

### Statement for the Record

## Before the U.S. Senate Committee on the Judiciary

# Hearing on

## "Oversight of the Administration's Decision to End

## **Deferred Action for Childhood Arrivals**"

### October 3, 2017

The National Immigration Forum (the Forum) advocates for the value of immigrants and immigration to the nation. Founded in 1982, the Forum plays a leading role in the national debate about immigration, knitting together innovative alliances across diverse faith, labor, law enforcement, veterans and business constituencies in communities across the country. Coming together under the Forum's leadership, these alliances develop and execute legislative and administrative policy positions and advocacy strategies. Leveraging our policy, advocacy and communications expertise, the Forum works for comprehensive immigration reform, sound border security policies, and balanced enforcement of immigration laws, and to ensure that new Americans have the opportunities, skills, and status to reach their full potential.

### Introduction

The Forum appreciates the opportunity to provide its views on how the decision to end Deferred Action for Childhood Arrivals (DACA) impacts the American economy and local communities. The Forum advocates for policy changes that help new Americans and immigrant workers gain the opportunities, skills and status they need to realize their full potential, ensuring that all Americans can thrive. In order to continue enhancing our economy and address projected workforce and skill shortages, we need to find a permanent, legislative solution for Dreamers. These young undocumented immigrants came to the United States as children and have lived in the U.S. for most of their lives. Accordingly, the Forum understands that this hearing is of critical importance, and urges the Committee to pursue policies that promote a vibrant labor force which includes Dreamers.

The United States is already facing a shortage of workers and an ever-widening skills gap. This point was recently highlighted by the Senate Joint Economic Committee's hearing on July 12, 2017 titled: "A Record Six Million U.S. Job Vacancies: Reasons and Remedies." We hear time and again that talent shortages negatively impact businesses' productivity and innovation, thus hurting our nation's economy. Our business allies across the country express concern over labor shortages and skills gaps. In 2016-2017, Manpower found that 40 percent of employers in the United States had difficulty filling jobs.<sup>1</sup> Earlier this year all across America, industries were facing shortages of guest workers from service workers in Cape Cod, to thoroughbred providers

<sup>&</sup>lt;sup>1</sup> Manpower Group, 2016-2017 Talent Shortage Survey, <u>http://manpowergroup.com/talent-shortage-2016</u>.

in Kentucky, to stonemasons in Colorado.<sup>2</sup> As the American Action Forum (AAF) found, one part of the solution is to prepare immigrants to fill these jobs.<sup>3</sup> Also, Congress should pass a permanent, legislative solution for DACA recipients and other Dreamers, who could contribute millions of workers to the American labor force and at least \$176 billion to the U.S. economy.<sup>4</sup>

Unless steps are taken at multiple levels, these trends will continue and severely undermine our nation's economic competitiveness. If not for immigrants, the U.S. workforce would already be in decline.<sup>5</sup>

The weight of the economic literature confirms that the immigrant workforce complements and strengthens the U.S. domestic workforce, filling important gaps, growing the economy, and increasing wages. As a recent research found, seven industry categories employ nearly half of the foreign-born, but just a little more than a quarter of the native born.<sup>6</sup> Another example of how immigrants fill different niches in the workforce is in the hours they work. Immigrants are significantly more likely to work nontraditional hours than native-born workers.<sup>7</sup> This is true, even in occupations where immigrants and native-born workers perform the same duties, such as physicians and healthcare support workers.

### DACA Recipients Contribute to the American Economy

Immigrant workers stimulate the American economy.<sup>8</sup> Immigrant workers are consumers who buy goods and services and pay taxes.<sup>9</sup> Immigrants, including DACA recipients, spend money in the economy, perform valuable work, increase economic output and create jobs. They pay rent, buy houses, and are an engine for growth in American cities.<sup>10</sup> According to the Economic Policy Institute, the immigrant population contributed nearly 15 percent total economic output from

content/uploads/2017/07/NAE UnusualWorkingHours V5.pdf

<sup>&</sup>lt;sup>2</sup> Jeanna Smialek, Bloombert, "From Cape Cod to Aspen, Visa Cap Hits Popular U.S. Holiday Spots", April 25, 2017, <u>https://www.bloomberg.com/news/articles/2017-04-25/from-cape-cod-to-aspen-visa-cap-hits-popular-u-s-holiday-spots</u>

<sup>&</sup>lt;sup>3</sup> Ben Gitis and Douglas Holtz-Eakin, American Action Forum, "How Changes in Immigration Can Impact Future Worker Shortages in the United States and Silicon Valley," Oct. 23, 2015, <u>http://americanactionforum.org/</u> research/how-changes-in-immigration-can-impact-future-worker-shortages-in-the-united.

<sup>&</sup>lt;sup>4</sup> Ben Gitis, American Action Forum, "The Budgetary and Economic Costs of Ending DACA", September 7, 2017, <u>https://www.americanactionforum.org/research/budgetary-economic-costs-ending-daca/</u>

<sup>&</sup>lt;sup>5</sup> Jeffrey S. Passel and D'Vera Cohn, Pew Research Center, "Immigration projected to drive growth in U.S. working-age population through at least 2035", March 8 2017, <u>http://www.pewresearch.org/fact-</u>

tank/2017/03/08/immigration-projected-to-drive-growth-in-u-s-working-age-population-through-at-least-2035/

<sup>&</sup>lt;sup>6</sup> Kenneth Megan and Theresa Cardinal Brown, Bipartisan Policy Center, "Culprit or Scapegoat? Immigration's Effect on Employment and Wages", June 2016, <u>https://bipartisanpolicy.org/wp-content/uploads/2016/06/BPC-Immigration-Employment-and-Wages.pdf</u>.

<sup>&</sup>lt;sup>7</sup> Pavel Dramski, New American Economy, "On the Clock: How Immigrants Fill Gaps in the Labor Market by Working Nontraditional Hours", July 11, 2017, <u>http://www.newamericaneconomy.org/wp-</u>

<sup>&</sup>lt;sup>8</sup> See, e.g., Congressional Budget Office (June 18, 2013) and "S. 744, Border Security, Economic Opportunity, and Immigration Modernization Act: As Passed by the Senate on June 27, 2013." July 2013,

http://cbo.gov/publication/44397; Alex Nowrasteh, "How to Make Guest Worker Visas Work," *Policy Analysis*, No. 719, Jan. 31, 2013, p. 10, <u>http://object.cato.org/sites/cato.org/files/pubs/pdf/pa719\_1.pdf.</u>

<sup>&</sup>lt;sup>9</sup> *Id. Also see* U.S. Chamber of Commerce at 4; Institute for Taxation and Economic Policy, "Undocumented Immigrants' State and Local Tax Contributions," July 2013, <u>http://www.itep.org/pdf/undocumentedtaxes.pdf</u>.

<sup>&</sup>lt;sup>10</sup> Americas Society/Council of the Americas and Partnership for a New American Economy, "Immigration and the revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market," Sept. 2013, http://www.as-coa.org/sites/default/files/ImmigrationUSRevivalReport.pdf.

2009 to 2011.<sup>11</sup> Another study from Penn Wharton found "immigration leads to more innovation, a better educated workforce, greater occupational specialization, better matching of skills with jobs, and higher overall economic productivity." <sup>12</sup>

Immigrant workers also complement the domestic workforce.<sup>13</sup> Mainstream economists widely agree that immigrant workers generally do not displace domestic workers.<sup>14</sup> The notion that there is a fixed amount of work to be done in the economy and that any job filled by an applicant is one fewer job available for the rest of the workforce — what economists call the "lump of labor fallacy" — is a prevalent, yet deeply flawed, contention.<sup>15</sup> The market for labor, and more generally, the American economy, are not zero-sum.<sup>16</sup> The notion that there is a single, fixed amount of work to be done in the economy is overly simplistic, ignoring the reality of a dynamic economic system.

As a general rule, rather than displacing American workers, the immigrant workforce tends to complement the native-born workforce. Immigrant workers tend to have different skills – and fill different niches – than domestic workers.<sup>17</sup> They satisfy the significant demand at both ends of the skill spectrum, everything from high-skilled Science, Technology, Engineering and Mathematics (STEM) to much-needed agricultural, construction and service workers.<sup>18</sup>

As the unemployed rate declines, employers have struggled to find workers with certain skill sets. At the same time, almost 800,000 young undocumented immigrants have helped address this skills and workforce gap by obtaining employment authorization documents (EADs) under DACA since August 15, 2012. They contribute to our economy by working legally, paying their fair share of taxes, and building new businesses that hire American workers.

About 87 percent of DACA recipients, or about 645,000 individuals, are currently in the workforce.<sup>19</sup> Over the next the next ten years, DACA recipients will contribute an estimated \$433.3 billion to the U.S. gross domestic product (GDP) and \$12.3 billion in taxes to social security and Medicare.<sup>20</sup> In addition, DACA recipients will contribute to the economy in purchasing power. Currently, about 65 percent of DACA recipients have purchased a vehicle and

<sup>&</sup>lt;sup>11</sup> Daniel Costa et al., Economic Policy Institute, "Facts About Immigration and the U.S. Economy: Answers to Frequently Asked Questions," Aug. 12, 2014, <u>http://www.epi.org/publication/immigration-facts/</u>.

<sup>&</sup>lt;sup>12</sup> Penn Wharton, "The Effects of Immigration on the United States' Economy", July 27, 2016, <u>http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy http://www.budgetmodel.wharton.upenn.edu/issues/2016/1/27/the-effects-of-immigration-on-the-united-states-economy</u>

<sup>&</sup>lt;sup>13</sup> See, e.g., Adam Davidson, "Debunking the Myth of the Job-Stealing Immigrant," New York Times, Mar. 24, 2015, http://www.nytimes.com/2015/03/29/magazine/debunking-the-myth-of-the-job-stealing-immigrant.html?\_r=0.

<sup>&</sup>lt;sup>14</sup> See Buttonwood, "Keep on trucking: Why the old should not make way for the young," The Economist, Feb. 11, 2012, http://www.economist.com/node/21547263.

<sup>&</sup>lt;sup>15</sup> See Davidson.

<sup>&</sup>lt;sup>16</sup> See U.S. Chamber of Commerce, "Immigration Myths and Facts," Oct. 24, 2013, p. 3, <u>https://www.uschamber.com/sites/default/files/legacy/reports/Immigration MythsFacts.pdf</u>.

<sup>&</sup>lt;sup>17</sup> *See*, *e.g.*, Nowrasteh at 4, 10.

<sup>&</sup>lt;sup>18</sup> See id.; U.S. Chamber of Commerce at 6.

<sup>&</sup>lt;sup>19</sup> Jose Magana-Salgado, Money on the Table: The Economic Cost of Ending DACA," Immigration Legal Resource Center, Dec. 2016, <u>https://www.ilrc.org/sites/default/files/resources/2016-12-13\_ilrc\_report\_-</u> money on the table economic costs of ending daca.pdf.

<sup>&</sup>lt;sup>20</sup> Magana-Salgado at 4-5.

16 percent have purchased a home.<sup>21</sup> The contributions of DACA recipients help strengthen the U.S. economy and broaden the payroll tax base.

DACA workers also help America meet its shortage of workers in certain industries. About 22,000 DACA-eligible individuals work in management, business, science and arts occupations, 9,000 DACA-eligible individuals work in health-care support, practitioner and technical occupations and 6,000 DACA-eligible individuals work in computer and mathematical occupations.<sup>22</sup> In addition, at least 72 percent of the top 25 Fortune 500 companies count at least one DACA recipient as an employee.<sup>23</sup> DACA workers have lived most of their lives in America, have been educated in the U.S. and maintain a high level of fluency in English. The U.S. workforce cannot afford to lose these DACA workers.

Finally, about six percent of DACA recipients have developed their own businesses.<sup>24</sup> DACA workers represent a generally young population, with a median age of 25 years. As DACA recipients expand professionally and attain higher levels of education, we expect that they will continue to contribute and participate in our country's innovative economy, creating businesses that will invest and hire more American workers.

Overall, the increased economic output created by immigration has a slightly positive effect on wages,<sup>25</sup> with any limited negative effects restricted to a small subset of the workforce.<sup>26</sup> Policymakers should take a broader view of the economy in making immigration policy and pursue policies that promote a vibrant immigrant workforce, benefiting all Americans. The U.S. economy needs Dreamers.

## **DACA Recipients Positively Impact Our Communities**

Besides the positive contribution to our economy, immigration also benefits our communities. Immigrants regardless of their immigration status settle into American towns and cities and contribute, in countless ways, to their communities<sup>27</sup> Besides the economic contribution described above, immigrants join our faith communities and our military, participate on school boards and other activities and keep our communities safe and secure. For example, 11% of New

<sup>&</sup>lt;sup>21</sup> "Open Letter From Leaders of American Industry of DACA," FWD.US, August 31, 2017, <u>https://dreamers.fwd.us/business-leaders?utm\_source=twitter&utm\_medium=social&utm\_campaign=protect-dreamers&utm\_term=&utm\_content</u>=.

<sup>&</sup>lt;sup>22</sup>Randy Capps, Michael Fix and Jie Zong, "The Education and Work Profiles of the DACA Population," Migration Policy Institute, August 2017, 6. <u>http://www.migrationpolicy.org/research/education-and-work-profiles-daca-population</u>.

<sup>&</sup>lt;sup>23</sup> Tracy Jan, "Hundreds of Business Leaders Call on Trump to Protect Dreamers," Washington Post, September 1, 2017, <u>https://www.washingtonpost.com/news/wonk/wp/2017/09/01/hundreds-of-business-leaders-call-on-trump-to-protect-dreamers/?utm\_term=.517494097187</u>.

<sup>&</sup>lt;sup>24</sup> See e.g. "Open Letter From Leaders of American Industry of DACA."

<sup>&</sup>lt;sup>25</sup> U.S. Chamber of Commerce at 4-5; see also Congressional Budget Office (CBO), "The Economic Impact of S. 744, the Border Security, Economic Opportunity, and Immigration Modernization Act," June 2013, p. 3. <u>https://www.cbo.gov/sites/default/files/113th-congress-2013-2014/reports/44346-Immigration.pdf</u>.

<sup>&</sup>lt;sup>26</sup> See Nowrasteh at 10; CBO at 3.

<sup>&</sup>lt;sup>27</sup> Americas Society/Council of the Americas and Partnership for A New American Economy, "Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market", Sept. 2013, <u>http://www.as-coa.org/sites/default/files/ImmigrationUSRevivalReport.pdf</u>

York City police officers are foreign born, and the July 2015 New York police academy class was 20% foreign born coming from almost 50 different countries.<sup>28</sup>

Immigrants have also enlisted in the U.S. Armed Forces since our independence, contributing to the linguistic and cultural diversity of our military and providing talent and insights to accomplish our military missions throughout the world. Noncitizens are typically younger than the native-born population, possess language and cultural skills critically needed for the armed forces and have lower attrition rates, which all help to strengthen our military readiness.<sup>29</sup>

The active duty military included more than 65,000 non-citizens in 2013.<sup>30</sup> The Military Accessions Vital to the National Interests (MAVNI) program, which was authorized in October 2008, granted immigrants who were not lawful permanent residents but had critical medical and strategic language skills, including immigrants with guest worker visas and eventually DACA recipients, with the opportunity to enlist in the military. Before the Department of Defense temporarily suspended MAVNI on September 30, 2016, more than 10,400 immigrants enlisted in the military through MAVNI to serve alongside our men and women in uniform.<sup>31</sup> This included an estimated 900 DACA recipients.<sup>32</sup> Immigrants enlist in the military to serve our country, which demonstrates their dedication to our country and positive contributions to securing our communities.

Immigrants represent a vital and valuable pool of potential recruits for the military at a time when it is facing a serious recruiting challenge. Rather than limiting the number of DACA recipients who can apply to serve in the military and seeking to deport them, our nation would be better served by allowing those eligible to enlist in the military.

In addition, DACA recipients strengthen our nation through their positive impact on our churches and faith communities. The Evangelical Immigration Table, a broad coalition of evangelical organizations and leaders advocating for immigration reform consistent with biblical principles, notes that Dreamers exemplify the positive contributions of immigrants to America, noting that these young men and women are "leading in our churches and our communities." <sup>33</sup> They become involved in our country's faith communities, helping to represent our country's values and principles.

Ending DACA especially combined with the recently increased law enforcement efforts targeting unauthorized immigrants, including a number of Dreamers, could have the unintended consequence of making our communities less safe. Sixty members of the Law Enforcement Immigration Task Force, a group of law enforcement leaders who support commonsense

<sup>&</sup>lt;sup>28</sup> Dean Meminger, "NYPD Officer's Death Opens Window Into Department's Foreign-Born Members", Spectrum News, November 9, 2015, <u>http://www.ny1.com/nyc/all-boroughs/criminal-justice/2015/11/9/nypd-officer-s-death-opens-window-into-department-s-foreign-born-members.html</u>.

<sup>&</sup>lt;sup>29</sup> "On the Front Line: The Impact of Immigrants on Military Force Readiness," Veterans for Immigration Reform, June 12, 2014: http://www.vets4reform.org/wp-content/uploads/2014/06/OnTheFrontLine.pdf .

<sup>&</sup>lt;sup>30</sup> "The Impact of Immigrants on Military Force Readiness," National Immigration Forum, June 12, 2014, 1. <u>http://www.vets4reform.org/wp-content/uploads/2014/06/OnTheFrontLine.pdf</u>

<sup>&</sup>lt;sup>31</sup> "Fact Sheet: Military Accessions Vital to the National Interest (MAVNI)," National Immigration Forum, July 21, 2017: <u>http://immigrationforum.org/blog/fact-sheet-military-accessions-vital-to-the-national-interest-mavni/</u>.

<sup>&</sup>lt;sup>32</sup> Kathryn Watson, "Pentagon Says DACA Recipients in Military Number Fewer than 900," CBS News, September 6, 2017, <u>https://www.cbsnews.com/news/pentagon-says-daca-recipients-in-military-number-fewer-than-900/</u>.

<sup>&</sup>lt;sup>33</sup> Evangelical Immigration Table Letter to President Trump, August 30, 2017, <u>http://evangelicalimmigrationtable.com/cms/assets/uploads/2017/08/EIT-DACA-Pres.-Trump-Letter-8.30.2017.pdf</u>

immigration reforms consistent with the rule of law, have released a letter in support of a bipartisan legislative solution to allow Dreamers "to remain in the United States and continue contributing to our communities and our nation."<sup>34</sup> Immigrant communities, both documented and undocumented are less likely to cooperate with law enforcement if they believe such cooperation will place themselves, their family members, or their friends at risk of deportation. In fact, criminals can use the fear of deportation to coerce these immigrants into silence, making our communities less safe for everybody. As victims or witnesses of crime, undocumented immigrants might be afraid to call authorities when criminal activity is happening in their neighborhoods, when they see a fire, and might even fear calling an ambulance when someone is sick or injured. For law enforcement officers, charged with public safety, this situation creates breeding grounds for criminal enterprises and undermines safe communities.

Moreover, federal immigration agencies, including Immigration and Customs Enforcement (ICE), do not have the capacity or resources to remove all undocumented immigrants. Indeed, ending DACA and deporting the Dreamer population could cost upwards of \$60 billion.<sup>35</sup> Similarly, at the state and local level, law enforcement can best protect the community by focusing on serious criminals and security threats. Law enforcement agencies should spend their limited time and resources focusing on pursuing truly dangerous criminals, not otherwise lawabiding members of the community. Effective enforcement policies should prioritize the removal of immigrants with criminal records over those who pose no threat to the community – workers, students, and family members, including DACA recipients.

We would urge Congress to consider immigrants', including Dreamers, contribution to our society and promote policies that have a more targeted approach to enforcement. Such policies, focusing on those who actually pose threats to community safety, can build trust between immigrant communities and law enforcement, making the community safer for everyone.

### Conclusion

In debating the role of immigration on the economy and workforce, it cannot be ignored that millions of immigrant workers already live and work in the U.S., building our communities by contributing to our economy and society. This includes about 800,000 Dreamers who see America as their home country and could soon lose the protection under DACA because it was rescinded. DACA recipients are already part of the labor market, holding jobs, spending money as consumers, and paying taxes. DACA recipients make an important contribution to our culture and economic health, benefiting all Americans.

The Forum believes that immigrants and immigration reform remains, now more than ever, essential to the economic health of our nation. Bipartisan legislation to find a legislative solution for the Dreamers is essential for our local communities, economy, and nation as a whole. The National Immigration Forum urges Congress to pursue a legislative solution for Dreamers thereby promoting a diverse and vibrant workforce, enhancing our society, growing our economy, creating jobs, and benefiting all workers - immigrant and native-born alike.

<sup>&</sup>lt;sup>34</sup> Law Enforcement Immigration Task Force Letter to Members of Congress, October 2, 2017, http://leitf.org/2017/10/60-law-enforcement-leaders-support-bipartisan-solution-for-dreamers/.

<sup>&</sup>lt;sup>35</sup> Ike Brannon and Logan Albright, "The Economic and Fiscal Impact of Repealing DACA," Cato Institute, January 18, 2017, https://www.cato.org/blog/economic-fiscal-impact-repealing-daca.