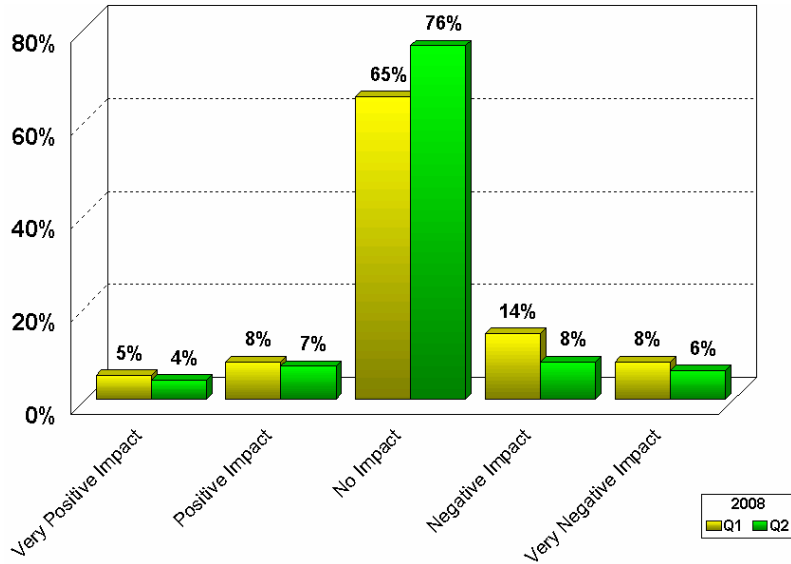


Yawn! Employer Sanctions Law Seen As Having Little Impact



Arizona small businesses were asked what impact Arizona’s new sanctions law is having on their businesses. This quarter the Silver State Bank/ASBA/O’Neil Associates Economic Indicators Monitor found increasing numbers of businesses are saying that the law is having no impact on their business. The clear majority of respondents (76%) report that it has had no impact on their business; a number that is up from the 65% reported in Q1.

During the first quarter we observed that more businesses said that the Employer Sanctions Law had a negative impact (22%) than said it had a positive impact (13%). The same effect was evident this quarter, though the numbers are clearly diminishing. This quarter, 14% indicated that it had a negative (8%) or very negative (6%) impact. In contrast, only 11% said that it had either a positive (7%) or very positive (4%) impact.

According to the poll’s director, Dr. Michael O’Neil,

“It looks to us, at this still relatively early point, like the law is going through a “shakedown” phase wherein most employers are discovering that this law is not having the catastrophically negative or euphorically positive impact that was promised by opponents and proponents of the law. While not discounting the significance of the 14% seeing the law as having a negative impact, the fact that this proportion is diminishing suggests to us that the long-term impact of the law may be minimal. It is also hard to ignore the context in which the enforcement of this law is occurring. It is precisely during an economic downturn such as we are in the midst of where labor shortages tend to disappear. Were we in the midst of the boon of two years ago, the impact of this law might be quite different than what we are currently experiencing.”

These results are taken from the Q2 **Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor**. This project provides insights to support business leaders in companies of all sizes to make key economic decisions, as well as sharing small business attitudes on major political issues. **O'Neil Associates**, a national public opinion research firm based in Tempe, sent surveys to ASBA's membership of 3,000 small businesses across the state in late June as it did at the end of Q1 2008. The survey covered a wide range of economic issues, including business performance, revenue and job growth, and overall business confidence ratings. Results provide insights into the perceptions of business owners on the economic health and vitality of the Arizona economy. The survey has a margin of error (at the 95% confidence level) of approximately +/-6%. Silver State Bank President Mike Thorell said: "This release continues our efforts to inform the business community about significant economic, political, and social trends affecting Arizona".

Results of this survey may be cited freely with the proviso that they be cited as the "Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor"

The Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor is made possible by a cooperative effort of

- **Silver State Bank** is Nevada's largest small business lender and has recently expanded its operations in Arizona.
- **ASBA**, the Arizona Small Business Association, is the leading voice for small businesses in the State of Arizona.
- **O'Neil Associates**, a national public opinion research firm based in Tempe, has done over 1700 public opinion and marketing research projects since 1981. These include surveys and focus group projects for a wide array of businesses throughout the country.

For a complete copy of all **Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor** reports released to date, as well as opinion research reports on an array of other topics visit <http://www.oneilresearch.com/publicdomain> or click on the banner below.



For Further Information or to schedule media interviews contact *via email*:

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