EXHIBIT

6

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF OKLAHOMA

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA and the OKLAHOMA STATE CHAMBER OF COMMERCE AND ASSOCIATED INDUSTRIES, et al.,))))
Plaintiffs,))
v.) No
BRAD HENRY, in his official capacity as Governor of the State of Oklahoma, W.A. DREW EDMONDSON, in his official capacity as Attorney General of the State of Oklahoma, et al.,))
Defendants.)))

DECLARATION OF JAMES HOPPER

- I, James Hopper, state the following:
- 1. I am over the age of 18 and am a citizen of the United States. All of my statements in this declaration are based on my personal knowledge, and on information gained in the course of my business.
- 2. I am the President and Chief Executive Officer of the Oklahoma Restaurant Association (ORA) and Oklahoma Hotel and Lodging Association (OH&LA), which are plaintiffs in this action. The OH&LA is operated under a management contract with the ORA.
- 3. The ORA represents approximately 1,200 businesses in the State of Oklahoma involved in the food service industry. The OH&LA represents approximately 200 members involved in the hospitality industry in Oklahoma. Both organizations are located at 3800 North Portland Street in Oklahoma City, Oklahoma.

- 4. The purpose of the ORA and the OH&LA includes advocating for the interests of their members before government agencies, the legislature, and the courts.
- 5. Members of the ORA and OH&LA have contracts with state and local governments and other public entities. Members of these organizations also employ individual independent contractors in the state.
- 6. Members of the ORA and OH&LA will be subject to, and harmed by, the Oklahoma Taxpayer and Citizen Protection Act of 2007.
- 7. In addition, the ORA and OH&LA will be exposed to harm as employers.
- 8. The ORA has contracts with public entities in the State of Oklahoma. Specifically, the ORA has contracts with the state Alcoholic Beverage Laws Enforcement Commission.
- 9. The ORA complies with the federal immigration laws, and has used the I-9 form to verify that all our employees are authorized to work in the United States. We do not use any other voluntary and experimental system, such as the Basic Pilot Program.
- 10. Because the ORA has state contracts, we will be required to use Oklahoma's new "Status Verification System," which actually means we will have to use the Basic Pilot Program to verify that any new employees are authorized to work. If we do not, sign up for the Program, we will be automatically debarred from state contracts and will forfeit our existing contracts with the State. We will be unable to bid on new contracts until we comply with this unconstitutional requirement of state law.
- 11. There are good reasons why ORA should not be forced to participate in Basic Pilot's voluntary and experimental system.
- 12. I am aware that Basic Pilot does not contain a complete and correct list of all legal workers, and is prone to errors. I also know that when the system says a new employee is not in

the system, this does not necessarily mean the employee is illegal, and we cannot let the employee go.

- 13. If we use the Basic Pilot Program, I understand that every time a new employee is reported not to match up with the system, the employee has the right to attempt to sort out any problems with the database, and they have weeks in which to do so.
- 14. The ORA has only 15 employees. If even one of our employees was unable to work while he or she attempted to sort out problems with their information in Basic Pilot, or diverted time and attention away from work, our operations would be harmed.
- 15. The ORA would also be required to invest time and money to train the new employee during the waiting period, with no guarantee that the employee is actually allowed to work. These costs cannot be recovered if the employee is not able to resolve the problem and we have to let him or her go.
- 16. If the ORA were to sign up for Basic Pilot, it will incur these harms, and will be forced to spend money to retrain its employees and reorient its verification procedures to use Basic Pilot rather than using the I-9 form process, which we have used for years. We will also incur continuing costs to use Basic Pilot and comply with its rules. I do not know yet precisely how much this will cost us, but I am aware that, although the federal government does not charge a fee to use Basic Pilot, implementation, training, and use of the Basic Pilot Program can cost businesses several thousand dollars a year. We cannot recover these costs.
- 17. Members of the ORA and OH&LA with public contracts will suffer the same harms as those I just described. These costs cannot be recovered.
- 18. I am also concerned that the ORA and OH&LA may suffer harm as employers from the new "cause of action" created by Oklahoma's law against employers, based on an accusation by

a former employee that the employer knew or "should have known" one of its other employees was illegal.

- 19. As I have said, the ORA and OH&LA comply with federal law and do not employ any illegal workers. But Oklahoma's law (unlike federal law) does not require that we know an employee is illegal in order to be found liable. Moreover, even a baseless accusation by a disgruntled former employee will expose us to significant harm to our business and reputation if our good name becomes associated, even wrongly, with hiring illegal aliens. These risks will cost the ORA and OH&LA significant sums of money and will divert our attention from our mission—supporting and advocating for Oklahoma's food service and hospitality industries.
- 20. To manage these new risks, the ORA and OH&LA will be required to set aside reserves or purchase additional litigation insurance, even though we comply with federal law and do not knowingly hire illegal aliens. These costs are imminent and necessary, especially because (1) employers can be found liable under Oklahoma law without knowingly violating the law, and (2) there will be strong pressure to settle baseless accusations to avoid the damage to our business and reputation from being publicly identified as a suspected employer of illegal aliens. None of these costs can be recovered from the State.
- 21. The only way we can avoid these risks of harm, and the risk-management expenses we will necessarily incur as a result, is to sign up for the Status Verification System—the only "safe harbor" under Oklahoma's law. As I explained, there are good reasons why we should not be forced to use this system, and we will be harmed if we are required to do so.
- 22. Members of the ORA and OH&LA will suffer the same harms from the new "cause of action" for employment discrimination as those I just described. These costs cannot be recovered.

- 23. The ORA also does business with individual independent contractors. We rely on individual independent contractors for critical parts of our mission, including lobbying.
- 24. Oklahoma's new law will require the ORA to either verify the work authorization of individual independent contractors, or withhold a high rate of taxes from their pay, or pay a large tax penalty to the state.
- 25. I understand that employers are only supposed to use the I-9 form or Basic Pilot to verify the work eligibility of their employees. Our independent contractors are not employees of the ORA. Our only option, then, is to incur the adverse tax consequences the law imposes, and either withhold the highest marginal rate from our contractors' pay that is allowed by Oklahoma law, or pay a tax penalty in the same amount.
- 26. Withholding a high rate of taxes from the compensation paid to our individual independent contractors will make it harder for us to hire them, which will harm ORA's ability to advocate for its members. The provision will also make it more expensive for individual independent contractors to do business in the State of Oklahoma, which will either: (1) require us to increase the contract amounts paid to individual independent contractors to offset the tax withholding provision, or (2) decrease the number of individual independent contractors, which will interfere with our ability to use their services. In either case, the ORA will be harmed.
- 27. The other option—paying a tax penalty to the state every time we use the services of an individual independent contractor—will likewise cost significant amounts of money, interfere with our ability to use the services of individual independent contractors, and impede our ability to serve our members. We cannot recover any of these expenditures from the State.

- 28. Members of the ORA and OH&LA that use the services of individual independent contractors will suffer the same harms as those I just described. These costs cannot be recovered.
- The ORA and OH&LA, and their members, do not support illegal immigration or the 29. employment of illegal immigrants. But we firmly believe that this problem should be solved by the federal government.

Executed on the 14th day of December, 2007.