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THE COST OF DOING NOTHING: Dollars, Lives, and Opportunities Lost in the Wait for Immigration Reform

Immigration reform is a topic that has been heavily debated in Congress over the past year. While that debate led to passage of a comprehensive immigration reform bill in the Senate (S. 744),¹ the leadership of the House of Representatives has yet to put immigration legislation on the floor. This state of affairs is fine with those congressional representatives who seem to think that merely talking about immigration is enough. And if Congress were a debating society, perhaps talking would be sufficient. But Congress is entrusted with a far greater responsibility: passing laws that matter. This is particularly true in the case of immigration reform, which has such enormous humanitarian and economic implications. Further delay on immigration reform, especially when there is broad public support for reform, wastes not just time, but money and lives as well.

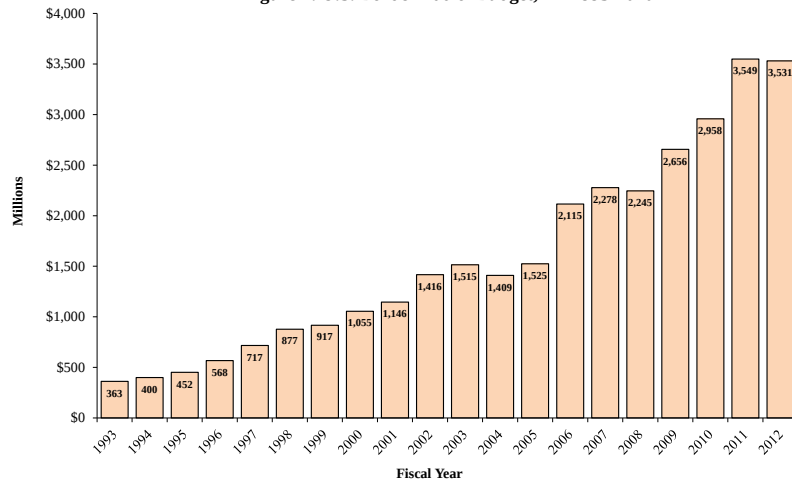
Since the last major overhaul of the U.S. immigration system in 1986, the federal government has spent an estimated \$186.8 billion on immigration enforcement.² But those billions did not keep unauthorized immigrants out of the United States, nor persuade them to leave, because the 1986 reforms failed to create legal channels of immigration that could keep up with the growth of U.S. labor demand. As a result, over the past two-and-a-half decades, the number of unauthorized immigrants has tripled to more than 11 million.³ What the enforcement spending spree has done is to waste taxpayer dollars while creating a slow-motion humanitarian catastrophe at the southwest border and in immigration courtrooms across the country. Thousands of migrants have died in deserts, mountains, and rivers as they try to enter the country from Mexico because there are no legal avenues by which they can come here. Tens of thousands of U.S.-citizen children have had their lives torn apart by the deportation of their parents. On top of that, the full economic potential of unauthorized immigrants as workers, taxpayers, consumers, and entrepreneurs has been squandered because they are unable to earn legal status. In other words, as Congress continues to ponder the possibility of enacting immigration reform legislation, the broken machinery of the U.S. immigration system continues to destroy lives and families while draining the federal budget and undermining the economy. But this cannot go on forever. The cost of doing nothing is too great.

THE COST IN DOLLARS

The immigration-enforcement budget has increased massively since the early 1990s, but has not proven very effective at deterring unauthorized immigration.

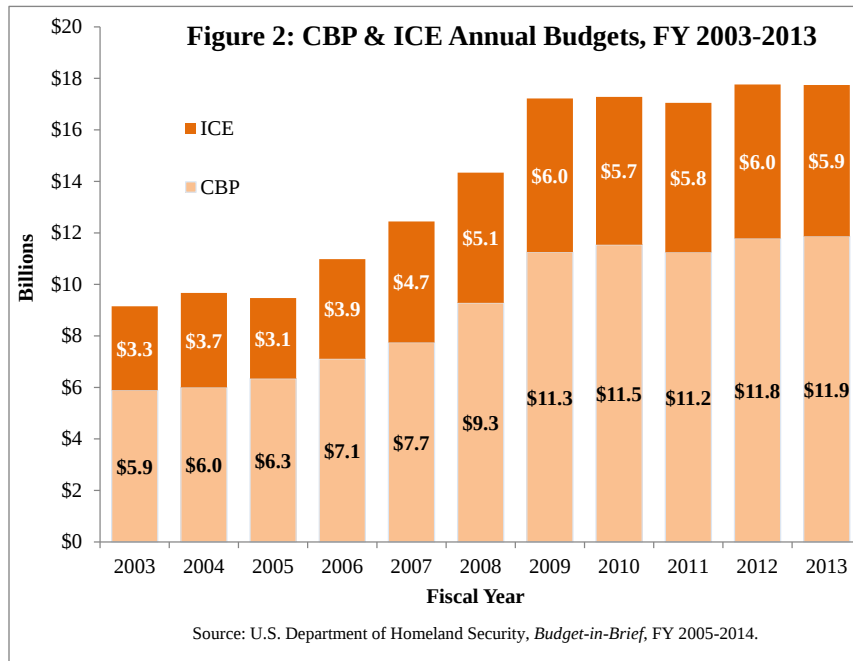
- Since 1993, when the current strategy of concentrated border enforcement was first rolled out along the U.S.-Mexico border, the annual budget of the U.S. Border Patrol has increased ten-fold, from \$363 million to more than \$3.5 billion {Figure 1}.⁴

Figure 1: U.S. Border Patrol Budget, FY 1993-2010



Source: U.S. Border Patrol, "Enacted Border Patrol Program Budget by Fiscal Year," February 2013.

- Since the creation of the Department of Homeland Security (DHS) in 2003, the budget of U.S. Customs and Border Protection (CBP)—the parent agency of the Border Patrol within DHS—has doubled from \$5.9 billion to \$11.9 billion per year {Figure 2}.⁵
- On top of that, spending on U.S. Immigration and Customs Enforcement (ICE), the interior-enforcement counterpart to CBP within DHS, has grown 73 percent, from \$3.3 billion since its inception to \$5.9 billion today {Figure 2}.⁶



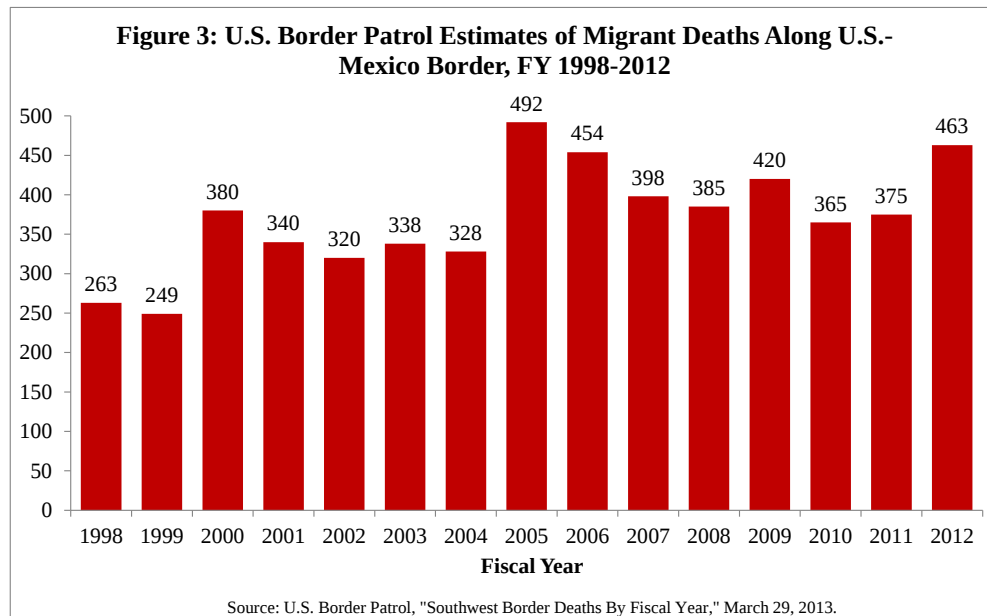
Source: U.S. Department of Homeland Security, *Budget-in-Brief*, FY 2005-2014.

- Increased enforcement spending without a corresponding effort to increase legal immigration has precipitated a tripling in the number of unauthorized immigrants in the United States since 1990.⁷

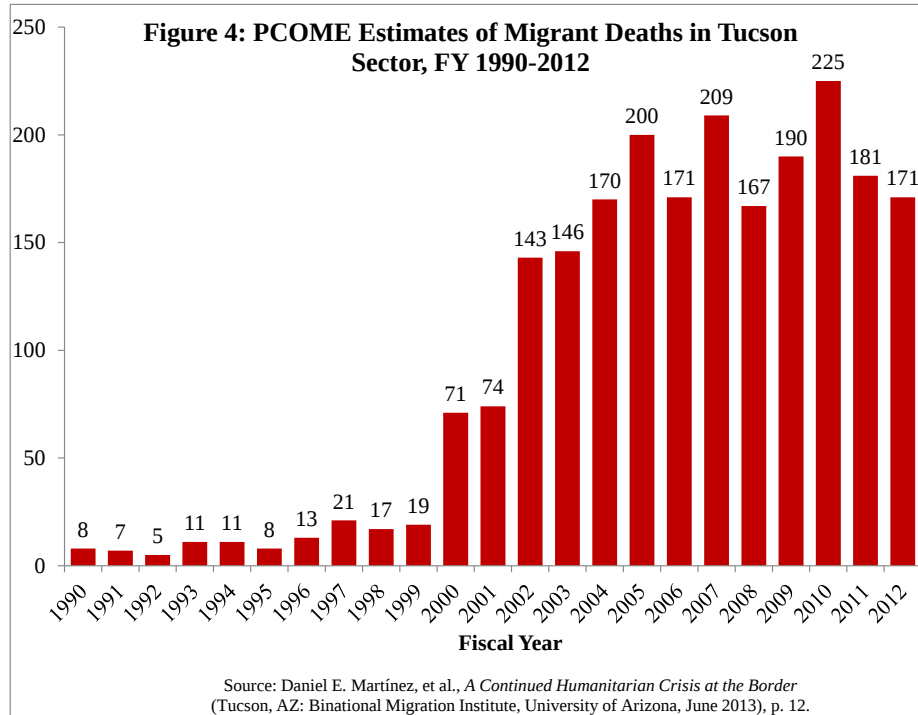
THE COST IN LIVES

Over the past two decades, thousands of migrants have died while crossing the U.S.-Mexico border as they tried to reach jobs and family members in the United States.

- According to the U.S. Border Patrol, 5,570 migrants died while crossing the U.S.-Mexico border from FY 1998 to 2012 {Figure 3}.⁸

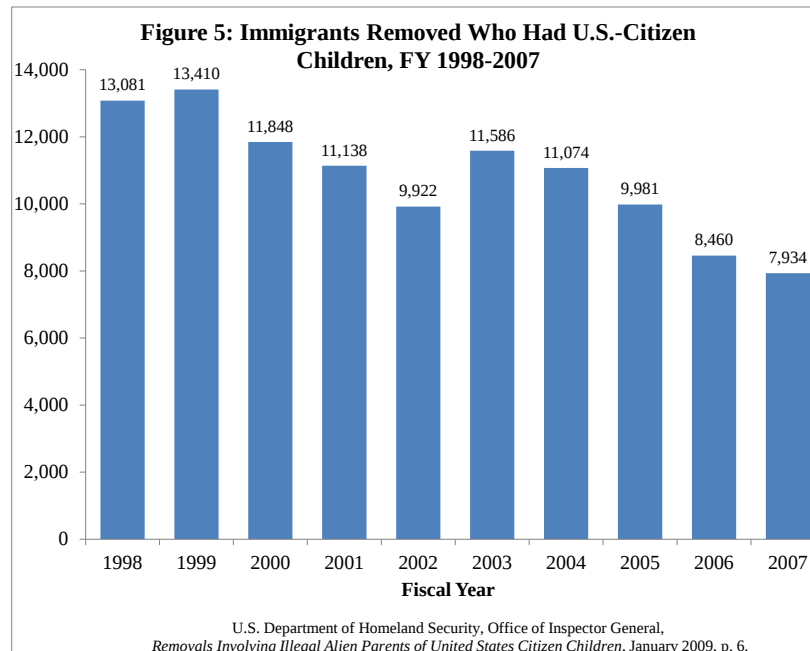


- As border-enforcement resources were concentrated in California and Texas beginning in the early 1990s, more and more migrants began crossing into the United States through Arizona. As a result, more lost their lives in Arizona as well.
- According to the Pima County Office of the Medical Examiner (PCOME), 2,238 migrants died in just the Tucson Sector of the U.S.-Mexico border from FY 1990 to 2012 {Figure 4}.⁹



Tens of thousands of families have been torn apart by the deportation of immigrant parents with U.S.-born children.

- According to ICE data analyzed by the DHS Office of Inspector General, 108,434 immigrants with U.S.-citizen children were removed from the United States between FY 1998 and 2007 {Figure 5}.¹⁰ The majority were removed for immigration violations.¹¹
- ICE does not collect data on what becomes of the children in these cases.¹²



- According to DHS, 46,486 parents of U.S.-citizen children were removed from the United States during the first six months of FY 2011, accounting for over 20 percent of all individuals deported during that period.¹³
- The Applied Research Center estimates that approximately 5,100 children with a detained or deported parent were in the public child welfare system in 2011.¹⁴

THE COST IN MISSED OPPORTUNITIES

If the federal government had already created a legalization program for unauthorized immigrants now in the country, the U.S. economy would have received a much-needed boost: more tax revenue, more consumer buying power, and more jobs.

- Raúl Hinojosa-Ojeda, founding director of the North American Integration and Development Center at the University of California, Los Angeles, estimates that in just the first three years following legalization, the “higher earning power of newly legalized workers translates into an increase in net personal income of \$30 to \$36 billion, which would generate \$4.5 to \$5.4 billion in additional net tax revenue. Moreover, an increase in personal income of this scale would generate consumer spending sufficient to support 750,000 to 900,000 jobs.”¹⁵
 - In general, the study found that “removing the uncertainty of unauthorized status allows legalized immigrants to earn higher wages and move into higher-paying occupations, and also encourages them to invest more in their own education, open bank accounts, buy homes, and start businesses.”¹⁶
- Hinojosa-Ojeda also estimates the fiscal benefits of legalization for eight states.¹⁷
 - Arizona: The wages of unauthorized workers would increase by \$1.8 billion, generating an additional \$540 million in tax revenue and creating 39,000 new jobs.¹⁸
 - California: The wages of unauthorized workers would increase by \$26.9 billion, generating an additional \$5.3 billion in tax revenue and creating 633,000 new jobs.¹⁹
 - Colorado: The wages of unauthorized workers would increase by \$924 million, generating an additional \$297 million in tax revenue and creating 20,000 new jobs.²⁰
 - Florida: The wages of unauthorized workers would increase by \$3.8 billion, generating an additional \$1.13 billion in tax revenue and creating 97,000 new jobs.²¹
 - Nevada: The wages of unauthorized workers would increase by \$970 million, generating an additional \$249 million in tax revenue and creating 23,000 new jobs.²²
 - New Mexico: The wages of unauthorized workers would increase by \$312 million, generating an additional \$90 million in tax revenue and creating 8,000 new jobs.²³

- Texas: The wages of unauthorized workers would increase by \$9.7 billion, generating an additional \$4.1 billion in new tax revenue and creating 193,000 new jobs.²⁴
- Virginia: The wages of unauthorized workers would increase by \$1.2 billion, generating an additional \$371 million in tax revenue and creating 27,000 new jobs.²⁵
- A study by Manuel Pastor and his colleagues at the Center for the Study of Immigrant Integration at the University of Southern California found that California's unauthorized Latino population loses out on \$2.2 billion in wages each year because of their lack of legal status.²⁶
 - Were they to earn this additional \$2.2 billion, the “rise in income would spur direct consumption spending by about \$1.75 billion dollars per year, which would ripple throughout the state economy, generating an additional \$1.5 billion in indirect local spending. Such an increase in direct and indirect consumer spending of about \$3.25 billion would generate over 25,000 additional jobs in the state.”²⁷
 - Moreover, “if unauthorized Latino workers were granted legal status, the state government would benefit from a gross increase of \$310 million in income taxes and the federal government would gain \$1.4 billion in paid income taxes each year.”²⁸
- In testimony before the Senate Homeland Security Committee, the Social Security Administration's chief actuary, Stephen C. Goss, estimated that President Obama's executive actions on immigration would raise U.S. gross domestic product 0.15 percent by 2024 and 0.22 percent by 2050. Additionally, 925,000 additional workers would be paying payroll taxes by 2024.²⁹

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Endnotes

¹ See Immigration Policy Center, *A Guide to S.744: Understanding the 2013 Senate Immigration Bill* (Washington, DC: American Immigration Council, July 2013).

² Doris Meissner, Donald M. Kerwin, Muzaffar Chishti, and Claire Bergeron, *Immigration Enforcement in the United States: The Rise of a Formidable Machinery* (Washington, DC: Migration Policy Institute, January 2013), p. 3.

³ Jeffrey Passel, D'Vera Cohn and Ana Gonzalez-Barrera, *Population Decline of Unauthorized Immigrants Stalls, May Have Reversed* (Washington, DC: Pew Hispanic Center, September 23, 2013), p. 9.

⁴ U.S. Border Patrol, “Enacted Border Patrol Program Budget by Fiscal Year,” February 2013.

⁵ U.S. Department of Homeland Security, *Budget-in-Brief*, FY 2005-2014.

⁶ Ibid.

⁷ Jeffrey Passel, D'Vera Cohn and Ana Gonzalez-Barrera, *Population Decline of Unauthorized Immigrants Stalls, May Have Reversed* (Washington, DC: Pew Hispanic Center, September 23, 2013), p. 9.

⁸ U.S. Border Patrol, “Southwest Border Deaths By Fiscal Year,” March 29, 2013.

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- ⁹ Daniel E. Martínez, et al., *A Continued Humanitarian Crisis at the Border* (Tucson, AZ: Binational Migration Institute, University of Arizona, June 2013), p. 12.
- ¹⁰ U.S. Department of Homeland Security, Office of Inspector General, *Removals Involving Illegal Alien Parents of United States Citizen Children*, January 2009, p. 6.
- ¹¹ Ibid., p. 9.
- ¹² Ibid., p. 1.
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- ¹⁵ Raúl Hinojosa-Ojeda, *Raising the Floor for American Workers: The Economic Benefits of Comprehensive Immigration Reform* (Washington, DC: Center for American Progress and Immigration Policy Center, American Immigration Council, January 2010), p. 13.
- ¹⁶ Ibid., pp. 8-9.
- ¹⁷ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation* (Washington, DC: Center for American Progress, August 2012).
- ¹⁸ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in Arizona* (Washington, DC: Center for American Progress, August 2012).
- ¹⁹ Raúl Hinojosa-Ojeda and Marshall Fitz, *Revitalizing the Golden State: What Legalization Over Deportation Could Mean to California and Los Angeles County* (Washington, DC: Center for American Progress, April 2011).
- ²⁰ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in Colorado* (Washington, DC: Center for American Progress, August 2012).
- ²¹ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in Florida* (Washington, DC: Center for American Progress, August 2012).
- ²² Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in Nevada* (Washington, DC: Center for American Progress, August 2012).
- ²³ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in New Mexico* (Washington, DC: Center for American Progress, August 2012).
- ²⁴ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in Texas* (Washington, DC: Center for American Progress, August 2012).
- ²⁵ Raúl Hinojosa-Ojeda, *The Consequences of Legalization Versus Mass Deportation in Virginia* (Washington, DC: Center for American Progress, August 2012).
- ²⁶ Manuel Pastor, Justin Scoggins, Jennifer Tran, and Rhonda Ortiz, *The Economic Benefits of Immigrant Authorization in California Immigrants and the Economy* (Los Angeles, CA: Center for the Study of Immigrant Integration, University of Southern California, January 2010), p. 6.
- ²⁷ Ibid.
- ²⁸ Ibid., p. 8.
- ²⁹ *Testimony* of Stephen C. Goss, Chief Actuary, Social Security Administration, before the Senate Committee on Homeland Security and Governmental Affairs, on the “Financial Implications for the Social Security Trust Funds of the President’s Executive Actions on Immigration, Announced November 20, 2014,” February 4, 2015.