilia, a mall filled with Hispanic shops in Tulsa, Simon Navarro's customer base has evaporated. Navarro, owner of a money-wiring service, says 500 people would come in every day to send money to relatives in Mexico and Central America. "Now," he says, "I have 100."

'Son of 1804' on horizon

Terrill plans to introduce a follow-up bill this year that he calls "Son of 1804."

"HB 1804 does not represent everything that can or should be done in this area," he says. Among other things, he says, the new measure would make English the state's official language and allow police to seize property of those who violate 1804, including landlords. Terrill says he has been contacted by legislators in at least a dozen states who have introduced or are drafting legislation similar to 1804.

Arkansas legislators may introduce bills when they next meet in January 2009, Green says. Some Arkansans who don't want to wait will try to get a measure on the ballot this year.

"We're getting a lot of pressure at home because they see what Oklahoma's done," Green says.

In Oklahoma, some of Terrill's colleagues say 1804 needs fixing.

State Rep. Kris Steele, a Republican who voted for the bill, has received calls from nonimmigrants complaining that they had to produce a document such as an original birth certificate or certified copy to renew an expired driver's license. "I want to make sure we're not necessarily putting the general public in a quandary," he says.

Jett would like to create a state-run program that would allow illegal immigrants to pay a fine, then work and pay taxes. Those people, he says, would be exempt from 1804 at the state level but not from federal immigration law.

Jose and Esperanza Becerra, both 38, hope he succeeds.

The Tulsa couple came to Oklahoma from Mexico illegally, Jose 10 years ago and his wife five years ago. They were drawn here "because it was a pretty state and there was work," Jose says.

Since 1804 passed, the Becerras have closed their bank account and put their home on the market, just in case they are forced to leave quickly or against their will. "Since the law went into effect," Esperanza says, "we are in fear every day."