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<p>COSTLY IN EVERY WAY: STATES THAT HAVE IMPLEMENTED HARSH ANTI-IMMIGRANT LAWS FACE GRAVE ECONOMIC RISKS</p>

Our country is suffering from a recession fueled by an overleveraged economy. States across the country, some [forty-five in all](#), are suffering huge financial shortfalls in their general budgets. This crisis has brought into sharp relief the [economic costs of anti-immigrant, "enforcement only" state forays into immigration law](#).

States that have passed anti-immigrant bills are seeing immigrant families abandon their state and their economy. Labor commissioners and economists have expressed concern about the damage that such exodus might cause, since study after study shows that immigrants represent a sum contribution to states' economies. All in all, legislation in this area subjects states and cities to grave economic risks.

Moreover, immigration-based enforcement-only strategies do nothing to bring the some 8 million undocumented immigrants working in our country out of the shadows. The [New Administration](#) and [Congressional leaders](#) both now seem ready to tackle immigration reform at a comprehensive, federal level. Rather than focus attention on costly, punitive and duplicative measures, states should adopt proposals that ensure robust enforcement of decent labor standards, so that employers are not tempted to cut corners and exploit their advantage over workers at a time when jobs are scarce.

Costly to Implement

State budget deficits are currently estimated at between \$60 and 100 billion, with the state budget crisis estimated to last until 2010. In this climate, states should consider the cost that their sister states have incurred to implement these harsh anti-immigrant laws.

In [Utah](#), a bill passed in 2008 that would enlist local law enforcement to play a role in immigration enforcement, and require public employers to use an electronic verification program. It comes with a price tag of \$1.75 million. A study of the impact in [Oregon](#) of a federal rule that would require employers to penalize or fire workers whose Social Security Numbers don't match up with the federal database concluded that the rule could cause a loss of statewide annual production of \$17.7 billion. In 2006, the State of [Colorado](#) passed a series of bills that its legislature touted as the toughest anti-illegal immigration legislation in the nation. The new laws were meant to deny public services to undocumented immigrants unless required under federal law, create a new penalty for use of fraudulent documents, enroll all state departments in the federal Basic Pilot program, and require state police to enforce immigration laws. A year later, eighteen state

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departments in Colorado reported they had spent a total of \$2.03 million on implementation of the new laws. The number of undocumented immigrants that they have identified? — Zero. In what should sound a note of caution to states wishing to have their local police enforce immigration laws, the Spring 2008 federal raid on the Agriprocessors meatpacking plant in Iowa cost [United States taxpayers](#) \$6.1 million, with a price tag of \$5.2 million for the Immigration and Customs Enforcement agency, followed by one half million dollars each for the U.S. Marshalls and the U.S. District Court.

Costly to Litigate

State forays into immigration regulation raise Constitutional questions as well, which means that many state actions lead to costly litigation. At present, at least three local anti-immigrant ordinances have been enjoined by a court. Three additional cases, from Pennsylvania, Missouri, and Oklahoma, have been decided at the lower court level and are on appeal to Courts of Appeal. A fourth has been decided by an appeals court, but a request for rehearing is pending.

The Oklahoma case, brought by United States, Oklahoma and Oklahoma City Chambers of Commerce, resulted in a decision that the state's employer sanctions law is pre-empted by federal law. In a prepared statement on the filing of the lawsuit, the Oklahoma City Chamber said the law both imposes "unreasonable burdens" on Sooner State employers and circumvents the federal government's responsibility for managing immigration. "Piecemeal efforts to regulate the employment of unauthorized workers are unconstitutional and preempted by federal law," said Robin Conrad, executive vice president of the National Chamber Litigation Center which represents the U.S. Chamber in the case. The [U.S. Chamber of Commerce](#) has also recently challenged a Bush administration rule that would require businesses with federal contracts to use the costly E-verify system to verify the work authorization of their employees.

In [Hazleton, Pennsylvania](#), the site of a local ordinance that has been enjoined, the litigation had resulted in a cost to the city of \$2.4 million in attorney fees as of the fall of 2007. The city's insurance carrier was asking a federal judge to rule that it is not responsible for the fees, which continue to mount.

In [Riverside, New Jersey](#), the town of 8,000 had already spent \$82,000 in legal fees defending its ordinance, when the ordinance was rescinded in September, 2007.

Costly to State Economies

The State of Arizona, which enacted an employer sanctions law on January 1, 2008, has seen individual state tax contributions fall by 13%, at a time when the state faces a budget shortfall of

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\$1.2 billion. It's an effect of the sanctions (law) that is exacerbated by the bad economy," said Elliott Pollack, an [Arizona economist](#) who regularly advises the state Legislature. "What you've done, because of that law, is taken tax-paying people" and shifted them off the tax rolls.

A study released by the center in July 2007 by the [University of Arizona's Udall Center](#) for Studies in Public Policy concluded that economic output would drop annually by at least \$29 billion, or 8.2 percent, if all non-citizens, which include undocumented workers, were removed from Arizona's workforce. About 14 percent of the state's 2.6 million workers are foreign-born, and about two-thirds to three-fourths of non-citizens are undocumented, she said. At the time that the state budget is \$3.0 billion in the hole, some are questioning the [State of Arizona's expenditure of \\$32 million](#) last year on immigration enforcement.

The prestigious [Goldwater Institute](#) has conducted its own study of economic costs to Arizona from its enforcement of immigration laws, especially the focus of Maricopa County Joe Arpaio's assault on immigrants in his county. On Sheriff Arpaio's watch, violent crime, 911 call response times, unserved arrest warrants, and dollars paid out in budget overruns, overtime and lawsuit settlements, have all risen dramatically.

In Oklahoma, a study estimates that the state anti-immigrant law [will cause \\$1.8 billion in economic losses](#) as foreign-born workers flee the state. "You really have to work hard at it to destroy our state's economy, but we found a way," said state Sen. [Harry Coates](#), the only Republican member of the state Legislature to vote against the immigration law. "We ran off the work force."

At a national level, use of electronic systems to verify workers' identification and work authorization also comes with a hefty price tag. Use of the error-ridden Social Security database will result in "37,000 to 165,000 authorized employees into potentially permanent unemployment," according to a study by Richard Belzer, Harvard professor. The social safety net costs could range from 8 billion to 37 billion. Using Department of Homeland Security data, the same analysis finds that depending on the assumed percentage of employees who are unauthorized, the aggregate cost nationally *to employers alone* from the proposed rule would range from \$1 billion to \$1.6 billion per year.

The Human Cost

Edgar Castorena had diarrhea for 10 days and counting, and the illegal immigrant parents of the 2-month-old didn't know what to do about it. They were afraid they would be deported under a new Oklahoma law if they took him to a major hospital. By the time they took him to a clinic, it was too late. A ruptured intestine that might have been treatable instead killed the U.S.-born infant.

----Justin Juozapavicius, *Oklahoma. Immigration Law Blamed for Death*, ASSOCIATED PRESS, January 25, 2008,



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Infant [Arizona](#). Guatemalan immigrants report that they are being routinely robbed by criminals who come by their apartments and demand money. If they don't pay, they get beat up. But they are reluctant to report crimes because they fear encounters with authorities will lead to deportation. Nationally, a study by the [Pew Hispanic Center](#) finds that nearly 1 in 10 Latinos in the United States have been stopped by police or other authorities and asked their immigration status.

In [Roswell, New Mexico](#), a police officer was removed from a high school campus after he turned a pregnant high school student over to immigration authorities.

The Political Cost

[Analysis of the 2008 elections](#) showed candidates who tried to use immigration as a wedge issue failed more often than they succeeded. In 20 of 22 key races, voters picked candidates who chose comprehensive reform over anti-immigration extremism.

[Virginia](#) officials have spent years addressing immigration, taking whatever actions they could within the confines of state and federal law. More recently, immigration turned out to be a less-popular election issue than some lawmakers had hoped. As a result, state officials appear to be shifting their focus from fighting illegal immigration to assimilating the ever-growing population of legal immigrants.

Real problem, real solution. The real problem for state treasuries, immigrant and non-immigrant workers, and law-abiding employers are employers who pay workers "off the books," fail to provide workers' compensation or pay their fare share of payroll taxes, fail to offer workers a lawful wage and a safe place to work, and weak labor and employment enforcement regimes in many states. The solution is real labor standards, coupled with vigorous enforcement of those rules – a new kind of "employer sanction" against low-road employers who abuse all workers. NELP's paper on models for enforcement, called "From Anti-Immigrant to Pro-Worker," <http://www.nelp.org/docUploads/FromAnti-ImmigranttoPro-workerFinal.pdf>, offers some alternatives.

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