2020 Presidential Campaign Proposals for Immigration Policy: Indicators of the Economic Impact on Each State

By Sarah Kim, Christine Park, Dylan Moskowitz, Michelle Wan & Eaton Lin

Summary: Introducing PWBM's Interactive 2020 Campaign Issue State Maps. We use data to inform people about the impact of campaign proposals on their states. Here we present six indicators focused on immigration policy for each state. Although PWBM has shown that increasing immigration boosts economic growth for the U.S. as a whole, these indicators imply that the impact of changes to immigration policy on a state will depend on the demographics of that state.

More than 43 million people living in the U.S. are foreign-born, which accounts for 13.4 percent of the total U.S. population. Most immigrants (76 percent) today are legal. PWBM's interactive state-level map (Figure 1) shows seven indicators for each state that relate to immigration. These data-based indicators can inform debates about 2020 Presidential campaign proposals for changes to immigration policy. We show the percent of the population that is foreign-born,¹ the percent of the foreign-born population with a bachelor's or advanced degree compared with the percent of the native-born with a bachelor's or advanced degree, the old-age dependency ratio,² the child dependency ratio³ and percent of the foreign-born population that is unauthorized for the U.S. and each state.⁴ Use the drop-down menu to select the indicator displayed on the map and hover over a state to see the indicator value in that state (i.e. the percent of the population that is foreign-born). Click on a state to see all of the indicators for that state.

The 2020 Presidential Campaign: Immigration Policy

President Trump has proposed many changes to immigration policy that include: building additional wall along the southern border; not renewing Deferred Action for Childhood Arrival (DACA), Deferred Action for Parents of Americans (DAPA), and Temporary Protective Status (TPS) for people from several countries; increasing U.S. Immigration and Customs Enforcement regulations; and cracking down on sanctuary cities. These policies all work to either reduce the flow of immigrants into the U.S. or reduce the number of immigrants in the U.S.

Many Democratic presidential candidates have proposed to change immigration policy. They share similar views on immigration. For example, all support a pathway to citizenship for unauthorized immigrants. Nearly all have said they oppose or would add to barriers along the U.S.-Mexican border. As of June 25th, 2019, 18 want to eliminate or limit the detention of families. The same number support increased funding to process asylum claims and accepting more refugees per year. Finally, about half support federal health benefits for unauthorized immigrants. In general, the Democratic candidate proposals all work to either maintain/increase the flow of immigrants into the U.S. or maintain/increase the number of immigrants in the U.S.

Figure 1: Immigration Policy – 2020 Presidential Campaign State-Level Indicator Map

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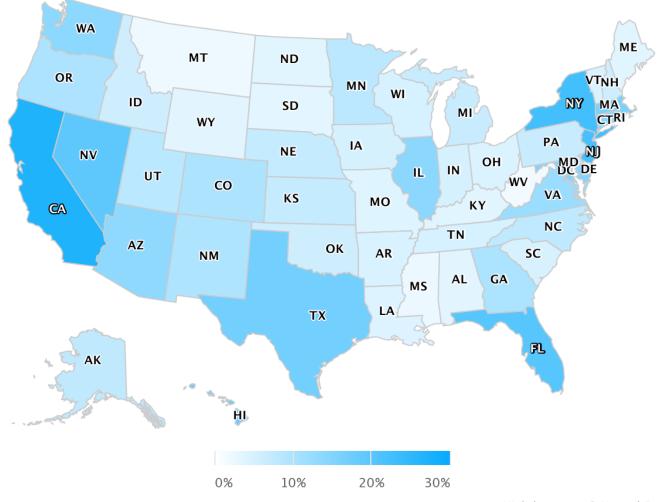
Indicator

Foreign-born Share of Population

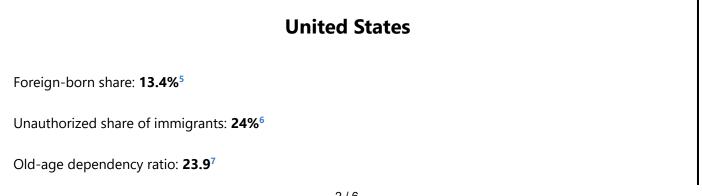
Please visit our website to view additional metrics and state-specific information.

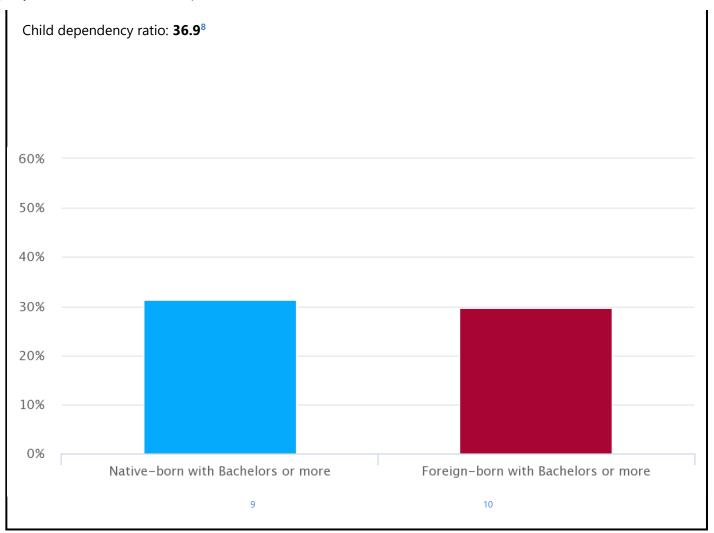
Immigration by State

Click on a state for more information



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Sources: U.S. Census Bureau, 2013-2017 American Community Survey (ACS) 5-Year Estimates and Pew Research Center

Which States Have the Most Immigrants?

The U.S. has more immigrants than any other country in the world. Currently, over 43 million people in the U.S. are foreign-born, which accounts for approximately 13.4 percent of the total U.S. population. Coastal states tend to have more immigrants: states with the highest share of immigrants in their population are California (27 percent), New York (23 percent), and New Jersey (22 percent). In contrast, immigrants comprise 2 percent of the population in West Virginia, Montana and Mississippi.

What are the states that have the most unauthorized immigration?

Many candidates have proposals that target unauthorized immigrants, including DACA, DAPA, DREAMers, a path to citizenship, changes to ICE and barriers along the border. The states where unauthorized immigrants make up the largest share of immigrants are Arkansas (41 percent), Nebraska (41 percent) and North Carolina (39 percent). The states where unauthorized immigrants make up the lowest share of immigrants are Vermont (4 percent), Maine (9 percent) and Montana (12 percent).

What do the dependency ratios reveal?

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The old-age dependency ratio compares the number of retirement-age people (aged 65 or older) to the number of working-age people (aged 18-64). The states with the highest old-age dependency ratio are Florida (32.1), Maine (30.4), and West Virginia (29.9). The states with the lowest dependency ratio are Alaska (15.6), Utah (17.3), and Texas (18.9).

This ratio is an important statistic for assessing the impact of immigration policy on federal entitlement programs such as Social Security and Medicare. The old-age dependency ratio is also an important indicator for the impact of immigration policy on state programs that target the elderly or primarily benefit the elderly. State programs whose benefits target the elderly include Medicare saving programs, Medicaid and prescription drug, property tax, housing, energy and transportation assistance programs.

Because few immigrants are age 65 or older, increasing immigration increases the working-age population while leaving the number of retirees stable in the short-run. Thus, increasing immigration tends to reduce the old-age dependency ratio, which is likely to have a positive impact on state budgets. Our previous research on population aging shows that, as a result of higher immigration and fertility rates after the 1960s, the aging of America's population has been slower than in other OECD countries.

Likewise, the child dependency ratio is an important indicator of the impact of changes to immigration policy on states. It compares the number of school-age people (aged 17 or younger) to the number of working-age people (aged 18-64). Because immigrants are more likely to be of childbearing age, immigrant households, on average, include more children. The three states with the highest child dependency ratio are Utah (51.3), Idaho (44.3) and Texas (42.5). The states with the lowest child dependency ratio are Vermont (30.3), New Hampshire (31.1) and Rhode Island (31.2).

The child dependency ratio is an important statistic for assessing the impact of immigration policy on federal programs such as Supplemental Nutrition Assistance Program (SNAP), joint state and federal programs such as Children's Health Insurance Program (CHIP) and state programs such as K-12 education. K-12 education is a large component of state and local budgets. Furthermore, if immigrants' children are not already fluent English speakers, the per-student cost of education may be substantially higher than for native-born children.¹¹ Figure 1 shows that states with more unauthorized immigrants also have higher child dependency ratios.¹² Although children impose short-run costs on budgets, we previously described how in the long-run their burden is offset by a lifetime of paying taxes.

How do immigrants compare with native-born residents in education?

Educational attainment is a strong predictor of labor force productivity and income. Increasing the educational attainment of the population is likely to boost GDP. We previously illustrated how <u>recent</u> immigrants are bettereducated than ever before and <u>described</u> the influence of shifts in country of origin on immigrant educational attainment.

Figure 1 shows the share of <u>all</u> immigrants and native-born aged 25 or older who have a bachelor's or advanced degrees. On the national level, 31 percent of native-born and 30 percent of immigrants aged 25 or older have earned at least a bachelor's degree. However, in many states the educational attainment of immigrants and the native-born is different. For example, in West Virginia 46 percent of immigrants have a bachelor's degree compared to 19 percent of the native-born. In fact, immigrants have higher educational attainment than the

native-born in 24 states. On the other hand, in Colorado 41 percent of the native-born have a bachelor's degree compared to 27 percent of immigrants.

As displayed in Figure 1, states where a greater share of immigrants have a bachelor's degree are also states where a lower share of immigrants are unauthorized.¹³ The District of Columbia is an exception; it has the highest foreign-born percentage with a bachelor's degree or more (54.1 percent), but its unauthorized immigrant percentage (28 percent) is close to the average percentage (26 percent). The share of immigrants with a bachelor's degree is also related to population age. States where immigrants are highly educated also have a lower child dependency ratio.¹⁴ As noted above both of those indicators are important to consider for state and local budget and could have different implications in the short- and long-run.

- 1. Anyone who is not a U.S. citizen at birth, including those who become U.S. citizens through naturalization. $_{\leftrightarrow}$
- 2. The old-age dependency ratio is the ratio of working age population (18 64) to people aged 65 or older.
- 3. The child dependency ratio is the ratio of working age population (18 64) to people aged 17 or younger.
- 4. The data in the map is sourced from the American Community Survey (ACS) 5-year averages ending in 2017, except for the measure of unauthorized immigrants which is sourced from the Pew Research Center.
- 5. (foreign-born population/total population)*100.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates. 🛁

6. Unauthorized immigrant percent of immigrant population.

Source: Pew Research Center estimates based on augmented U.S. Census Bureau data. See methodology for details. ↔

7. Ratio of working age population (18 - 64) to people aged 65 or older.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates. 🛁

8. Ratio of working age population (18 - 64) to people aged 17 or younger.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates. ↔

- 9. The share of native-born over the age of 25 with a bachelor's and graduate or professional degree.
 Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates. ↔
- 10. The share of foreign-born over the age of 25 with a bachelor's and graduate or professional degree.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates. 🛁

- 11. Congressional Budget Office, "The Impact of Unauthorized Immigrants on the Budgets of State and Local Governments," December 2007, available at: https://www.cbo.gov/sites/default/files/110th-congress-2007-2008/reports/12-6-immigration.pdf ↔
- 12. r = 0.624, 95% confidence interval = 0.421 to 0.768 , p-value = 9.906e-07 ~
- 13. r = -0.531, 95% confidence interval = -0.703 to -0.299, p-value = 6.156e-05 ↔
- 14. r = -0.538, 95% confidence interval = -0.708 to -0.308, p-value = 4.719e-05 ↔