



AMERICAN IMMIGRATION COUNCIL

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THE FISCAL BOTTOM LINE ON IMMIGRATION REFORM: The Costs of Enforcement-Only and the Benefits of Comprehensive Reform

Tax Day is an appropriate time to take stock of a few fiscal bottom lines about immigration enforcement and immigration reform. The federal government spends billions of taxpayer dollars every year on border and interior enforcement measures intended to deter unauthorized immigration. While these efforts have failed to solve the problem of unauthorized immigration, they have had a negative impact on American families, communities, and the economy. Were the United States to adopt a different approach by implementing comprehensive immigration reform, the legalization of currently unauthorized immigrants alone would generate billions of dollars in additional tax revenue as their wages and tax contributions increase over time. Moreover, enforcement resources could be focused on finding individuals who are actually a threat to national security or public safety, rather than pursuing unauthorized job seekers and people trying to reunite with family members in the United States. Conversely, trying to remove roughly 11 million unauthorized immigrants from the country would waste hundreds of billions of taxpayer dollars.

We spend huge sums of taxpayer money on immigration enforcement...

- Since Fiscal Year (FY) 2004, the budgets of U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE)—the border-enforcement and interior-enforcement components of Department of Homeland Security (DHS)—have increased dramatically. CBP's budget grew from \$6 billion in FY 2004 to \$11.4 billion in FY 2010, while ICE's budget increased from \$3.7 billion to \$5.7 billion over the same period.¹
- Since FY 2005, Congress has allocated \$2.4 billion to build fences along the southwest border—and another \$1.1 billion to build a high-tech network of cameras and sensors known as “SBInet.” However, there is no evidence that the fences actually deter unauthorized immigrants, and SBInet has been plagued by technical glitches, shoddy testing, and missed deadlines since its inception.² On March 16, 2010, Homeland Security Secretary Janet Napolitano froze SBInet funding, pending the outcome of a comprehensive review of the program.³
- Based on figures from the U.S. Army Corp of Engineers, a fence along all 2,000 miles of the southwest border would cost *at least* \$2.5 billion to build, plus anywhere from \$33 billion to \$140 billion to maintain over the following two-and-a-half decades, depending upon how many breaches the fencing sustains which must be repaired.⁴

...yet unauthorized immigrants have not been deterred from coming to the United States when there are jobs available.

- A research team led by Wayne Cornelius, Director of the Center for Comparative Immigration Studies at the University of California, San Diego, has found that while unauthorized migrants from Mexico may be caught on their first attempt at crossing the border, they have an almost 100 percent chance of eventual success—particularly if they enlist the services of a *coyote*, or people smuggler.⁵ Moreover, as border enforcement is tightened *between* ports of entry along the southwest border, more migrants are being smuggled *through* ports of entry (sealed in a compartment within a vehicle, or as a passenger with false or borrowed documents).⁶
- Research by Cornelius and his team have also found that undocumented migration from Mexico has diminished mainly because there are fewer jobs available in the United States.⁷

Legalizing unauthorized immigrants would increase tax revenue.

- A January 2010 study by Dr. Raúl Hinojosa-Ojeda, conducted for the Immigration Policy Center and the Center for American Progress, estimates that during the first three years after legalization, the higher earning power of newly legalized workers “would generate \$4.5 to \$5.4 billion in additional net tax revenue.”⁸
- A January 2010 study from the University of Southern California estimates that because unauthorized immigrants earn less than they would if they had legal status, the California state government lost out on \$310 million in income taxes in 2009, while the federal government missed out on \$1.4 billion.⁹

The alternative to legalization—deportation—would be a monumental waste of taxpayer dollars.

- A March 2010 study by the Center for American Progress “calculates a price tag of \$200 billion to enforce a federal dragnet that would snare the estimated 10.8 million undocumented immigrants in the United States over five years.”¹⁰

Endnotes

¹ U.S. Department of Homeland Security, *Budget-in-Brief* for Fiscal Years 2006 (p. 15) and 2011 (p. 17).

² U.S. Government Accountability Office, Secure Border Initiative: Technology Deployment Delays Persist and the Impact of Border Fencing Has Not Been Assessed, GAO-09-1013T, September 17, 2009, p. 1.

³ U.S. Department of Homeland Security, “Press Release: Statement by Homeland Security Secretary Janet Napolitano,” March 16, 2010.

⁴ Chad C. Haddal, Yule Kim, and Michael John Garcia, Border Security: Barriers Along the U.S. International Border, RL33659 (Washington, DC: Congressional Research Service, U.S. Library of Congress, March 16, 2009), p. 27.

⁵ Wayne Cornelius and Members of the Mexican Migration Field Research and Training Program, Center for Comparative Immigration Studies, University of California, San Diego, [Current Migration Trends from Mexico: What Are the Impacts of the Economic Crisis and U.S. Enforcement Strategy?](#), June 8, 2009.

⁶ Wayne A. Cornelius, et al., [Controlling Unauthorized Immigration From Mexico : The Failure of “Prevention through Deterrence” and the Need for Comprehensive Reform](#) (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, June 10, 2008, p. 34).

⁷ Wayne Cornelius and Members of the Mexican Migration Field Research and Training Program, Center for Comparative Immigration Studies, University of California, San Diego, [Current Migration Trends from Mexico: What Are the Impacts of the Economic Crisis and U.S. Enforcement Strategy?](#), June 8, 2009, p. 19.

⁸ Raúl Hinojosa-Ojeda, [Raising the Floor for American Workers: The Economic Benefits of Comprehensive Immigration Reform](#) (Washington, DC: Immigration Policy Center of the American Immigration Council and the Center for American Progress, January 2010), p. 13.

⁹ Manuel Pastor, et al., [The Economic Benefits of Immigrant Authorization in California](#) (Los Angeles, CA: Center for the Study of Immigrant Integration, University of Southern California, January 2010), p. 6.

¹⁰ Marshall Fitz, Gebe Martinez, and Madura Wijewardena, [The Costs of Mass Deportation: Impractical, Expensive, and Ineffective](#) (Washington, DC: Center for American Progress, March 2010), p. 2.