

**NCSL Standing Committee on Labor and Economic
Development**

POLICY DIRECTIVES AND RESOLUTIONS

**2018 NCSL Legislative Summit
Los Angeles, California**

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1 **COMMITTEE: LABOR AND ECONOMIC DEVELOPMENT**

2 **POLICY: EB-5 REGIONAL CENTER PROGRAM**

3 **REAUTHORIZATION**

4 **TYPE: RESOLUTION**

5 **WHEREAS**, EB-5 is the designation for the fifth employment-based preference
6 immigrant visa category established by Congress in 1990; and

7 **WHEREAS**, Congress established the Immigrant Investor Pilot Program in 1992 to
8 create regional centers which aid foreign investors, by directing and professionally
9 managing their investments while concentrating pooled investments in defined
10 distressed economic zones; and

11 **WHEREAS**, EB-5 allocates 10,000 visas annually to foreign investors and their families
12 who invest at least \$1 million (or \$500,000 in a targeted employment area) which must
13 generate at least 10 jobs; and

14 **WHEREAS**, EB-5 has become a vital source of regional economic development funds;
15 and

16 **WHEREAS**, from FY1992 to present, the EB-5 visa has generated more than \$22.5
17 billion in investments; and

18 **WHEREAS**, that investment has supported over 171,000 American jobs, according to a
19 Department of Commerce study; and

20 **WHEREAS**, at the end of Q1 FY2016 there were about 25,000, pending applications for
21 EB-5 related visas, representing nearly \$12.5 billion in potential direct investment and
22 400,000 American jobs; and

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23 **WHEREAS**, the EB-5 Program had record-breaking capital formation in FY2015 and Q1
24 FY2016 with over \$4.3 billion and \$628.5 million in foreign direct investment
25 respectively; and

26 **WHEREAS**, on March 23, 2018 Congress passed legislation to reauthorize the EB-5
27 regional center program through September 30, 2018; and

28 **WHEREAS**, states and localities are working with private parties to use EB-5 foreign
29 direct investment to finance job creating projects; and

30 **WHEREAS**, the rationale behind the EB-5 Program is to create jobs, so those jobs,
31 including construction jobs lasting less than two years, should meet or exceed local
32 wage, benefit and health and safety standards and help strengthen the communities
33 deemed to be in need of economic stimulus and workforce development; and

34 **WHEREAS**, the law allows for state and local level input in designating targeted
35 employment areas for EB-5 development, and incentivizing state and local oversight
36 and cooperation on specific projects within those targeted employment areas would
37 help ensure compliance with community and industry labor standards; and

38 **WHEREAS**, the EB-5 Program is in need of reform to increase accountability and
39 transparency and enhance program integrity, including through requirements that
40 Regional Centers publicly disclose annually for each project details on job creation
41 methodology, prevailing wage, living wage, and other labor standards, if applicable;

42 **WHEREAS**, USCIS should annually publish a list of New Commercial Entities approved for
43 EB-5 investment;

44 **WHEREAS**, USCIS should effectively monitor EB-5 projects to prevent fraud and ensure
45 that jobs are created and workers are protected by having clear requirements prior to
46 regional center designation and project approval, as well as by conducting regular
47 oversight, including site visits to projects;

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48 **WHEREAS**, any effort to extend or make permanent the EB-5 regional center program
49 must balance investment in urban centers and rural areas in recognition of the potential
50 benefits of the program in both; and

51 **WHEREAS**, without Congressional action the EB-5 regional center program will sunset
52 on September 30, 2018.

53 **NOW, THEREFORE, BE IT RESOLVED**, that The National Conference of State
54 Legislatures urges Congress to reform the EB-5 program to ensure integrity and
55 appropriate oversight during reauthorization of the EB-5 regional center program through
56 legislation, ensuring any reform of the EB-5 regional center program maintains the
57 ability to deliver job-creating capital to American communities, including mechanisms to
58 ensure the creation of quality jobs, close loopholes, prevent Federal officials or their family
59 members from personally profiting off the program, bar developers and contractors found to
60 have violated local, state and federal laws, including labor laws, from receiving EB-5
61 funding, improve processing systems to address backlogged petitions, streamline
62 approvals for all applications, and enhance program integrity measures through
63 improved reporting requirements and oversight that is not unduly burdensome.

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COMMITTEE: LABOR AND ECONOMIC DEVELOPMENT

POLICY: COMPACT OF FREE ASSOCIATIONS (COFA)

REAUTHORIZATION

TYPE: RESOLUTION

The National Conference of State Legislatures (NCSL) urging Congress and the United States Department of Veterans Affairs to work together to develop a program or pass legislation to provide veterans from Compact of Free Association nations with access to high-quality medical care within their respective communities.

WHEREAS, the United States government entered into a Compact of Free Association (COFA) agreement with the Federated States of Micronesia, Republic of Palau, Republic of the Marshall Islands, and Commonwealth of the Northern Mariana Islands; and

WHEREAS, citizens of COFA nations are eligible to enlist in the United States armed services, and over the years, the United States has vigorously recruited Pacific Islanders from COFA nations to serve in the United States military; and

WHEREAS, Pacific Islanders from COFA nations have a long and distinguished history of military service stretching back to World War II; and

WHEREAS, upon completing their military service and returning to their respective communities, veterans from COFA nations are unable to secure Department of Veterans Affairs services, especially Department-approved basic medical services, which are non-existent in their own communities; and

WHEREAS, veterans from COFA nations must fly to Hawaii, at enormous cost to their personal financial well-being, to obtain proper medical care at Tripler Army Medical Center; now, therefore,

NOW, THEREFORE, BE IT RESOLVED that NCSL urges Congress and the United States Department of Veterans Affairs to work closely to develop a program or pass legislation to provide veterans from Compact of Free Association nations with access to high-quality medical care within their respective communities.

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1 **COMMITTEE: LABOR AND ECONOMIC DEVELOPMENT**

2 **POLICY: IMMIGRATION REFORM OF FARM LABOR**

3 **PROGRAMS**

4 **TYPE: NEW RESOLUTION**

5 **WHEREAS**, a recent study, “Immigrants as Economic Contributors” by Dan Kosten
6 states, “Our ability to meet America’s future workforce needs will depend, in no small
7 part, on ensuring the U.S. has sound immigration policies that meet the economic
8 needs of our nation”; and

9 **WHEREAS**, a strong, flexible national economy is vital to the well-being of every
10 American; and

11 **WHEREAS**, agriculture is a key national economic driver while our current low-
12 employment statistics suggests that the country is effectively at full employment; and

13 **WHEREAS**, the high demand for foreign born agricultural labor is reaching a crisis
14 stage; and

15 **WHEREAS**, the H2a program is inadequate to meet the growing and varied demands of
16 the agricultural industries; and

17 **WHEREAS**, the current labor shortage in sub-sectors of the agriculture industry, like
18 dairy farms, persists in spite of the fact that the average entry-level job provides
19 compensation packages well above minimum wage; and

20 **WHEREAS**, a program to provide documented foreign-born labor can be scaled to
21 adapt to changes in the national employment statistics; and

22 **WHEREAS**, quality animal care requires trained and experienced workers; and

23 **WHEREAS**, sub-sectors of agriculture, that are year-round agricultural businesses, are
24 barred, under penalty of law, from using the existing H2A Visa program; and

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25 **WHEREAS**, California, Wisconsin, Idaho, and New York are the nation's largest dairy
26 states and are not able to participate in the H2a program for foreign born agricultural
27 dairy labor, and

28 **WHEREAS**, in 2017, farming (production agriculture) and food, beverage and tobacco
29 manufacturing contributed over \$131 and \$281 billion to U.S. GDP, respectively; and

30 **WHEREAS**, in 2016, farming (production agriculture) created more than three percent
31 of the total GDP in seven states (South Dakota (6.9%), Nebraska (6.1%), North Dakota
32 (5.8%), Iowa (4.5%), Idaho (4.3%), Montana (3.5%), and Kansas (3.1%)); and

33 **WHEREAS**, in 2018, U.S. farm gate cash receipts of dairy products will exceed \$35
34 billion, almost 10% of the U.S. total farm gate cash receipts; and

35 **WHEREAS**, agriculture and livestock production are dependent on manual labor, which
36 historically relies upon foreign born workers; and

37 **WHEREAS**, since the Bracero program was cancelled in 1964, an efficient program of
38 documenting foreign born labor has created a shortage of documented workers; and

39 **WHEREAS**, foreign born labor is critical to the growth and ability of the agriculture
40 industry to maintain this important contributor to the US GDP; and

41 **WHEREAS**, self-sufficiency in food production is critical to national security.

42 **WHEREAS**, U.S. Congress has not reformed existing farm guest worker programs to
43 provide legal new workers since the last major legalization program signed into law in
44 1986; and

45 **NOW, THEREFORE, BE IT RESOLVED**, that the National Conference of State
46 Legislators urges the United States Congress to enact immigration reform legislation to
47 provide a workable solution to the farm labor crisis. A workable solution includes legal
48 work status for the current workforce and their immediate family; access to workers for
49 year-round jobs like those on dairies; and access to a legal and stable source of new
50 workers when they are needed in the future.

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