

Investors Call for Comprehensive Immigration Reform

April 18, 2013

We are investors and fiduciaries who recognize the critical need for immigration reform to help drive U.S. economic growth, long-term business prosperity and the well-being of our immigrant population.

With approximately \$890.5 billion in assets, this diverse investor group calls on Members of Congress to harness burgeoning bipartisan support for comprehensive immigration reform and make common sense immigration legislation an urgent priority. Progress forward must include the most controversial component of immigration policy—the need to provide an opportunity for currently undocumented immigrants to earn a pathway to legal status and citizenship in the United States.

We understand that effective and fair immigration reform is a shared responsibility of individuals, companies and government. Fortunately, the Obama Administration, immigration policy experts and, increasingly, Democratic and Republican leaders in Congress generally agree on the major components of comprehensive reform: effective border control, employer accountability, improved processes for needed temporary and permanent workers and, importantly, a pathway to legal status for currently unauthorized residents. We believe comprehensive reform must be developed and implemented consistent with the human rights of all concerned, must value the integrity of families and must prevent immigrant workers—be they temporary or permanent—from being subjected to second-class employment standards.

We appeal to Congress to act now to enact comprehensive immigration reform. Such legislation would be pro-growth and consistent with our country's values and proud immigrant history.

Background

The economic rationale for a sound immigration policy is not controversial: to be a successful global competitor, U.S. business must attract and retain the most talented and highly motivated people. While noting that more than 40% of *Fortune 500* companies were founded by immigrants or their children, recent research conducted by the nonprofit Partnership for a New American Economy (“the Partnership”) and the Partnership for New York City concluded that “irrational and undirected” U.S. immigration policy contributes to reduced global competitiveness and projected shortages of young workers and specific skill sets in the high growth science, technology, engineering and math (STEM) fields.¹ Other recent research by the American Enterprise Institute and the Partnership found that immigrants with advanced degrees in STEM contribute to increased employment for U.S. born citizens; temporary foreign workers across the skill spectrum lead to increased U.S. employment; and foreign born workers, including undocumented workers, do not lead to higher unemployment for U.S. born workers.² Additionally, the Partnership documented the important and growing role of immigrants in small business creation, finding that “Immigrants

¹ The Partnership for a New American Economy and the Partnership for New York City, *Coming to America: Why the U.S. is Falling Behind in the Global Race for Talent*, May 2012, <http://www.renewoureconomy.org/sites/all/themes/pnae/not-coming-to-america.pdf>

² American Enterprise Institute for Public Policy Research and the Partnership for a New American Economy, *Immigration and American Jobs*, December 2011, http://www.renewoureconomy.org/sites/all/themes/pnae/img/NAE_Im-AmerJobs.pdf

started 28 percent of all new U.S. businesses in 2011, despite accounting for just 12.9 percent of the U.S. population.”³

Furthermore, many industries depend on workers who are undocumented immigrants to provide critical labor for their businesses. Based on data from 2008, the Pew Hispanic Center estimated that 8.3 million unauthorized immigrants represented 5.4% of the U.S. labor force.⁴ The concentration of undocumented workers in several industries, however, reveals much greater dependence. The estimated share of employment occupied by unauthorized workers was 14% in construction, 13% in agriculture and 10% in leisure and hospitality. In part due to harsh state laws targeting undocumented immigrants, the American Farm Bureau Federation predicted annual produce industry losses of \$5 billion to \$9 billion in 2012 due to labor shortages.⁵ In 2011, the state of Georgia experienced a labor shortage crisis first-hand after enacting its own tough immigration law, HB 87, racking up \$140 million in losses as “crops rotted in the fields.”⁶

The absence of comprehensive immigration reform has had devastating consequences for generations of immigrants whose motivation for coming to the U.S. is a better life for themselves and their families. Despite their contributions to the economy, some immigrants face significant discrimination and violence, and research has suggested that a disproportionate increase in hate crimes against Latinos (regardless of citizenship) has coincided with the rising intensity of the immigration debate.⁷ Today, more than 9 million people living in families that include at least one U.S. born child and one unauthorized adult are vulnerable to immigration policies that could be socially and economically disruptive.⁸ Moreover, fear of exposure keeps undocumented workers, who are disproportionately represented in low-wage occupations, especially vulnerable to unscrupulous employers who can violate wage, safety and discrimination laws with impunity. There is no disputing that our businesses need these workers to meet the diverse demands of a thriving economy, but they must be employed in accordance with legal U.S. standards.

Congress should heed the concerns of companies who are speaking out for sensible immigration reform including CEOs who have joined the bipartisan coalition of mayors and business leaders in the Partnership for a New American Economy. Led by Mayor Michael Bloomberg, the Partnership is co-chaired by the CEOs of Boeing, Marriot, Microsoft, News Corporation and Walt Disney.

Co-chair Steven Ballmer, CEO of Microsoft, stated: “Now more than ever the U.S. needs smart immigration policies to build the innovation workforce of the future.” As investors, we couldn’t agree more.

³ The Partnership for a New American Economy, Open for Business: How immigrants are driving small business creation in the United States, August 2012, <http://www.renewoureconomy.org/sites/all/themes/pnae/openforbusiness.pdf>

⁴ Passel and Cohn, A Portrait of Unauthorized Immigrants in the United States, *Pew Research Center*, April 14 2009, <http://www.pewhispanic.org/2009/04/14/a-portrait-of-unauthorized-immigrants-in-the-united-states/>

⁵ Tony Pugh, Fewer workers cross border, creating U.S. farm labor shortage, *McClatchy Newspapers*, July 2, 2012.

⁶ Benjamin Powell, The Law of Unintended Consequences: Georgia’s Immigration Law Backfires, *Forbes*, May 17, 2012

⁷ Cristina Costantini, Anti-Latino Hate Crimes Rise as Immigration Debate Intensifies, *Huffington Post*, December 17, 2011

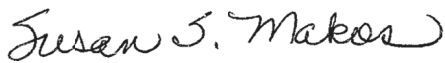
⁸ Taylor, Lopez, Passel and Motel, Unauthorized Immigrants: Length of Residency, Patterns of Parenthood, *Pew Research Center*, December 1, 2011, <http://www.pewhispanic.org/2011/12/01/unauthorized-immigrants-length-of-residency-patterns-of-parenthood/>



John C. Liu, Comptroller
City of New York



Lauren Compere, Managing Director
Boston Common Asset Management, LLC



Susan S. Makos, Vice President of Social Responsibility
Mercy Investment Services, Inc.



Mary Kay Henry, Trustee
SEIU Master Trust



Timothy Brennan, Treasurer
Unitarian Universalist Association



Heidi Soumerai, Managing Director
Walden Asset Management

Fiduciaries⁹:

JJ Jelincic, Board Member
CalPERS

⁹ The signatories and their pension fund affiliation is intended solely for identification purposes and does not constitute or imply endorsement by the fund.

Sharon Hendricks
CalSTRS

Jay C. Rehak
Chicago Teachers Pension Fund

Mitch Vogel
IL SURS

Rod Bashir
Illinois State Board of Investment

Elizabeth Greenwood, City Commissioner
Los Angeles City Employees Retirement System (LACERS)

Marvin Adams, Trustee
Los Angeles County Employees Retirement Association (LACERA)

Yves Chery, Trustee
Los Angeles County Employees Retirement Association (LACERA)

Vivian Gray, Trustee
Los Angeles County Employees Retirement Association (LACERA)

David Green, Trustee
Los Angeles County Employees Retirement Association (LACERA)

Herman Santos, Trustee
Los Angeles County Employees Retirement Association (LACERA)

Nancy K. Kopp, Maryland State Treasurer

Kathy O'Neil, Trustee
Sacramento County Employees Retirement System

Eyna Canales Zarate
TexPERS

Investors:

Louis Martin, Consultant for Socially Responsible Investing
The Adrian Dominican Sisters

Edward Gerardo, Director, Community Commitment and Social Investments
Bon Secours Health System, Inc.

Ruth Wernig, Chief Investment Officer
The California Endowment

Bennett Freeman, Senior Vice President, Sustainability Research and Policy
Calvert Investments

Sr. Kathleen Coll, SSJ, Administrator, Shareholder Advocacy
Catholic Health East

Colleen Scanlon, RN, JD, Senior Vice President, Advocacy
Catholic Health Initiatives

Susan S. Makos, SRI Advisor
Catholic Health Partners

Stephen Viederman, Finance Chair
Christopher Reynolds Foundation

Steve Mason, Director of Socially Responsible Investing Activities
Church of the Brethren Benefit Trust

John DeSantis, President
Civic Capital Group LLC

Shelley Alpern, Director of Social Research & Advocacy
Clean Yield Asset Management

Rev. Bruce Southworth, Senior Minister
The Community Church of New York Unitarian Universalist

Michael J. Hoolahan, CP, Treasurer
Congregation of the Passion, Holy Cross Province

Susan Vickers, RSM, VP Community Health
Dignity Health

Sister Margaret Diener, OP, Chair
Socially Responsible Investment Committee
Dominican Sisters of San Rafael

Steve Zielinski, SRI Consultant
Dominican Sisters of Springfield, IL;
Sisters of the Presentation – Aberdeen, SD; and
Diocese of Springfield, IL

The Endowment Committee of the Paulist Center, Boston

Jeffery W. Perkins, Executive Director
Friends Fiduciary Corporation

Victor De Luca, President
Jessie Smith Noyes Foundation

Mary Ellen Gondeck
Justice Team of the Congregation of St. Joseph

Laborers' International Union of North America (LiUNA!)

Jack M. Marco, Chairman
The Marco Consulting Group

Cathy Rowan, Corporate Responsibility Coordinator
Maryknoll Sisters

Rev. Michael H. Crosby, OFM Cap.
Midwest Capuchin Franciscans

Barbara Jennings, CSJ
Midwest Coalition for Responsible Investment

Fr. Seamus Finn, OMI, Director
Missionary Oblates Justice, Peace and Integrity of Creation Office

Sister John Christopher Langford, M.S.B.T., General Treasurer
Missionary Servants of the Most Blessed Trinity

Michael Kramer, Managing Partner
Natural Investments

Julie N.W. Goodridge, CEO
NorthStar Asset Management, Inc.

Judy Byron, OP, Director
Northwest Coalition for Responsible Investment

Jerome L. Dodson, President
Parnassus Investments

Catherine Cartier, President
Progressive Asset Management

Racine Dominican Socially Responsible Investment Committee

S. Ruth Kuhn, SC, Coordinator
Region VI Coalition for Responsible Investment

Religious of the Sacred Heart of Mary, Western American Province

Ethel Howley, SSND, Social Responsibility Resource Person
School Sisters of Notre Dame Cooperative Investment Fund

Martin Eakes, CEO
Self Help Federal Credit Union

S. Ruth Kuhn, SC, Chair
Sisters of Charity of Cincinnati

Sister Barbara Aires, Coordinator of Corporate Responsibility
Sisters of Charity of Saint Elizabeth

Sisters of Providence – Mother Joseph Province Leadership Team

Leadership Team and Investment Committee
Sisters of Saint Anne, U.S.

Sister Patricia A. Daly, OP, Corporate Responsibility Representative
Sisters of St. Dominic of Caldwell, NJ

Nora, Nash, OSF, Director of Corporate Social Responsibility; and
Tom McCaney, Associate Director of Corporate Social Responsibility
Sisters of St. Francis of Philadelphia

The Leadership Team
Sisters of the Most Precious Blood (St. Mary's Institute)

Sister Linda Pleiman, Treasurer
Sisters of the Precious Blood

Sister Pam Chiesa, PBVM, Chairperson
Sisters of the Presentation Community Support Trust

Anita Baird, DHM, United States Provincial
Society of the Daughters of the Heart of Mary

Susan S. Makos, Social Responsibility Consultant
St. Joseph Health System

Thomas E. Francione, Shareholder Advocacy
The Sustainability Group of Loring, Wolcott & Coolidge

Sister Patricia A. Daly, OP, Executive Director
Tri-State Coalition for Responsible Investment

Matt Patsky, CEO
Trillium Asset Management, LLC

Bill Schulz, President and CEO
Unitarian Universalist Service Committee

Judith Wylie-Rosett, Chair
Social Justice Committee
UU Congregation at Shelter Rock

Sonia Kowal, Director of Socially Responsible Investing
Zevin Asset Management, LLC