Written Statement of

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Vice President and Chief Human Resources Officer

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On behalf of

The Associated General Contractors of America

to the

United States House of Representatives

Committee on Education and Workforce, Subcommittee on Workforce Protections

For a hearing on

E-Verify: Ensuring Lawful Employment in America

November 19, 2025

The Associated General Contractors of America (AGC) is the leading association in the construction industry representing more than 27,000 firms, including America's leading general contractors and specialty-contracting firms. Many of the nation's service providers and suppliers are associated with AGC through a nationwide network of chapters. AGC contractors are engaged in the construction of the nation's commercial buildings, shopping centers, factories, warehouses, highways, bridges, tunnels, airports, waterworks facilities, waste treatment facilities, levees, locks, dams, water conservation projects, defense facilities, multi-family housing projects, and more.

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Introduction

Chairman Mackenzie, Ranking Member Omar, and members of the Subcommittee on Workforce Protections, thank you for inviting me to testify today. My name is Jaime Andress, and I serve as the Vice President and Chief Human Resources Officer for Caddell Construction, a construction contractor based in Montgomery, Alabama. Caddell Construction is a general contractor with expertise in commercial, governmental and international markets. Caddell has completed projects totaling more than $20 billion throughout the U.S. and in 36 countries on five continents. I am testifying on behalf of the 27,000 members of the Associated General Contractors of America, the leading association in the construction industry.

The Associated General Contractors of America represents more than 27,000 firms, including over 6,500 of America's leading general contractors, and over 9,000 specialty-contracting firms. More than 10,500 service providers and suppliers are also associated with AGC, all through a nationwide network of chapters. These firms engage in the construction of buildings, shopping centers, factories, industrial facilities, warehouses, highways, bridges, tunnels, airports, water works facilities, waste treatment facilities, dams, water conservation projects, defense facilities, multi-family housing projects, municipal utilities and other improvements to real property. Many of these firms regularly perform construction services for federal government agencies under contracts that require the use of E-Verify by law.

Background On E-Verify

At Caddell, my responsibilities include ensuring that every member of our domestic construction teams is authorized to work in the United States, and that we fully comply with employment and immigration laws. We use E-Verify on every hire for our U.S. projects, beyond what is required by federal law, because we believe that having a legal workforce isn't just our obligation but is at the heart of the way we do business. Our guiding mindset is something we call The Caddell way, which stresses accountability and a commitment to our mission and to the mission of our stakeholders. That commitment includes ethical hiring practices and protecting American jobs. The Caddell Way is about doing business the right way. It's the way our founder, John Caddell, did it, and is the way our business was engineered from the beginning. We recognize that working for the federal government is a privilege, and that our federal projects often implicate national security considerations. A legal workforce is key to the integrity, safety and security of those projects and E-Verify has been a valuable tool in achieving those goals.

I can also attest to the system's overall ease of use. Caddell has used E-Verify for nearly two decades, having put through over a thousand new hires. In that time the system has proven reliable and efficient. One of the appeals of the system is that it provides us with a legitimate tool to use to verify the lawful status of our prospective workforce on federal construction projects. Caddell has zero tolerance for unauthorized employment. E-Verify and I-9 compliance are central to the hiring process.

It is also important to understand that very few construction projects are built by a single contractor. At Caddell, for example, we typically serve as the lead general contractor for a project and work with sometimes dozens of other subcontracting firms to complete a project. General contractors are accountable for ensuring that a project is completed on budget, in a timely, efficient, safe, and legally compliant manner. When the project owner is the federal government, the general contractor and upper tier subcontractors must assume numerous additional responsibilities in addition to E-Verify, including obligations to flow down these responsibilities to their subcontractors, often through designated contract clauses. However, it is important to understand that these are arms-length transactions, and other than contract flow down requirements, Caddell has no direct ability to dictate or oversee those firms' hiring practices and, particularly in an environment where E-Verify is required, should not be held responsible for the hiring practices of those subcontractors. For instance, general contractors hire subcontractors who, in-turn, often subcontract portions of their work to other firms.

To ensure compliance with changes to work authorization programs the Department of Homeland Security (DHS) should automatically send alerts via the E-Verify system when a work authorization has been revoked for an employee. Construction firms like ours want to be in complete compliance, but few firms have the bandwidth to constantly check to see if there have been any changes in work status.

E-Verify has been a useful tool in helping us ensure the legal status of our domestic workforce, but it is not perfect. *As Congress considers policy options, I respectfully offer the following:*

Improve the System's Accuracy

Some construction firms report that individuals who "pass" an E-Verify check are in fact undocumented workers. Improving the system to identify fraud could improve accuracy for employers checking legal status. Also, consider eliminating the requirement that contractors who complete E-Verify also complete I-9s for those same workers. This is redundant and places additional compliance and cost burdens on employers.

Provide Further Compliance Assistance

We urge Congress to include compliance and technical assistance support for E-Verify users, particularly smaller businesses. Also, many construction projects include multiple construction firms. Each of those firms should be held individually accountable for their own compliance with E-Verify requirements.

Require Notification of Change in EAD Status

Prior to June 20, 2025 the E-Verify system would automatically send case alerts when a work authorization was revoked for an individual. However, now there are no alerts for when various programs are terminated, forcing employers to manually generate status change reports, periodically to match case numbers to employees, and then act immediately when revocations are identified. Employers not checking reports receive no notification of revoked authorization which is contrary to the intention of the stated purpose that E-Verify give employers the "peace of mind that your employees are legally authorized to work in the United States".

Provide Consistency

Finally, we urge consistency. Today there is a patchwork of varying state laws that make compliance in general more complex and costly. States differ widely in who must use E-Verify and how it is enforced. With some states placing restrictive policies on how an employer may use E-Verify, which may appear to conflict with federal E-Verify on when or who may be subjected to E-Verify. These differences create compliance challenges and raise federal preemption issues. Putting in place a clear, uniform federal standard would serve everyone better.

But the fact that we even need a system like E-Verify is a reminder of the many shortcomings with our current federal approach to workforce development for sectors like construction. The biggest problem we and many other contractors have with E-Verify is that we don't have enough people to run through the system. There are simply not enough qualified workers available for construction firms like ours to hire and verify.

The Commercial Construction Industry is Facing a Historical Workforce Crisis

The Construction Workforce Crisis by the Numbers

Labor shortages in the commercial construction industry remain significant and widespread, impacting virtually every aspect. There were 188,000 job openings in construction at the end of August, not seasonally adjusted; a decrease of 116,000 (38 percent) year-over-year, according to the U.S. Bureau of Labor Statistics (BLS) in its latest Job Openings and Labor Turnover Survey (JOLTS) release[1]. The industry hired 353,000 employees in August, up 5.4 percent from a year earlier. Despite the decline in job openings, contractors are still adding new hires, suggesting that, amid uncertainty, there is demand for labor. At the same time, the construction layoff rate remains relatively low, indicating that firms are holding onto skilled

[1] U.S. Department of Labor, Bureau of Labor Statistics (September 1, 2025), *Job Openings and Labor Turnover Survey (JOLTS)*, retrieved from https://www.bls.gov/news.release/jolts.nr0.htm.

workers they cannot afford to lose. In fact, the industry's unemployment rate stands at just 3.2 percent, near a historic low and well below the overall nonfarm rate of 4.5 percent. Taken together, these figures suggest contractors would have hired more workers if they had been able to find them.

AGC survey data also support the statistical reality of the labor shortage. According to results from AGC's 2025 Workforce Survey, 88 percent of construction firms report having open positions for craft workers they are trying to fill.[2] Among those, 92 percent of firms say they are having difficulty filling at least some of those positions – particularly among the craft workforce that performs the bulk of onsite construction work. All types of firms are experiencing these challenges. Largely similar results were reported by contractors that use exclusively union craft labor and by firms that operate as open-shop employers; by firms with $50 million or less in annual revenue and ones with more than $500 million in revenue; by companies in all four regions of the country; and by contractors doing building construction, highway and transportation projects, federal and heavy work, or utility infrastructure.

Nearly half of firms (49 percent) reported increasing their headcount over the past year, while 30 percent saw reductions and 21 percent reported no change. A majority of firms (62 percent) anticipate maintaining or growing their workforce, yet most expect hiring to remain difficult, with only a small minority (less than 10 percent) expecting conditions to ease. Despite this desire for growth, ninety-two percent of respondents report having difficulty filling some or all hourly craft or salaried positions.

How the Construction Industry is Working to Address the Crisis

Tight labor market conditions are prompting firms to change the way they operate, recruit and compensate workers in their efforts to overcome workforce shortages. Fifty-three percent of firms have raised base pay rates for their workers during the past year. In addition to raising pay, 42 percent of firms initiated or increased spending on training and professional development in the past 12 months. Firms are also getting more creative when it comes to recruiting workers. Fifty-five percent of survey respondents report they added online strategies, like using social media or targeted digital advertising, to connect better with younger applicants.

At Caddell, we are doing our part to attract and retain American workers. We offer competitive wages and real career pathways for those looking to build a future in this industry. In August, average hourly earnings in construction rose by 4.4 percent over the previous year, compared to 3.9 percent across the rest of the private sector. Construction workers in highway, utility, and specialty trades saw an even greater spread of gains, with residential building up 8.1 percent in July 2025. These aren't low-wage jobs, these are career opportunities with real earning potential.

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[2] The Associated General Contractors of America and Autodesk (September 6, 2024), *2024 Workforce Survey*, retrieved from New Survey Finds Construction Workforce Shortages Are Leading Cause Of Project Delays As Immigration Enforcement Affects Nearly 1/3 Of Firms

Construction firms also pay a premium compared to the broader economy. As of August 2025, average hourly earnings in construction were 19 percent higher than the average pay for all private-sector wages. That premium rose to 26.0 percent for workers in nonresidential building construction. This is not an anomaly; construction wages have outpaced private-sector growth for years.

Contractors are increasing investments in their internal training programs in an effort to address the fact that many candidates lack the basic hard and soft skills needed to be successful. Fifty-two percent of firms are boosting spending on training and professional development programs, 23 percent are enhancing their online and video training capabilities and 10 percent are using augmented and virtual reality technology to better train workers.

Efforts are also being expanded to recruit the next generation of construction professionals, especially those outside of the traditional construction industry profile such as young adults. These recruiting efforts are essential because the economics alone do not appear to be enticing many young adults to pursue careers in construction. Despite all these efforts, the construction workforce crisis has continued to worsen and merely improving construction training opportunities will do little to help with workforce shortages if few people are willing to enter training programs.

If we want E-Verify to fulfill its purpose, connecting lawfully authorized workers with legitimate employment, then we need to make sure there are enough qualified Americans entering the workforce pipeline. That requires robust, consistent federal investment in career and technical education. With better funding, more people will have the opportunity to develop the skills needed to enter this industry, and firms like ours will be better positioned to meet demand while offering jobs that pay well and support families. Unfortunately, the current level and focus of federal workforce investment is not aligned with this need.

According to a recent AGC survey, 57 percent of construction firms are having a difficult time finding enough qualified workers to hire. One reason for these labor shortages according to a report which was produced by the Progressive Policy Institute, AGC and Procore is that the federal government spends 80 percent of its workforce development dollars encouraging workers to pursue a four-year college degree. Yet only 38 percent of Americans earn a four-year college degree.

That leaves only one-fifth of federal workforce dollars to support nearly two-thirds of the workforce. This funding imbalance is contributing to acute labor shortages within the construction industry. These labor shortages are prompting firms to either not bid on projects, or to raise prices and delay construction schedules for the projects they are bidding.

Congress should support greater investment in domestic workforce development, including expanding access to trade schools, apprenticeships, and skills training that can help bring more Americans into high paying construction careers. I should add that most pathways into construction careers do not require a four-year degree and the significant debt those degrees typically require. Increasing access to and resources for trade-building programs and on-the-job learning opportunities beyond apprenticeships or internships add incredible value and opportunities for potential workforce talent to explore and embrace a career in construction. At Caddell, we've been able to hire individuals with non-traditional backgrounds (business owners, law enforcement, military veterans, as examples) and build on their knowledge, skills, and abilities to help them create careers and contribute as project administrators, estimators, project managers, construction executives, and market vice presidents.

It will take time for new investments in construction education and training to expand the supply of qualified American workers. Congress should consider establishing new, and expanding existing, employment-based visas that could provide lawful workers while working to prepare more Americans for permanent careers in construction. In other words, boosting funding for career and technical education and training programs that focus on fields like construction will not just help the construction industry, but will put many more U.S. citizens on a path to prosperity and success.

Conclusion

In conclusion, Caddell and the other members of the Associated General Contractors of America stand ready to work with Congress and federal agencies to strengthen our workforce, improve compliance, and ensure that America's infrastructure gets built by a legal, skilled, and reliable workforce.

Thank you again for inviting AGC to testify before the Subcommittee today. I look forward to answering any questions you may have.