

## What could DACA repeal cost Alabama? One report says more than \$1B

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September 5, 2017

The Trump administration's plan to end the Deferred Action for Childhood Arrivals – or DACA – program could have a substantial impact on Alabama's economy.

That's according to a report from the <u>Cato Institute</u>, a think tank focused on liberty, limited government, free markets and peace.

The DACA program gives legal protection to immigrants who have lived continuously in the United States after entering the country illegally as children prior to mid 2007.

The <u>Cato Institute's report estimates that the program's repeal</u> will cost the nation over \$60 billion in tax revenue and result in a \$512 billion GDP loss over the next 10 years.

Alabama, in particular, would face a \$1.182 billion total loss, with a \$258 million tax revenue loss and a \$924 million GDP loss.

Of course, those losses might not materialize if Congress takes action to save the program or keep elements of DACA in place. The Trump administration's announcement on Tuesday essentially places the ball in Congress' court, giving them six months to take action.

Fellow <u>Ike Brannon</u> writes at the Cato blog, "Most of this high cost is driven by the fact that the 'dreamers' tend to do well in school and as a result do well in the job market after they complete their education."

The economic analysis was done by comparing DACA recipients to immigrants with H-1B visas, groups which are "demographically analogous," according to Brannon.

Cato considers their estimates to be conservative because their analysis doesn't factor both the greater future productivity of DACA recipients and the enforcement costs to physically deport this demographic.