

EXHIBIT

8

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.
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.

No. _____

DECLARATION OF CALEB McCaleb

I, Caleb McCaleb, declare the following:

- 1. I am over the age of 18 and am a citizen of the United States. My statements in this declaration are based on my personal knowledge, and on information I gained in the course of my business. I am making this declaration to support the Chamber of Commerce of the United States of America and the State Chamber of Oklahoma in their challenge to the Oklahoma Taxpayer and Citizen Protection Act of 2007.
2. I am the President of McCaleb Homes, Inc., which is a member of the Chamber of Commerce of the United States of America.

3. McCaleb Homes is a residential building and development company, with headquarters at 4102 Calm Waters Way, Edmond, Oklahoma. My company currently employs 12 full-time employees. We have an annual operating budget of about \$12 million.

4. Our company complies with federal immigration law. We verify whether all of our employees are authorized to work by checking their documents. Because we have a small number of employees, we also telephone the Social Security Administration to double-check their Social Security numbers.

5. We use subcontracts with many independent contractors, including some individual independent contractors, and some independent contractors who themselves utilize individual independent contractors, to meet our needs in home construction. The labor market is very tight in Oklahoma, and independent contractors are critical to our business.

6. As I said, we verify that all our employees are authorized to work. My understanding is that federal law says we are not supposed to verify non-employees like independent contractors.

7. Oklahoma's new law will require our company to either start verifying the work authorization of all individual independent contractors, or withhold a high rate of taxes from their pay, or pay a large tax penalty ourselves.

8. Since we are not supposed to verify the immigration status of independent contractors under federal law, Oklahoma's new law effectively forces us to submit to the tax withholding and tax penalty provisions.

9. If McCaleb Homes has to pay a tax penalty each time it uses an individual independent contractor, it will cause irreparable harm to our business. It will be an impediment to using individual independent contractors, who are otherwise critical to our business, and those

payments cannot be recovered from the State even if Oklahoma's law is found to be unconstitutional.

10. It will also harm our business if we have to withhold a high rate of taxes from the pay of individual independent contractors. This will be a serious impediment to being able to hire them.

11. If we have to withhold a high rate of state taxes from the contract pay given to individual independent contractors, it will be much more difficult for individual independent contractors to do business in this state. Fewer individual independent contractors will make it harder for us to hire them, which will negatively affect our business.

12. The only other option I can see to avoid this harm is artificially inflating the contract pay for individual independent contractors to offset the new tax. This will cost our business more money and will be another impediment to hiring independent contractors. None of these costs can be recovered if the law is found unconstitutional.

13. As I said, we rely on individual independent contractors to do all types of construction jobs. If we are not able to hire them, or it becomes more difficult to hire them, it will threaten our ability to complete jobs on time (exposing us to potential breach-of-contract suits), and we will have trouble attracting new business. None of these costs can be recovered, either.

14. I also understand that Oklahoma's law allows employment discrimination investigations and lawsuits against employers based on an accusation by a former employee that the employer knew or "should have known" that another employee was an illegal worker.

15. As I said before, McCaleb Homes follows federal law and does not knowingly employ any illegal workers. We will, however, be harmed by this new cause of action under Oklahoma law. First, I understand that this State law allows us to be held liable even if we do not know an employee is illegal. Thus, even though we comply with federal law, we may unknowingly incur

liability under State law. Second, the stigma of being associated with illegal immigration, even wrongly, will cause serious harm to our business. There is a serious risk that a disgruntled former employee may attempt to extract a settlement from us even for baseless accusations.

16. We must account for these risks to our business somehow, and that will cost us money. The only options I can see are to purchase litigation insurance, or set aside our own cash reserves to adequately plan for the new contingencies created by this law. In either case, we will be required to expend money and divert profits as a necessary consequence of this law. None of these expenses can be recovered.

17. Our only other option to avoid liability under this new law is to sign up for Oklahoma's "Status Verification System," which I understand is effectively limited to the Basic Pilot Program. McCaleb Homes does not use the Basic Pilot Program, and I understand there are significant drawbacks to doing so.

18. I understand that the Basic Pilot Program is strictly voluntary, does not contain a complete and correct list of all legal workers, and is prone to errors. Basic Pilot is limited to people with information that correctly appears in the incomplete federal database, and thus will limit our ability to hire from among all legal workers (which we can do if we continue to use the I-9 Form process). This is especially harmful to us in light of the extremely tight labor market in Oklahoma, and will result in added recruitment costs and impediments to filling our workforce, which translates into delays on current jobs and the loss of new ones. We cannot recover any of these costs if the law is later found unconstitutional.

19. The system also would not actually tell me whether an employee is authorized to work—instead, it provides a "tentative nonconfirmation." We cannot fire the employee, but must instead give him or her weeks to attempt to sort out any problems with the database.

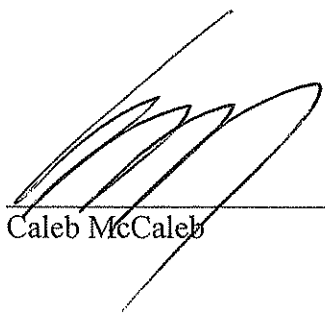
20. If even a few of our employees are unable to work while they attempt to sort out these problems, our operations will be seriously and irreparably harmed. At the least, we will be required to invest significant time and money during these waiting periods to train new employees, without knowing whether they are actually authorized to work. We cannot recover these costs if the employees are unable to resolve the discrepancy and we have to let them go.

21. There is another set of costs we will incur if we are forced to use Basic Pilot to avoid potential liability, and the expenses to our business that will necessarily result, under Oklahoma's new law: it will cost money to change our verification procedures. McCaleb Homes uses the Form I-9 process, as federal law requires. The Basic Pilot Program has very different rules from the verification requirements we are used to, and although there is no fee to sign up for Basic Pilot, we will incur costs in the form of money and work hours to train our personnel to use Basic Pilot and comply with its rules, rather than continuing to use the process mandated by federal law. I understand that the implementation costs of using Basic Pilot on an ongoing basis total, on average, over a thousand dollars per year. We cannot recover any of these costs from the State if the law is invalidated.

22. I do not support illegal immigration, and do not knowingly hire illegal workers. But I am concerned that Oklahoma's law is causing more harm than good.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on the 14th day of December, 2007.



Caleb McCaleb