MEMO: IMMIGRATION AND THE GOP AGENDA

JANUARY 29, 2014

TO: HOUSE REPUBLICAN COLLEAGUES FROM: RANKING MEMBER JEFF SESSIONS

President Obama—after five years of openly and aggressively defying federal immigration law—is now demanding that House Republicans adopt an immigration plan he has no intention of enforcing. Republicans must end the lawlessness—not surrender to it—and they must defend the legitimate interests of millions of struggling American workers.

Attached to this memo are the key findings from my staff on the Budget and Judiciary Committees regarding the negative impact that the immigration proposals moving through Congress would have on American workers, taxpayers, and the rule of law. You will also find objective polling data—not misleading polls from special interests—demonstrating the depth to which these measures are repudiated by working and middle class voters from all backgrounds. And finally, included is a summary document of the opposition from conservative thought leaders to the proposals under consideration.

Where We Stand

Coordinating with a small group of the nation's most powerful special interests, last year President Obama and Senate Democrats forced through an immigration bill which can only be described as a hammer blow to the American middle class. Not only would it grant work permits to millions of illegal immigrants at a time of record joblessness, it would also double the annual flow of new immigrant workers and provide green cards to more than 30 million permanent residents over the next decade. These new workers, mostly lesser-skilled, will compete for jobs in every sector, industry, and occupation in the U.S. economy.

Under current law, our nation provides green cards—legal admission, permanent residency, and the ability to apply for citizenship—to approximately 1 million largely lesser-skilled immigrants each year. Under the Senate Democrat / White House plan, the number of green cards would more than triple in a decade: it would expedite the applications of nearly 5 million previous applicants, offer green cards to 11 million current illegal immigrants, and increase the regular annual flow at least 50 percent, to 15 million immigrants over a decade. Together, that provides for a minimum of 30 million green cards, a number that could grow substantially as a result of ensuing chain migration.

Over the last six years, 6.8 million Americans left the workforce and 15 million were added to the food stamp rolls. For the first time in history, the majority of food stamp recipients are now working-age adults. The urgent moral task before our nation is to undertake a robust effort to transition millions of Americans from welfare and dependency to work and rising wages.

The President's immigration plan is antithetical to that goal.

A record influx of new immigrant workers will benefit certain CEOs who want lower labor costs, as well as certain politicians and interest groups. But it will only further hollow out a shrinking middle class.

Consider the recent complaint of Bill Marriott, the global hotel magnate who has been lobbying for such immigration measures. Marriott said an immigration bill was needed to "help us staff positions that might otherwise go unfilled, especially in our seasonal resorts." What about hiring unemployed Americans?

House Republicans, in crafting immigration principles, should reply to the President's immigration campaign with a simple message: our focus is to help unemployed Americans get back to work—not to grant amnesty or to answer the whims of immigration activists and CEOs. In turn, that message could be joined with a detailed and unifying policy agenda for accomplishing that moral and social objective.

The Wrong Approach

Yet, according to news reports, House Republican leaders are instead turning 2014 into a headlong rush towards Gang-of-Eight style "immigration reform." They are reportedly drafting an immigration plan that is uncomfortably similar to a "piecemeal" repackaging of the disastrous Senate plan—and even privately negotiating a final package with Democrat activists before consulting with their own members.

In three essential components, the GOP leaders' plan appears to be similar to the Senate Democrat / White House plan: it grants work permits almost immediately to illegal immigrants to compete against unemployed Americans for any job; it substantially expands the flow of new immigrant workers, including a drastic surge in unskilled workers; and it provides amnesty and the ability for a large number of those here illegally to apply for citizenship through green cards.

In the rush to pass an immigration bill, there has been a near absence of any serious thought about the conditions facing American workers. The last 40 years has been a period of record immigration to the U.S., with the last 10 years seeing more new arrivals than any prior 10-year period in history. This trend has coincided with wage stagnation, enormous growth in welfare programs, and a shrinking workforce participation rate. A sensible, conservative approach would focus on lifting those living here today, both immigrant and native-born, out of poverty and into the middle class—before doubling or tripling the level of immigration into the U.S.

A sensible immigration policy would also listen to the opinion of the American people. Not the opinions of the paid-for consultants trotted out with their agenda-driven polls to GOP member meetings—but the actual, honest opinion of the people who sent us here. There is a reason why none of the corporate-funded ads for amnesty breathe a word about doubling immigration levels. According to Rasmussen Reports, working and middle class Americans strongly oppose large expansions of our already generous immigration system. Those earning under \$30,000 prefer a reduction to an increase by an overwhelming 3-1 margin.

But while these details will never be introduced by the donors and consultants who lecture us about why we must get on board with their brilliant plan, the facts are well known to everyday citizens living in the real world outside Washington, D.C.

According to a recent study, between 2000 and 2013 the number of American workers with jobs declined by more than 1 million even as the population of working-age Americans increased by more than 16 million. During that same time, the number of jobs held by immigrant workers increased more than 5 million.

Bill Kristol recently urged the GOP to abandon this newest immigration push, saying that "the guiding principle should be do no harm." Instantly legalizing millions of new workers would of course do enormous harm to the struggling and the unemployed.

A Better Agenda

The GOP's 2014 agenda should not be to assist the President in passing his immigration plan. Rather, it should be a consuming focus on restoring hope and opportunity to millions of discouraged workers. The GOP's 2014 agenda should be a national effort—announced proudly and boldly—to reduce the welfare rolls and get America back to work, including:

- More American energy that creates good-paying jobs right here in the U.S.
- A more competitive tax and regulatory code that allows U.S. businesses and workers to compete on a level global playing field
- A trade policy that increases U.S. exports and expands domestic manufacturing
- An immigration policy that serves the interests of the American people
- Converting the welfare office into a job training center
- Making government leaner and more accountable to U.S. taxpayers
- Restoring economic confidence by continuing our effort to balance the federal budget

An all-out immigration push is inimical to these goals. As Peter Kirsanow, the Republican appointee to the U.S. Commission on Civil Rights, recently wrote: "The assurances of the [Gang of Eight] bill's proponents that the bill will somehow help the economy obscure copious evidence that the bill will wreak enormous damage to the employment prospects of American workers who have already seen their wages and employment rates plummet over the last several years." Why would Republicans want to follow a similar path in the House?

Republicans should honor our clear duty to defend the core interests of the American workers who form the backbone of this nation. And they should tell the President's CEO lobbyists, loudly for all to hear: we don't work for you; we work for the American people.

MYTH V. FACT TABLE OF CONTENTS

Special Privileges And Special Paths

Special Path/Green Card – page 1

Amnesty Or Not? – page 2

This Debate Will Be Full And Open – page 5

Crushing The Middle Class

Public Opinion – page 7

Guest Worker/Labor Shortage – page 8

If Amnesty, No Welfare –page 9

Immigration Reform Helps The Economy – page 10

Shooting Ourselves In The Foot
Enforcement Triggers First – page 11
This Ends Illegal Immigration – page 12
We Will Force President Obama To Enforce The Laws – page 14

MYTH VS. FACT

Special Privileges and Special Paths

1. MYTH: "THERE SHOULD BE NO SPECIAL PATH TO CITIZENSHIP FOR THOSE WHO HAVE BROKEN OUR IMMIGRATION LAWS."

Fact: Any path that leads to a green card for someone who is currently ineligible for a green card because they violated U.S. immigration laws, such as the Senate bill, is a special path to citizenship.

- The Wall Street Journal describes the current House citizenship plan as follows: "Since last summer, leading lawmakers have sketched out the basic idea. Give illegal immigrants who qualify a legal status, but no promise of citizenship an effort to try to satisfy both sides. Instead, offer them the chance to access existing opportunities to gain legal permanent residence, also known as a green card. Once someone has a green card, he or she can apply for citizenship." (Jan. 27, 2014, emphasis added)
- In addition, the House plan reportedly includes an expedited path to citizenship for socalled DREAMers, providing an even larger magnet for future illegal immigration than birthright citizenship.
- According to one report, the House approach would grant green cards to an estimated 4.4 million to 6.5 million illegal immigrants. (National Foundation for American Policy, Jan. 2014).
- In addition, even a "legalization-only" plan rewards those who have disobeyed our laws by allowing them to remain in the country, work, obtain driver's licenses, and qualify for public benefits, and creates the same incentive for others to enter the country illegally.
- And regardless, as Democrat Rep. Luis Gutierrez (D-III.) said, "if we do not get citizenship this year, [pro-amnesty groups] will be back next year and the year after that." (Associated Press, Jan. 7, 2014)
- In any event, all such proposals favor those who have broken our laws over those who
 follow our laws because it allows them to live, travel, and work in the U.S. a privilege
 not bestowed on those who wait in line in their home countries. This erodes the rule
 of law.

2. MYTH: "THIS IS NOT AMNESTY BECAUSE ILLEGAL IMMIGRANTS WILL HAVE TO PAY FINES, BACK TAXES, LEARN ENGLISH AND CIVICS, AND PASS BACKGROUND CHECKS."

Fact: Like the Senate plan, the House plan provides legal status and work authorization first – the fundamental grant of amnesty.

- Any plan that provides such special privileges to those who are in the country illegally today, but does not extend the same privileges to those who enter the country illegally tomorrow, is amnesty.
- Proponents of the Senate bill claimed the fines and fees that illegal immigrants would have to pay to gain legalization would cover the cost of the massive bill. But the bill riddled with waivers and loopholes, including permitting installment payments and outright exemptions, and the amount was even less than the rejected 2007 immigration bill. Moreover, U.S. Citizenship and Immigration Services currently offers waivers for those who cannot afford certain fees. Why would this administration not waive these requirements once again?
- The claim that illegal immigrants will be required to pay "back taxes" is a paper tiger. Even if back taxes were somehow paid a dubious claim at best the amount collected would pale in comparison to the amount of tax dollars paid to illegal immigrants, such as the billions in free tax credits claimed each and every year.
 - Even the sponsors of the Senate bill eventually were forced to concede that the back taxes provision in their bill was illusory and toothless. (*Politico*, April 18, 2013). Moreover, the bill did not even attempt to address collection of state, local and employment back taxes.
 - In fact, according to Politico: "Early discussions [about the Senate bill] included requiring applicants to file a complete work history with salary information so that the IRS could backtrack those wages to figure out how much should be owed. That idea was quickly dismissed during consultations with the IRS, according to a Democratic aide familiar with the drafting of the legislation." (Politico, April 18, 2013)
 - As the former chief economist at the U.S. Department of Labor, Diana Furchtgott-Roth, has written, "[p]ayment of back taxes and a fine in exchange for legal status makes for a fine sound bite but would be a nightmare to administer." (Collecting Immigrants' Back Taxes: An Impossible Dream, Policy Perspectives, Mar. 11, 2013)
 - Because of a 2000 IRS ruling, illegal immigrants who are disqualified from receiving the Earned Income Tax Credit (EITC) can retroactively receive the EITC for years worked without a Social Security number if they receive amnesty. (IRS Office of Chief Counsel, Memorandum #200028034, July 14, 2000)
 - Moreover, the IRS's targeting of conservative nonprofit groups and selective enforcement of Obamacare at the very least calls into question how the agency

would handle the politically-charged task of collected back taxes owed by illegal immigrants.

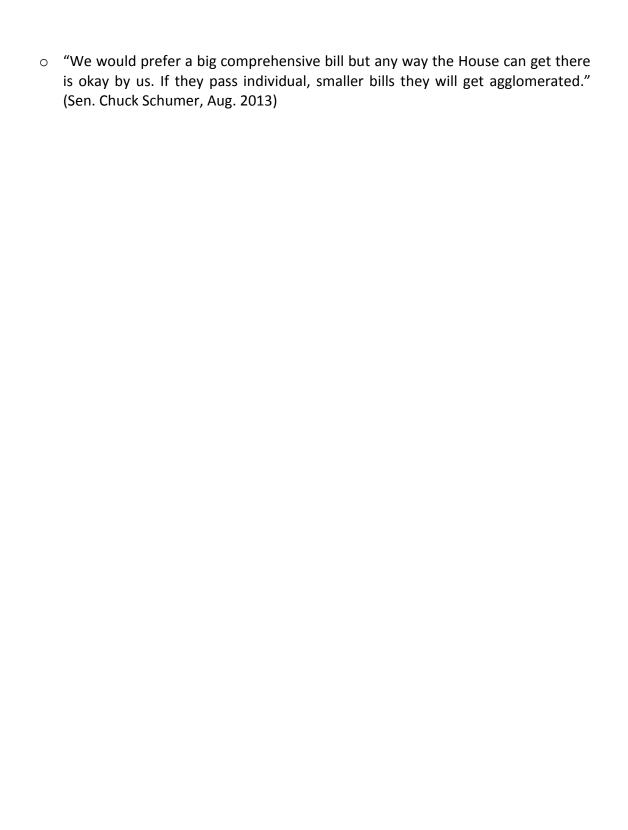
- Just as proponents of the Senate bill claimed, the House proposal is touted as requiring that illegal immigrants learn English and civics to obtain legalization.
 - The Senate bill actually imposed this requirement only for a green card, and even then a person only had to be pursuing a course of study "to achieve an understanding of English and knowledge and understanding" of civics. In many cases, the Secretary of Homeland Security was given the authority to waive this requirement.
 - Current law already requires immigrants to learn English. Anything less than current law would favor those who have violated our laws over those who follow them.
- Proponents of the House proposal have said that illegal immigrants will have to pass background checks to obtain legalization.
 - Kenneth Palinkas, head of the USCIS union the agency responsible for background checks stated that, currently "USCIS adjudications officers are pressured to rubber stamp applications instead of conducting diligent case review and investigation. The culture at USCIS encourages all applications to be approved, discouraging proper investigation into red flags and discouraging the denial of any applications. USCIS has been turned into an 'approval machine.'" (Press Release, American Federation of Government Employees, Council 119, May 20, 2013)
 - o There would no doubt be intense political pressure to complete amnesty applications as quickly as possible, and the number of illegal immigrants who the CBO projects would be legalized under the Senate bill is more than four times the number approved in the 1986 amnesty, which was described by *The New York Times* as "one of the most extensive immigration frauds ever perpetrated against the United States government" as an estimated one-fourth of all successful amnesty applications were fraudulent. For example, 1993 World Trade Center bomber Mahmoud "The Red" Abouhalima, an Egyptian who claimed to be a farmworker, was given amnesty in 1986, which enabled him to travel to Afghanistan where he joined a terrorist training camp and later re-enter the U.S. (Center for Immigration Studies, Feb. 26, 2013)
 - Moreover, it has been reported that the administration is currently "rubberstamping" applications for President Obama's administrative DREAM Act program (DACA), which are being approved at a rate of over 99 percent. (USCIS Office of Legislative Affairs, Dec. 18, 2013)
 - And, it recently was reported that the federal government filed a complaint against the company it had hired to handle the background investigations for Edward Snowden and the Navy Yard shooter for fraudulently submitting at least

- 665,000 incomplete background investigations for government personnel. (*The Washington Post*, Jan. 23, 2014)
- Finally, it was revealed during the Senate debate that the Senate bill did not require the Secretary of Homeland Security to conduct face-to-face interviews with a single amnesty applicant, even though they are necessary to determine national security and law enforcement risks. Indeed, according to Mr. Palinkas, at present "USCIS lacks the resources to adequately screen and scrutinize legal immigrants and non-immigrants seeking status adjustment" let alone the tens of millions who would seek legalization. (Press Release, American Federation of Government Employees, Council 119, May 20, 2013)

3. MYTH: "THE 'IMMIGRATION REFORM' DEBATE WILL BE A FULL AND OPEN LEGISLATIVE PROCESS."

Fact: Just as in the Senate, where the sponsor of the bill negotiated in secret for months with lobbyists and special interests, it has been reported that the House "deal" is already being negotiated behind the scenes.

- According to Politico, "top GOP lawmakers" are seeking the support of Democrat Luis Gutierrez and House leadership staff meeting in secret with business groups and technology trade organizations – who advocate for unlimited foreign labor – "so they have buy-in to the process." (Politico, Jan. 23, 2014)
- House leadership is meeting with corporate elites like Mark Zuckerberg and the U.S. Chamber of Commerce but, there have been no reports of meetings with our nation's law enforcement officers who have requested to be heard. (CBS DC, Sept. 18, 2013, The Washington Post, Jan. 24, 2014)
- While the Speaker has ruled out a House-Senate conference on the Senate bill, no one has ruled out going to conference with the Senate on piecemeal bills, which will inevitably result in the Senate bill, as noted by Rep. Ron DeSantis (R-FL) in November: "Reid and Schumer have already said they don't care what the House does, just get to a conference and they're just going to ram through the Gang of Eight bill. That will basically put more pressure on the Speaker to basically put it on the floor. You're looking at going into a conference that doesn't give you any chance of having conservative policy enacted in the end. So why would we want to step into that minefield?" (Oct. 16, 2013)
 - "We're just happy to see action so that we can get to a conference that can ultimately produce a bill this year, legislation this year, that can be sent to the president." (Senator Bob Menendez, Jan. 26, 2014)
 - "I think that John Boehner will conference with the Senate. Why wouldn't he? He'll have a lot of pressure from his members now that the election is getting closer." (Senate Majority Leader Harry Reid, Dec. 21, 2013)
 - "We have always said on that score that the speaker is the speaker, and any way he wants to bring the bill to the floor, in pieces or in big chunks or whatever it is, we just want to see legislation come to the floor so that Congress can act upon that legislation, the House can, and send it to the conference table with the Senate." (House Minority Leader Nancy Pelosi, Nov. 21, 2013)
 - "Get us to conference. In a conference, we can negotiate the notion of bringing all those bills together." (Sen. Bob Menendez, Nov. 18, 2013)
 - "When I talk to my Republican friends, [they tell me] all of the parts will lead to the full package." (Rep. Luis Gutierrez, Nov. 2013)
 - "Just pass something, then we'll go to conference with it." (Senator John McCain, Oct. 31, 2013)



Crushing The Middle Class

4. MYTH: "A MAJORITY OF AMERICANS SUPPORT IMMIGRATION REFORM."

Fact: So-called "immigration reform" (amnesty for illegal immigrants and a large increase in foreign workers) is overwhelmingly opposed by the American public and opposition is growing.

- Only 3 percent of Americans think immigration reform is a priority. (Gallup, Jan. 15, 2014)
- Only 12 percent of centrist voters strongly support "providing illegal immigrants with a
 path to citizenship even though they have broken the rules." 38 percent of centrist
 voters strongly oppose. (Esquire-NBC News, Oct. 15, 2013)
- 55 percent of Americans support a decrease in legal immigration and only 28 percent support an increase. (FoxNews, April 2013)
- 60 percent of likely voters strongly believe that American companies should try harder to recruit and train unemployed Americans instead of hiring foreign workers. (Pulse Opinion Research, Aug. 15, 2013)
- While the majority of lower- and middle-income voters, political moderates, and conservatives oppose increases in immigration, the wealthy, politically wellconnected, and liberals support increases in immigration. (Rasmussen, Jan. 17, 2014)
 - Pew Research Center and CBS polls this year found that over 60 percent of Americans want the current legal immigration levels either held constant or reduced. Tellingly, Rasmussen found that support for an increase was skewed towards upper-income Americans earning over \$200,000. (Daily Caller, May 17, 2013)
 - 62 percent of Americans think legalization should come only after the border is secured, and only 5 percent actually believe the government would do so if immigration reform passed. (Rasmussen, Oct. 2013)

5. MYTH: "WE NEED A GUEST WORKER PROGRAM TO FILL LABOR SHORTAGES AND JOBS THAT AMERICANS WON'T DO."

Fact: As soon as illegal immigrants are granted legal status and work authorization, they will be able to compete for any job anywhere in America – we are not simply talking about agricultural workers and roofers. Only 2 percent of immigrants and guest workers to be admitted under the Senate bill, for instance, are doing farm work – the other 98 percent would be working in every sector of the U.S. economy.

According to reports, House proposals, like the Senate bill, will include a huge influx of foreign workers.

- According to CBO, the Senate bill would add 46 million new permanent residents by 2033.
- CBO also confirmed that the number of guest workers would increase to 2.8 million by 2033 under the Senate bill.
- Americans have been clear about their views on immigration's impact on the workforce.
 - 55 percent of Americans support a decrease in legal immigration and only 28 percent support an increase. (FoxNews, April 2013)
 - 75 percent of likely voters believe there are more than enough unemployed Americans to fill any labor shortages. 71 percent said employers should raise pay levels to attract more candidates. (Pulse Opinion Research, Aug. 2013)
 - Immigration laws should not be tailored to the demands of corporate America they must reflect what is in the national interest and the American people.
 - According to the Bureau of Labor Statistics, the number of Americans who want to work but have stopped searching is 2.1 million. Over 90 million Americans are outside of the labor force entirely.
 - According to a Dec. 6, 2013, report in CNN Money: "Only about 63 percent of Americans over the age of 16 participate in the job market – meaning they either have a job or are looking for one. That's nearly the lowest level since 1978, driven partly by Baby Boomers retiring, but also by workers who had simply given up hope after long and fruitless job searches."
 - As White House economic adviser Gene Sperling said recently, "our economy still has three people looking for every job [opening]." (CNN, Jan. 5, 2014)

6. MYTH: "THOSE GRANTED LEGALIZATION WILL HAVE TO BE ABLE TO SUPPORT THEMSELVES AND THEIR FAMILIES AND WILL NOT HAVE ACCESS TO WELFARE."

Fact: If illegal immigrants are legalized, they will become almost instantly eligible for federal welfare benefits if they have U.S.-born children and for payments from state and local governments. These costs will be increased substantially by the future chain migration. (U.S. Senate Budget Committee Minority, June 18, 2013)

- Once those amnestied become legal permanent residents, they themselves will be eligible for even more federal welfare benefits and Obamacare. (U.S. Senate Budget Committee Minority, April 4, 2013)
- Costs will only increase once they become citizens and will extend to our nation's retirement programs. The Senate bill was estimated to cost taxpayers at least \$2.5 trillion in Medicare and Social Security alone above any taxes paid in. In addition, the long-term unfunded liability for Obamacare would grow another \$2 trillion. (U.S. Senate Budget Committee Minority, April 18, 2013)
- One-third of all children in poverty in the U.S. live in immigrant households. Nearly half of immigrant families earn less than 200 percent of the poverty level, making them eligible for many means-tested welfare programs. Immigrants are half again more likely to use welfare than native-born, with a majority of households headed by immigrants from Latin America using at least one taxpayer-funded welfare program. And immigrant families account for nearly a third of those without health insurance and more than two-thirds of the growth in the uninsured over the past decade. (Center for Immigration Studies, Aug. 2012)
- Legal immigrants with green cards have access to all but two of nearly 80 federal welfare programs. Public charge law currently goes unenforced, and House proposals do not address this endemic flaw in our legal immigration system.

7. MYTH: "'IMMIGRATION REFORM' WILL HELP THE ECONOMY AND STRENGTHEN SOCIAL SECURITY."

Fact:

- Naturally, adding 30 million new permanent residents will increase GNP. But percapita GNP, according to CBO, will decline along with average wages. In other words: passing so-called immigration reform would mean a larger number of people out of work, on welfare and struggling to make ends meet.
- Because those to be given legal status and a Social Security number are, on average, somewhat younger, it is claimed that their Social Security payments will strengthen Social Security. This is totally false.
 - While these workers will, in the short term, infuse the Social Security trust fund with more money, most will eventually draw Social Security benefits, drawing out more than they will have paid in over time, thus making the Social Security trust fund less sound over the long run.
 - One cannot count the money that is paid in to Social Security as being available to strengthen Social Security if it is to be immediately used to pay for the cost of this program.

Shooting Ourselves In The Foot

8. **MYTH:** "BORDER SECURITY AND ENFORCEMENT WILL COME FIRST AND NO LEGALIZATION CAN HAPPEN UNLESS TRIGGERS HAVE BEEN IMPLEMENTED."

Fact:

- 62 percent of Americans think legalization should come only after the border is secured, and only 5 percent actually believe the government would do so if immigration reform passed. (Rasmussen, Oct. 2013)
- Proposals that grant that illegal immigrants any type of legal status, work authorization, and/or legal residence allowing them to live, travel, and work in any profession in the U.S. before enforcement measures designed to prevent future illegal immigration are fully implemented at the very least completion of border fencing, implementation of the statutorily-mandated biometric exit system, universal and mandatory E-Verify, and enforcement of current immigration laws will ensure that enforcement never occurs. Legalization will be first, immediate, and irreversible; the most that any so-called triggers will do is delay the process of obtaining a green card and/or citizenship.
- Similarly, any proposal that grants any type of legal status, work authorization, and/or legal residence while enforcement measures are supposed to be implemented will ensure that the enforcement never occurs.
- Additionally, illegal immigration advocates will fight to further delay any new enforcement laws as soon as the amnesty provisions go into effect – which will be immediately – just as Democrats did after the 1986 amnesty. (National Review, July 8, 2013)
- Proposals that provide for plans, commissions, or studies as so-called "triggers" as
 the Senate bill does will allow amnesty to occur without the border ever being
 secured, and actually weaken current law, which requires:
 - The Secretary of Homeland Security to "take all actions the Secretary determines necessary and appropriate to achieve and maintain operational control over the entire international land and maritime borders of the United States." (Secure Fence Act of 2006)
 - Operational control of the borders, which means prevention of all unlawful entries. (Secure Fence Act of 2006)
 - A biometric entry-exit system at all ports of entry. (2004 Intelligence Reform and Terrorism Prevention Act, which streamlined five previously passed laws starting with the Illegal Immigration Reform and Immigration Responsibility Act in 1996, and the 2007 9/11 Commission Implementation Act) Notably, CBO found that the Senate bill would lead to an increase in visa overstays due to the increase in guest workers. (CBO Cost Estimate for S. 744, June 18, 2013)

9. MYTH: "PASSING 'IMMIGRATION REFORM' AND FIXING THE BORDER WILL END ILLEGAL IMMIGRATION."

Fact: Nothing being discussed in the House, or the bill that passed the Senate, will stop illegal immigration. Sealing the border is only part of the equation — the problem will continue as long as President Obama refuses to comply with our nation's immigration laws and continues his anti-deportation and anti-enforcement policies.

- Even CBO found that the Senate bill which would weaken current interior enforcement laws and undermine future enforcement – would allow 50 to 77 percent of illegal immigration to continue in perpetuity. (CBO Director Douglas W. Elmendorf Letter to Hon. Patrick J. Leahy, July 3, 2013)
- It is estimated that 40% of the illegal population enter the country legally with a temporary visa and then overstay the original period of admission. CBO estimated that under the Senate bill, visa overstays would increase due to the increase in guest workers. (CBO Cost Estimate for S. 744, June 18, 2013)
 - The GAO repeatedly has said that without a biometric exit system which Congress has mandated in several statutes and was recommended by the 9/11 Commission – "DHS cannot ensure the integrity of the immigration system by identifying and removing those people who have overstayed their original period of admission."
 - Tom Kean and Lee Hamilton, the chair and vice-chair of the 9/11 Commission, have stated: "Full deployment of the biometric exit component of US-VISIT should be a high priority. Such a capability would have assisted law enforcement and intelligence officials in August and September 2001 in conducting a search for two of the 9/11 hijackers that were in the U.S. on expired visas." (Tenth Anniversary Report Card: The Status of the 9/11 Commission Recommendations, Aug. 31, 2011)
- However, even if a biometric exit system was established, the administration has
 prohibited U.S. Immigration and Customs Enforcement agents from arresting and
 removing anyone for overstaying a visa, entering the country illegally, using
 fraudulent identification documents even if the agents believe that an individual
 presents a risk to public safety. (Testimony of Chris Crane, President, National ICE
 Council, U.S. Senate Judiciary Committee, April 22, 2013)
- President Obama has handcuffed immigration agents and officers and decimated interior enforcement:
 - President Obama deported fewer than 0.2 percent of the 11.7 million illegal immigrants in the U.S. in 2012 – the lowest deportation rate among every administration since President Carter. (U.S. Immigration and Customs Enforcement, FY2013 ICE Immigration Removals)

- Under Obama's "prosecutorial discretion" policies, thousands of deportation cases are closed each year, with a 68 percent increase in FY2013. (TRAC Reports, Syracuse University, Jan. 15, 2014)
- As of November 30, 2013, U.S. Citizenship and Immigration Services has received 627,763 applications for the President's Deferred Action for Childhood Arrivals (i.e., DREAM Act) program. Of the requests received, 509,926 have been approved and only 14,614 denied.
- These policies have led U.S. Immigration and Customs Enforcement officers to file a lawsuit against the administration, wherein U.S. District Court Judge Reed O'Connor held that "DHS does not have discretion to refuse to initiate removal proceedings [where the law requires it]. (Crane v. Napolitano, Civ. No. 3:12-cv-03247-O, April 23, 2013)
- In a December 13, 2013 order, U.S. District Court Judge Andrew S. Hanen stated: "This Court is quite concerned with the apparent policy of the Department of Homeland Security of completing the criminal mission of individuals who are violating the border security of the United States." (U.S. v. Nava-Martinez, Criminal No. B-13-441-1, Dec. 13, 2013)
- We already have a highly successful employment verification system E-Verify –
 which, if made mandatory for all employers, would significantly reduce the incentive
 for illegal immigrants to enter the country and help employers maintain a legal
 workforce.
 - According to U.S. Citizenship and Immigration Services, "since it was established, E-Verify has experienced exponential growth, increased accuracy and high customer-satisfaction ratings," with annual enrollments increasing tenfold during the first 16 years, from 11,474 in FY1996 to 111,671 in FY2012. Today, over half a million companies use the system. (USCIS Office of Legislative Affairs, Jan. 23, 2014)
 - 98.8 percent of work-authorized employees are automatically confirmed instantly or within 24 hours, requiring no further employee or employer action. (Id.)
 - Users gave E-Verify a score of 86 out of 100 on the 2012 American Customer Satisfaction Index survey. The average score for all government agencies was 67.
 (Id.)
 - Because of the strong integrity of the system, state departments of motor vehicles use it to ensure the authenticity of driver's licenses that employees use as identity documents. (*Id.*)
- As we learned with the 1986 amnesty, unless there is committed enforcement of laws such as these, illegal immigration will continue.

10. MYTH: "CONGRESS WILL FORCE PRESIDENT OBAMA TO ENFORCE THE TOTALITY OF ANY LAW PASSED."

Fact:

- The President has a constitutional duty to take care that the laws be faithfully executed, but President Obama's record in this regard is abysmal. For example:
 - Since becoming law in 2010, President Obama has waived or suspended 16 provisions of Obamacare, including the employer mandate for an entire year and exempting unions from one of the law's taxes. (Galen Institute, Jan. 21, 2014)
 - In 2010, the President unilaterally implemented part of the DREAM Act, despite
 it having been rejected by Congress three times and despite his prior public
 statements that he did not have the authority to do so.
 - Defying Congress's explicit rejection of legislation to expand the EPA's jurisdiction to include all "waters of the U.S.," not just "navigable waters" as set forth in the law, President Obama directed the EPA to unilaterally expand its jurisdiction anyway.
 - Further, in January 2012, President Obama violated the Constitution when he assigned three members to the National Labor Relations Board during a session of the Senate.
- Liberal law professor Jonathan Turley testified before the House Judiciary Committee on December 3, 2013 regarding President Obama's abuses of power: "There could be no greater danger for individual liberty. And I really think that the Framers would be horrified by that . . . [The situation] is the most serious constitutional crisis, I believe, in my lifetime."
- And now, the Obama administration is forecasting that in 2014, it plans to ignore Congress and act unilaterally on multiple domestic policy fronts.
- Just as he has done with other laws, President Obama will decide which provisions of any immigration law he wants to enforce and given the track record of this administration, one can be certain that any and all enforcement legislation will be delayed and ignored once illegal immigrants have received an immediate amnesty. As Senator Marco Rubio has noted, "even people that would like to do something on [immigration reform] are finding it hard to argue against that." (The Laura Ingraham Show, Jan. 16, 2014)

The Economic Effects Of Massive Immigration

A Chart Book

The great public policy question of whether the United States should continue admitting about one million immigrants a year under current law, or triple that number as proposed in the recently passed Senate bill, has now come to the House. This question is momentous not only because our immigration system needs reforming, but primarily because proposals to do so include massive increases in migrant flows in addition to the legalization of millions currently residing in the U.S. illegally. Given the poor state of the economy and the abysmal condition of the federal budget, immigration reform has become the cutting edge in a vigorous debate over our country's economic future and reform of federal programs that drive unsustainable annual deficits.

Significantly increasing the inflow of immigrants would adversely shock an already weak economy, lower average wages, increase unemployment, and decrease each American's share of national output. As the Congressional Budget Office observed in its evaluation of the Senate's effort to increase immigration, the economy might be bigger because it would contain more people, but it would not be stronger. GDP per person would actually decline. Considering the acute, current weakness of labor markets and the slowest economic recovery since the end of World War II, the last thing the U.S. economy needs is an enormous, harmful economic shock.

We focus on key indicators of distress in labor markets. The millions of Americans who are unemployed, underemployed, or who have dropped out of the labor force entirely will be the first to feel the adverse effects of job competition from additional immigrants. We then touch on the desperate condition of working family incomes. And the chart book concludes by reviewing CBO's analysis of the Senate comprehensive reform bill.

Still Have Not Seen Jobs Recovery To 2007 Levels Six Years After Start Of Recession

"Our economy still has three people looking for every job [opening]." Gene Sperling President Obama's long-time economic advisor, on CNN, Jan. 5, 2014

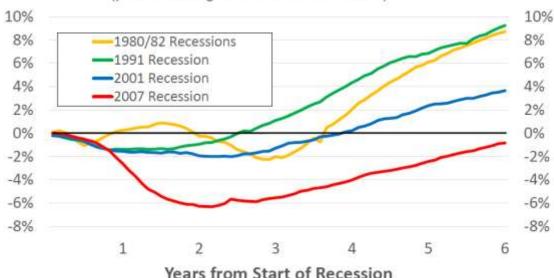
Labor market still not recovered: A significant expansion of immigrants would occur at a time of substantial weakness in U.S. labor markets. The current economic recovery has been too slow to produce a healthy growth in employment. The chart below shows that after 72 months, we still have fewer jobs than we had in December of 2007 when the recession began, even though the population has increased each year.¹

Indeed, the economy has produced 4.7 million jobs since the recovery began in 2009, but 6.8 million people have dropped out of the labor force. This amazing statistic, that dropouts exceed newly employed, is unprecedented in the post-World War II period.

A Long Labor Market Recovery

Payroll Job Change

(percent change from start of recession)



¹ The graphics in this paper are taken from a presentation on current labor market problems given on January 23, 2014, by Dr. Keith Hall, a former commissioner of the Bureau of Labor Statistics and current fellow at the Mercatus Center, from the CBO analysis of S. 744, June 2013; and from original work by Republican staff of the Senate Committee on the Budget.

Employment Has Not Even Begun To Recover

Collapse in percentage of adults working: The percentage of the population that works also has failed to recover from the recession. As of the end of 2013, 58.6 percent of the adult population was employed. This is down from 62.7 percent at the start of the recession, and the percentage has been stuck at about 58.6 since September of 2009. If the same percentage of the population worked today as worked at the start of the recession, we would have 10.1 million more jobs.

In 2007 there were 146 million Americans employed. Today there are 144.6 million. At the same time, the population of those older than 16 years of age has grown by 13.5 million. Far from producing enough jobs to keep up with population growth, the economy is providing few choices for adults other than joblessness or temporary, part-time work.

How Much Real Progress in Recovery?

Employment Rate

(employment as share of population)

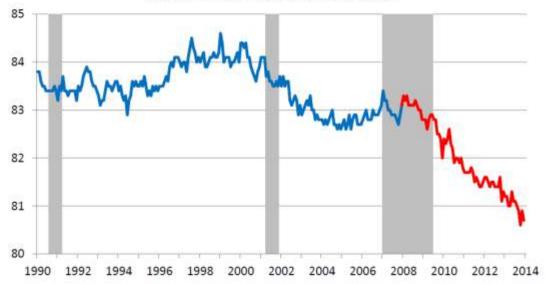


Key Working-Age Population Is Dropping Out

Key labor age group dropping out: These depression-era labor statistics come into even sharper relief when we look at the all-important age group, 24 to 54. The economy depends on this age group for most of its labor. Unfortunately, the labor force participation rate (those working or looking for work) of this age cohort has been in freefall since the middle of the recession.

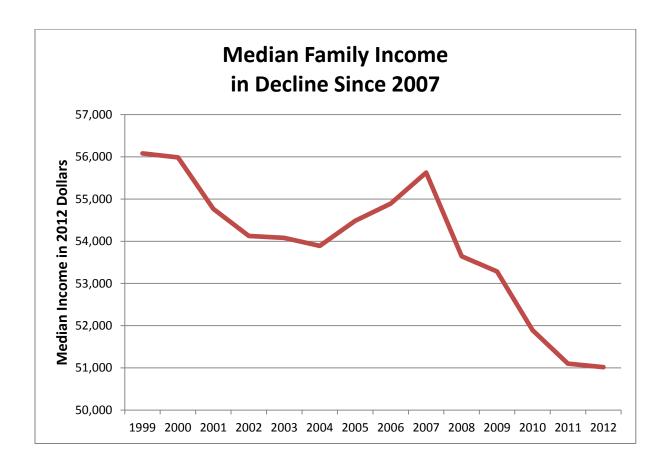
Labor Force Disengagement

Labor Force Participation for 25 to 54 year olds (Share of Population in Labor Force)



Working Family Incomes Falling, Not Rising

No growth in working family income: Working America is highly stressed. Jobs just aren't being created at nearly the rate to keep up with population, and millions are simply dropping out. To make matters even worse, the Census Bureau reported in August 2013 that the incomes of working families have been in decline since 2007 (after adjusting for inflation).²



² U.S. Census Bureau, <u>Income Poverty, and Health Insurance in the United States: 2012</u> (Washington, DC: 2013). Table A-1.

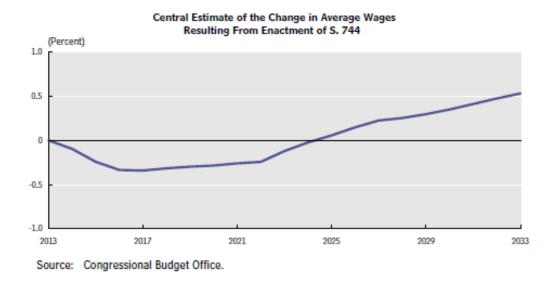
What CBO Says About The Economic Effects Of Large Increases In Immigration

It is against this difficult economic background that immigration reformers want to massively increase the number of work visas by increasing the flow of legal migrants and legalizing those in the country without documents: basically an increase from 10 to 30 million new workers over a 10 period available to compete for any job. Such an increase would:

- depress wages among low- and high-skilled native-born workers and decrease the average wage across the entire economy,
- raise the national unemployment rate, and
- slow the growth of per capita output.

These are some of the conclusions reached last June by the Congressional Budget Office in its review of S. 744, the Senate's comprehensive immigration bill. CBO used sophisticated economic modeling and a panel of leading academics in estimating the economic effects of the Senate's bill. Let's examine each of these impacts separately.

<u>Depresses wages</u>: CBO concluded based on extensive academic evidence that low-and high-skilled native-born workers would compete at a wage disadvantage with similarly skilled immigrants. CBO wrote: "Based on CBO's reading of that research, a 1 percent increase in the labor force attributable to immigration has tended to lower the relative wages for all workers with less than a high school diploma by roughly 0.3 percent...and to lower the relative wages for workers with at least a college degree by roughly 0.1 percent."



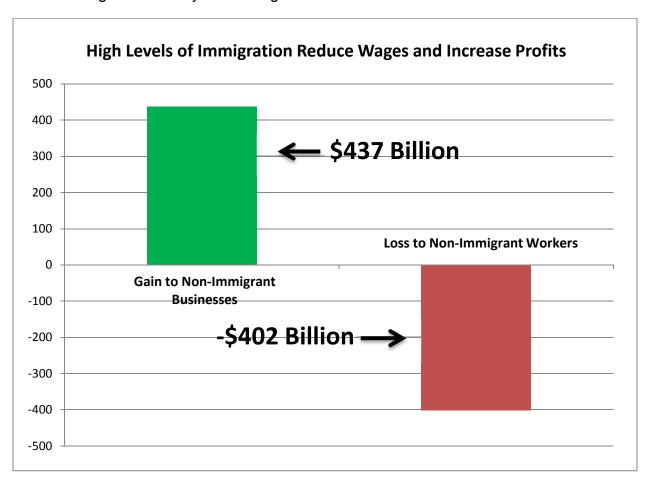
³ CBO, "The Economic Impact of S. 744, the Border Security, Economic Opportunity, and Immigration Modernization Act," (June, 2013), p. 19.

CBO's analysis of S. 744 shows that average wages across the entire economy would be lower for the first 12 years of the policy change. (See graphic above).

CBO draws heavily from the academic work of George Borjas and other leading labor economists. Dr. Borjas has found a number of very interesting economic implications from increased immigration.

For example:

 Dr. Borjas recently noted that immigration from 1960 through 2012 (the last year for which he had data) has cost native-born workers an average \$402 billion in lost wages, while native-owned firms gained \$437 billion in income.⁴ In other words, he finds the increase for business is almost entirely paid for by the decline in wages earned by non-immigrant workers.



⁴ George J. Borjas, "Labor Market Impact of Immigration: A Summary of the Evidence," Presentation to the Congressional Budget Office's Macroeconomics Advisory Panel, June 14, 2013.

- The impact of increased immigration from 1980-2000 resulted in a 3% decrease in wage for average native workers, and an 8% decrease for high school dropouts. A 10% increase in the size of a skill group (i.e. high school drop-outs) reduces wages of that group by 3-4%.⁵
- "Immigration has its largest negative impact on the wage of native workers who lack a high school diploma, a group that makes up a modest (and, in recent decades, shrinking) share of the workforce. These workers are among the poorest Americans. The children of these workers make up a disproportionate number of the children in poverty: 24.8 percent of all children of the native-born working poor live in households headed by a high school dropout."

Dr. Borjas is not alone by any means in drawing these conclusions from the available data. For example, economists at the Federal Reserve Bank of Atlanta wrote in 2008:

As a result of the growth of undocumented workers, the annual earnings of the average documented worker in Georgia in 2007 were 2.9 percent (\$960) lower than they were in 2000... [A]nnual earnings for the average documented worker in the leisure and hospitality sector in 2007 were 9.1 percent (\$1,520) lower than they were in 2000.⁷

Some may not think that losing \$960 in earnings is very much, but it is a real blow to a low-income household. That's a monthly loss of \$80 dollars, or a week of groceries for a family of four.

CBO also drew on the work of the prominent labor economist David Card, who found that increases in low-skilled immigration reduced wages in similarly skilled native-born populations: "the research implies that immigrant inflows over the 1980s reduced wages and employment rates of low-skilled natives in traditional gateway cities like Miami and Los Angeles by 1-3 percentage points."

Given this academic research, it is little wonder that CBO underscored this wage effect.

⁵ George J. Borjas and Lawrence F. Katz, "The Evolution of the Mexican-Born Workforce in the United States," National Bureau of Economic Research, Working Paper 11281 (April, 2005).

⁶ George J. Borjas, "The Labor Demand Curve *Is* Downward Sloping: Reexamining the Impact of Immigration on the Labor Market," National Bureau of Economic Research, Working Paper 9755 (June 2003).

⁷ Julie L. Hotchkiss and Myriam Quispe-Agnoli, "The Labor Market Experience and Impact of Undocumented Workers," Federal Reserve Bank of Atlanta Working Paper Series, Working Paper 2008-7c (June, 2008).

⁸ David Card, "Immigrant Inflows, Native Outflows, and the Local Market Impacts of Higher Immigration," Journal of Labor Economics, v. 19, no. 1, January 2001.

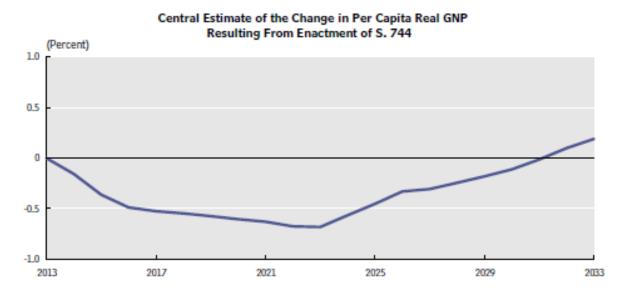
<u>Higher Unemployment:</u> However, it is not only lower wages that working Americans will have to bear, but higher unemployment as well.

The rapid increase in the immigrant population, especially in the low-skilled segment of the income distribution, will overwhelm the ability of the economy to produce jobs. Thus, CBO estimates that S. 744 would raise the number of unemployed Americans during the first five years by an annual average of 162,000 and that unemployment would "remain elevated through 2020."

This is a stunning conclusion, especially when compared with what CBO argued in its 2013 Outlook. In their Budget and Economic Outlook of February 2013, CBO projected only 75,000 additional jobs per month during the last five years of the current 10-year budget window, 2019 through 2023.

In other words, the increase in unemployed Americans that CBO projects will equal a full month of average employment gain for the first five years after enactment. At today's job growth rate, that additional unemployment is like losing about a month of job gains: we are currently averaging around 170,000 new jobs per month.

<u>Lower Economic Output:</u> As you might expect, the lower wages and higher unemployment reflect an economy that's not growing fast enough to absorb all of the new workers and keep up with income growth.



While the size of the economy expands because of the larger population, the growth rate is not fast enough to raise wages or lower unemployment. CBO estimates that GNP per capita will fall below baseline (that is, what would happen absent passage of the immigration bill) and stay below baseline until 2030.

This decline in GNP per capita is due to the failure of the economy to grow fast enough to keep up with immigration-driven population growth and the fact that the vast majority of the projected new workers will be low-skilled.

CONSERVATIVE THINKERS AND IMMIGRATION EXPERTS ON CONGRESS' IMMIGRATION PLANS

National Review editorial, January 27, 2014: "For now, nothing worth having can pass the Democratic Senate or get signed into law by President Obama. Rank-and-file conservatives in the House should firmly reject the course that their leadership wants to take, and convince it to reconsider."

Bill Kristol and Rich Lowry joint op-ed, July 9, 2013: "The last thing low-skilled native and immigrant workers already here should have to deal with is wage-depressing competition from newly arriving workers. Nor is the new immigration under the bill a panacea for the long-term fiscal ills of entitlements, as often argued, because those programs are redistributive and most of the immigrants will be low-income workers."

W. James Antle III (American Conservative) op-ed, January 27, 2014: "Increasing legal immigration and adding business-friendly guest-worker programs on top of that may be one way to address the lowest labor force participation rate since 1978—but not the best approach for American workers."

Victor Davis Hanson op-ed, June 18, 2013: "The elites simply turn a blind eye to out-of-work Americans, the low wages of illegal laborers, and the cynicism of using up human capital and letting the state pick up the subsequent social costs."

Laura Ingraham, July 10, 2013: "Some folks in the GOP establishment are determined to work with Democrats to support an ineffective bill that would lead to more illegal immigrants, lower wages, and higher unemployment. Most Republicans in the Senate opposed this bill, as do most conservative commentators and virtually all members of the GOP in the House."

Peter Kirsanow (U.S. Civil Rights Commissioner) op-ed, June 11, 2013: "History shows that granting such legal status [to illegal immigrants] is not without profound and substantial costs to American workers. Does Congress care?"

Thomas Sowell op-ed, June 11, 2013: "Virtually every kind of 'work that Americans will not do' is in fact work that Americans have done for generations. In many cases, most of the people doing that work today are Americans."

Bill Kristol op-ed, July 15, 2013: "[The Senate bill contains] huge increase in immigration in that bill, two to three times the number of immigrants over the next decade as over the last decade. And that is bad for working class and middle class wages and economic opportunity in this country. And I think that's something Republicans need to get serious about."

National Review editorial, June 17, 2013: "The creation of a large population of second-class workers is undesirable from the point of view of the American national interest, which should be our guiding force in this matter... The United States is a nation with an economy, not an economy with a nation."

Investor's Business Daily editorial, January 27, 2014: "For the GOP, the only immigration measure that belongs on the agenda this year is securing the border, a national security priority that need not be accompanied by amnesty or anything else."

David Frum op-ed, March 11, 2013: "The immigration debate is often premised on the assumption that high wages for American workers are a problem to be overcome."

Rich Lowry op-ed, Jan 10, 2014: "The letter to President Obama organized by Representative Mo Brooks and signed by more than a dozen of his colleagues, including Arkansas Senate candidate Tom Cotton is exactly the case Republicans should be making, as the Chamber and other business interests line up behind importing as many cheap workers into the country as possible."

Hugh Hewitt op-ed, January 27, 2014: "The Senate immigration bill ignited fury among conservatives not because it was proposing regularization but because it was again absurdly silly about border security with a laundry list of stuff no one asked for and yet no serious provisions for a long, strong fence."

John Fund op-ed, April 5, 2013: "Team Obama's backup plan may be that if they can't sucker enough Republicans into backing a bad bill, they can sabotage the final product, see it collapse, and then have a political cudgel to bash Republicans as both insensitive to Hispanics and dismissive of their conservative base. Then, the theory goes, Democrats could win back control of the House in the 2014 elections and pass an immigration bill of their own without messy compromises."

Rush Limbaugh, June 21, 2013: "Members of the House can say and promise anything. We have a president and we have courts who don't care what the law says. Has President Obama shown any evidence of fidelity to existing immigration law? The answer is no."

Bill Kristol op-ed, February 2014 Issue: "Bringing immigration to the floor insures a circular GOP firing squad... With respect to immigration reform, which isn't must-pass, leadership should let it die. The guiding principle should be do no harm."

Tucker Carlson, December 4, 2012: "Does the United States need massive new numbers of the low-skilled immigrants in a post-industrial economy? Is that good for the United States?"

Byron York column, September 11, 2013: "At the same time [some] corporate officers seek higher numbers of immigrants, both low-skill and high-skill, many of their companies are laying off thousands of workers."

Kenneth Palinkas (head of U.S. Citizenship and Immigration Services employees' union) letter to Congress, July 30, 2013: "I cannot stress enough how ill-equipped USCIS is to engage in the sort of far-reaching plans before Congress right now—including both the enormous legalization programs proposed as well as the historic increases in both immigrant and non-immigrant visas."

Chris Crane (head of Immigration and Customs Enforcement officers' union) letter to President Obama, February 11, 2013: "We are given directions, both verbal and written, that prevent us from being able to arrest those who are in clear violation of the law and who may even pose a threat to public safety... Until these concerns are resolved, I fear that any enforcement mechanisms in a future immigration bill will, like the laws already on the books, not be enforced."