

## Does illegal immigration cost the United States more than \$100 billion a year?

Philip Athey

June 26, 2018

Arizona Republican Rep. Paul Gosar said the cost of illegal immigration is over \$100 billion a year. How accurate is that number? Carly Henry and William Flannigan, Arizona Republic

**THE MEDIA:** Television.

WHO SAID IT: Paul Gosar.

**OFFICE:** Representative, Arizona's 4th Congressional District.

**PARTY:** Republican.

**THE COMMENT:** "The cost for illegal immigration is over \$100 billion in a yearly

application."

**THE FORUM:** "The Washington Journal," C-SPAN, June 6, 2018.

**WHAT WE'RE LOOKING AT:** Whether illegal immigration costs the U.S. more than \$100 billion a year.

**ANALYSIS:** While answering callers' questions on C-SPAN, Arizona Republican Rep. Paul Gosar said the cost of illegal immigration to the U.S. was more than \$100 billion a year.

Gosar and his staff did not respond to numerous requests for comment, but he is likely joining others, including President Donald Trump and Fox News host <u>Sean Hannity</u>, in using numbers from the Federation for American Immigration Reform, a conservative group that advocates for less immigration, both legal and illegal.

In 2017, FAIR's <u>"The Fiscal Burden of Illegal Immigration on United States Taxpayers"</u> report put the total cost of illegal immigration at \$135 billion a year, while claiming undocumented immigrants paid only \$19 billion a year in taxes. That leaves a net cost to local, state and federal governments of \$116 billion a year.

The report has been criticized for overcounting the number of people living in the country who are undocumented and ignoring positive effects they have on the economy.

FAIR estimated that there are roughly 12.5 million undocumented immigrants in the country. That's significantly higher — by more than 1 million people — than most other estimates.

The Pew Research Center, a nonpartisan and non-advocacy organization, has released an annual report since 1995 estimating the size of that immigrant population.

"It has never been as high as 12.5 million in our estimates," said Jeffrey Passel, the author of the Pew Research Center report.

According to the latest Pew report, published in April 2017, there were 11.3 million undocumented immigrants in the country in 2016. The peak was in 2007, when there was a total of 12.2 million undocumented immigrants.

The Center for Migration Studies, which advocates for migrants, released a survey that estimated the population at 10.8 million in 2016.

Spencer Raley, research associate and co-author of the FAIR report, said the difference in the estimates comes down to how many people were not counted in the <u>U.S. Census' annual</u> American Community Survey.

Arizona Republic reporters explain the difference between seeking asylum at the border and attempting to immigrate illegally. Carly Henry, The Republic | azcentral.com

That survey does not give an estimate for the number of undocumented immigrants in the U.S., but instead gives a count of the total foreign-born population in the country.

Organizations that make such estimates take that number, compare it to government reports on the number of foreign-born people in the country legally, and the difference is adjusted using the "under-count" rate to estimate the total number of undocumented immigrants.

"Organizations such as Pew believe that the under count is getting smaller as time goes on," Raley said, "... but we don't see any indication that that is the case."

All estimates of the undocumented population include people in the <u>Deferred Action for Childhood Arrivals</u> program and those with a Temporary Protected Status who have work authorization and protection from deportation.

In addition to those groups, FAIR included in their cost estimates the nearly 4.2 million U.S. citizens who are the children of undocumented immigrants. By adding the citizen children to their undocumented population estimate of 12.5 million, FAIR looked at the total cost of roughly 16.7 million people.

"All the costs the taxpayers incur because of (the citizen children of undocumented immigrants) are the direct result of illegal immigration," Raley said. "We believe it's only fair to include them in the costs."

The FAIR study estimated an annual cost of \$8,075 per person, so not including those citizens would reduce the estimate by more than \$43.6 billion.

Deconstructing the organization's math gets somewhat complicated beyond that figure, because the per-person rate includes \$13.1 billion in spending on programs available only to citizens. The result of that is an inflation of the per-person rate overall.

While the study counts the cost of benefits such as Medicaid and English-language programs used by the citizen children of unauthorized immigrants, they do not include the taxes those citizens pay once they become adults and move out of their parents' household.

A National Academies of Sciences report published in September 2016 found that while immigrants — especially ones with lower education levels like most undocumented immigrants — are probably a net fiscal drain, the children of all immigrants are among the highest economic contributors and taxpayers in the country.

"If you throw out the impact of the kids, you are also sort of stacking the deck for your preferred outcome," said Gretchen Donehower a researcher from the University of California, Berkeley, and a consultant on the <u>National Academies of Sciences report</u>.

The libertarian Cato Institute, an organization which favors more open immigration policy, is critical of the FAIR estimate because it doesn't look at the total effect of immigrants on the economy.

"They blame all the costs on the children, but ignore the taxes they will pay," said Alex Nowrasteh a senior immigration policy analyst for Cato.

What is so-called "chain migration"? Here is a brief explanation. Isabel Greenblatt/The Republic

Two days after the 2017 FAIR report was published Nowrasteh authored a critique that estimated the cost of illegal immigration was between \$3.3 billion and \$15.6 billion annually. The Cato report focuses on correcting what they say are false assumptions and mistakes in the FAIR study, such as rate of health care use.

"Since the economy is not a fixed pie, removing millions of illegal immigrant workers, consumers, and business owners would leave a gaping economic hole that would reduce tax revenue," Nowrasteh wrote in the conclusion of his report.

**BOTTOM LINE:** Gosar likely used the only study on the cost of illegal immigration done recently that puts the net cost of immigration at \$116 billion a year.

That study includes costs attributed to U.S. citizens, and uses the highest estimate of the undocumented population.

The report also does not look at the economic impact and growth that comes from having an extra 11 million to 12 million people in the country and ignores the generally positive fiscal impact that the citizen children of unauthorized immigrants have once they become adults.

**THE FINDING:** One Star: Mostly false.

SOURCES: "The Fiscal Burden of Illegal Immigration on United States Tax payers," published Sept. 27, 2017 by the Federation for American Immigration Reform; "FAIR's 'Fiscal Burden of Illegal Immigration' Study Is Fatally Flawed", published Sept. 29, 2017 by the Cato Institute Federation for American Immigration Reform; "Health Care Expenditures of Immigrants in the United States: A Nationally Representative Analysis," published Aug. 2005 in the American Journal for Public Health; "As Mexican share declined, U.S. unauthorized immigrant population fell in 2015 below recession level", published April 25, 2017 by the Pew Research Center; Phone interview with Spencer Raley, research associate with the Federation for American Immigration Reform, June 11, 2018; Phone interview with Alex Nowrasteh, senior immigration

policy analyst with the Cato Institute, June 11, 2018; Phone interview with Jeffrey Passel, senior demographer with the Pew Research Center, June 13, 2018; Phone interview with Robert Warren, senior visiting fellow with the Center for Migration Studies, June 18, 2018; Phone interview with Gretchen Donehower, demographer with the University of California, Berkeley, June 18, 2018; Sean Hannity and Donald Trump Town Hall, aired Aug. 24 2016 by Fox News; "The Estimated Undocumented Population is 11 Million: How Do We Know?" published Sept. 8, 2015 by the Center for Migration Studies; "The US Undocumented Population Fell Sharply During the Obama Era: Estimates for 2016," published Feb. 22, 2018 by the Center for Migration Studies; "Selected Characteristics of the Native and Foreign-Born Populations, 2012-2016 American Community Survey 5-Year Estimates" published Dec. 7, 2017 by the U.S. Census Bureau; "The Economic and Fiscal Consequences of Immigration" published Sept. 21, 2016 by the National Academies of Sciences.