

## How the US Regime Subsidizes Immigration—both Legal and Illegal

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February 15, 2024

In recent months, stories from both the legacy media and the independent media have continued to pile up on how undocumented foreign nationals—also known as "migrants" and "illegal aliens"—are able to take advantage of a vast network of taxpayer funded benefits in daycare, medical care, housing, and more.

For example, both the *New York Post* and *Denver Post* report that these foreign nationals have "overwhelmed" the Denver Health hospital system in Denver, and that the situation is "unsustainable." Meanwhile, public schools report classrooms are filling up quickly with the children of these foreign nationals. Denver is hardly alone. The *New York Post* notes that both the City of New York and the state government have expanded local welfare programs, including pre-paid credit cards, to further ensure that migrants continue to receive cash and resources from American taxpayers. This is in addition to the approximately 66,000 foreign nationals who are housed in hotels and shelters, care of both New York and federal taxpayers. *USA Today* reports that colleges "across the country" are receiving millions in taxpayer money to offer housing to migrants at no charge. Chicago's mayor is bragging he's giving away \$17 million in taxpayer-funded giveaways to "asylum seekers" who are presently living off the sweat of the taxpayers in government shelters. This, of course, is just a downpayment on many more planned giveaways.

Just how much in taxpayers' resources is going to foreign nationals? It's difficult to estimate for a number of reasons. The spending is done through numerous different government agencies at various levels of government. Moreover, much of the money is filtered through non-profits (i.e., "NGOs") that are labeled "charities" but are simply adjuncts of the regime.

Yet, once we add up \$1 billion here and \$77 million there, after a while we're talking about real money.

And ultimately one thing becomes abundantly clear: the regime and its partners are subsidizing the influx of foreign nationals who are promised a variety of both cash and in-kind benefits. It must also be noted that, contrary to certain myths, the largesse is not reserved for only the so-called "illegal aliens." Legal immigrants can take advantage of the generous and well-funded American welfare state even more readily than can the undocumented migrants.

The exact magnitude of the effect this has on migration into the United States is unclear, but the effect of subsidization is usually the same everywhere we look: you get more of what you subsidize. This is true of student loans, it's true of ethanol, and it's true of migrants. From the

perspective of sound economics, we know that the government cannot possibly know the "correct" number of migrants, nor should the regime be free to centrally plan some arbitrary number. On the other hand, it is extremely unlikely that the number of migrants—even with lax border enforcement—would be as high as it is without the regime's incessant subsidization of migrants, both legal and illegal.

### **How Many Foreign Nationals Live in the United States?**

According to the Congressional Research Service, it is estimated there were approximately 45-46 million foreign-born residents of the United States in 2022. Of those, about 53 percent, or 24 million, are naturalized citizens. In addition to this there are 12.9 million legal permanent residents (LPRs) and approximately 11 million more are so-called "illegal" immigrants. All combined, we find that 23 million non-citizen US residents—i.e., "foreign nationals"—are living in the United States. As we will see, many of them receive financial support and resources from US taxpayers.

(This measure does not count the approximately 3.2 million nonimmigrant workers, students, exchange visitors, diplomats, and their relatives who have sought only temporary residence in the United States. These nonimmigrant groups are not eligible for public benefits.)

### **Are Foreign Nationals Eligible for Welfare?**

Among immigrant foreign nationals, most are eligible for some form of taxpayer-funded "public" benefits.

For example, undocumented foreign nationals may legally access "treatment under Medicaid for emergency medical conditions," a variety of in-kind services such as soup kitchens and temporary housing, and "programs for housing or community development assistance or financial assistance administered by the Secretary of Housing and Urban Development..."

That's just the direct federally-funded services. State and local government may elect to provide additional services at local taxpayers' expense.

The welfare programs available to legal foreign nationals are far more broad. Legal foreign nationals (LPRs) can access most federal welfare programs after an initial five-year period. This includes non-emergency Medicaid, CHIP, TANF (i.e., cash assistance), food stamps, and SSI.

Access to these programs have been further broadened by state governments. As noted by the National Immigration Law Center:

Over half of the states have used state funds to provide TANF, Medicaid, and/or CHIP to immigrants who are subject to the five-year bar on federally funded services, or to a broader group of immigrants. A growing number of states and counties provide health coverage to children, young adults, or pregnant persons regardless of their immigration status. Several states offer or will offer health coverage to older adults regardless of their immigration status. And five states (California, Colorado, Minnesota, Oregon, Washington) and the District of Columbia offer or will offer public or private health coverage with state subsidies to all otherwise eligible immigrants regardless of their immigration status.

It is not necessary to be employed to maintain legal permanent resident status, even if one is of working age. After all, LPRs are not the same as temporary nonimmigrant workers like H1B visa holders: "Green card holders [LPRs] can also collect unemployment compensation the same way citizens do ...nor can a legal permanent resident be deported for being unemployed."

Legal immigrants do not jeopardize their legal status by applying for additional taxpayer funded benefits such as food stamps: "SNAP enrollment will NOT affect your ability to remain in the United States, get a green card/permanent resident status, keep your green card/permanent resident status, or become a U.S. citizen."

In short, nearly the full gamut of taxpayer-funded welfare programs are open to legal foreign nationals after the initial five-year bar. Moreover, many migrants aren't even held to that, including "[r]efugees, people granted asylum or withholding of deportation/removal, Cuban/Haitian entrants, certain Amerasian immigrants" and other specific groups are exempted from the waiting period.

All these foreign nationals, regardless of status, are free to send their children to government childcare centers known as "public schools." Because of this, state and local governments disproportionately bear the burden of supporting undocumented immigrant foreign nationals.

### **How Much Do Foreign Nationals Use American Social Benefits?**

A variety of organizations have attempted to quantify the extent to which both naturalized immigrants and current foreign nationals use welfare programs. This study from the National Academies concludes that the data

show[s] that the immigrant households use several programs, most notably food assistance and Medicaid, at higher rates than do households led by the native-born. ...This higher use of welfare programs by immigrants is attributable to their lower average incomes and larger families.

In the NA study, immigrant households with children utilized welfare programs at higher rates in nearly every US state. In California, 61.5 percent of households utilized welfare while 40.7 percent of immigrant households did. In Texas, the same measures are at 66.3 and 44.2 percent, respectively. Similar proportions are found in Florida and New York.

This report unfortunately does not differentiate between naturalized immigrants and foreign nationals. However, given that naturalized immigrants tend to earn 50 to 70 percent more than non-citizen immigrants, it is safe to conclude that foreign nationals utilize welfare programs more than naturalized immigrants, and therefore more than the native population.

Similar studies from the Center for Immigration Studies show similar results.

- In 2012, 51 percent of households headed by an immigrant (legal or illegal) reported that they used at least one welfare program during the year, compared to 30 percent of native households. Welfare in this study includes Medicaid and cash, food, and housing programs.
- Immigrant households have much higher use of food programs (40 percent vs. 22 percent for natives) and Medicaid (42 percent vs. 23 percent). Immigrant use of cash programs is

somewhat higher than natives (12 percent vs. 10 percent) and use of housing programs is similar to natives.

Note that these conclusions reflect immigrant *households* rather than immigrant individuals. This is an important distinction because many immigrant households contain citizen children who became citizens at birth due to being born in the United States. Thus, the household may contain both citizens and foreign nationals—some of whom may be illegal foreign nationals. These households, however, enjoy access to welfare programs by virtue of the underage members' citizenship. Thus, immigrant households can access taxpayer funded healthcare, food stamps, housing programs (and more) through the native-born children. Similar trends persist when non-citizen households are measured separately from all immigrant households combined.

Some researchers insist that welfare benefits for foreign nationals ought to be measured only on an individual, per capita basis. For example, in this report from the CATO institute, the researchers conclude that for 2020, native-born residents, on average, cost welfare programs \$8,335 per capita while immigrants cost welfare programs \$6,063. These proportions can vary by program. For example, the per capita Medicaid cost for immigrants is \$1,859, while the cost for native-born residents is \$2,081. The use of food stamps is similar (\$190 per capita for immigrants versus \$214 per capita for natives), Immigrants usage of SSI is slightly higher (\$188 per capita) than it is for natives (\$169 per capita)

An older CATO study (from 2013) does break out non-citizens from immigrants overall. Here, the researchers conclude that low-income immigrants use food stamps more than naturalized immigrants, and only slightly less than native-born residents. When it comes to taxpayer funded healthcare: one in five non-citizen immigrants collect this benefit while slightly more than 1 in 4 natives collects this particular form of taxpayer largesse.

The Migration Policy Center reports that in 2021, 32 percent of immigrants (both citizen and non-citizen) used government health insurance. That's comparable to 38 percent of natives.

Yet, even by this conservative measure of immigrant welfare usage, the best we can say is that immigrants use welfare at a rate slightly lower than that of natives. One could argue that, at the low end, immigrants receive (per capita) about 70 to 75 cents for every welfare dollar that goes to natives. That's not exactly "good news" given that overall federal spending on social benefits amounts to about half of the annual \$6.3 trillion budget and is clearly out of control. The fact that natives get most of this is hardly an exoneration of immigrants. It's more of an indictment of native-born Americans, millions of whom exploit their most productive fellow citizens every month to keep the government benefits flowing.

In any case, the largesse flows freely to foreign nationals also, which means immigration to the United States is heavily subsidized. We should not be surprised when a lot of immigrants show up to get their share.