

Conservative groups blast Heritage foundation's \$6.3 trillion "amnesty" cost

by Adrian Carrasquillo, May 6, 2013

In 2007, when Ted Kennedy and John McCain were pushing comprehensive immigration reform, an outside player helped to torpedo the bill. The culprit was The Heritage Foundation, a public policy research institute esteemed in conservative circles. It's study on the effects of the legislation were widely cited and gave ammunition to opponents of reform.

Now Heritage is back with a similar study, which finds that the costs of undocumented immigrants becoming citizens over the next 50 years would be a whopping \$6.3 trillion. But this time, conservatives are pushing back.

"Though Heritage is a treasured ally of [Americans for Tax Reform], this report looks only at the cost side and ignores the economic benefits," says Josh Culling with ATR, who lamented the lack of dynamic scoring of the bill, a methodology that would have addressed how the situation of immigrants will change over time and help boost the economy. The Heritage Foundation has long been a proponent of dynamic scoring.

"There's one major reason why dynamic scoring matters," says Mario Lopez, president of the Hispanic Heritage Fund, a conservative advocacy group. "Capitalism. Not using a dynamic model is a failure to acknowledge that capitalism exists." Lopez cited President Ronald Reagan and his famous saying that 'a rising tide lifts all boats.' "One part of the economy doesn't stay the same when another changes," he added.

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The study found that undocumented immigrants would "receive \$9.4 trillion in government benefits and services and pay \$3.1 trillion in taxes. They would generate a lifetime fiscal deficit of \$6.3 trillion.

These statistics were reached by assuming that if a path to citizenship is enacted, the average adult unlawful immigrant would receive \$592,000 more in government benefits over the course of his remaining lifetime than he would pay in taxes. But conservatives who blasted the study say the assumption is that all undocumented immigrants eventually become citizens and receive government services for 50 years.

"According to this report, there is no American Dream," says Doug Holtz-Eakin, president of the American Action Forum, a conservative policy institute. "It's not realistic — not all immigrants will be

eligible for benefits and not all want to be citizens. It's basically saying they will all start in poverty, end in poverty and their children will live in poverty."

The influential Cato Institute released a 'pre-buttal' in conjunction with Americans for Tax Reform, which asked The Heritage Foundation to use dynamic scoring in its study. Alex Nowrasteh, who wrote the piece for Cato, said he was disappointed that they did not heed the suggestions of conservatives. He cited the work of UCLA professor Raúl Hinojosa-Ojeda, the author of The Economic Benefits of Comprehensive Immigration Reform, who says undocumented immigrants would add 1.5 trillion, or roughly one percent, to the gross domestic product (GDP) in a period of 10 years.

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Jimmy Kemp, president of the Jack Kemp Foundation, says his father, who was a Republican vice presidential nominee, supported "policy that says people are our greatest capital."

"We want to attract people to this country," he says. "I'm surprised they took this static approach." He added that he was pleased and proud to see so many conservatives fighting on the side of people who "can and will contribute to this economy."

Kemp, as well as the other conservative voices who came out against the Heritage study, say there are valid questions to be debated concerning immigration reform, but this is not the way to go about the task.

"You can't lead from a place of fear," he says.

"Scaring people to not act, to not lead, is a problem the voters have sent a pretty clear message they don't want."