

IMMIGRATION FACTS

Immigrants and the Economy

According to the most comprehensive study ever done on immigrants, the National Academy of Sciences (NAS) found that in all their combined roles, immigrants make indispensable contributions to our economy. They compose an increasingly essential proportion of our workforce. Through their tax payments, they help finance the costs of schools, health care, roads, welfare payments, Social Security, and the nation's defense. Of course, immigrants are also users and beneficiaries of these government programs.

Immigrants are a Plus for our Economy

Immigrants and their children bring long-term economic benefits to the United States as a whole. Immigrants add about **\$10 billion** each year to the U.S. economy. This estimate does not include the impact of immigrant-owned businesses or the impact of highly skilled immigrants on overall productivity.

Immigrants Pay Their Way

By conservative estimates, immigrant households paid an estimated **\$133 billion** in direct taxes to federal, state, and local governments in 1997. The typical immigrant and his or her descendants pay an estimated \$80,000 more in taxes than they will receive in local, state, and federal benefits over their lifetimes.

Naturalized Immigrants Pay More than Their Share

Immigrants who become U.S. citizens typically pay more in taxes than do native-born Americans. Adult, foreign-born, naturalized citizens actually have higher adjusted gross incomes (averaging \$40,502) than families with U.S.-born citizens only (\$35,249). Federal taxes paid by families with a naturalized citizen average \$6,580 per year compared with \$5,070 for U.S.-born-only families.

Major High Tech Companies Started by Immigrants *

Company/Consortium	U.S. Employees	Annual Revenues
Intel	29,000	\$11.5 billion
Sun Microsystems	11,000	\$6.0 billion
Computer Associates	9,000	\$2.6 billion
Solectron	4,545	\$1.5 billion
Lam Research	3,600	\$811 million
LSI Logic	2,600	\$902 million
AST Computer	2,248	\$2.4 billion

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Wang Laboratories	2,000	\$1.0 billion
Amtel	2,000	\$600 million
Cypress Semiconductor	1,500	\$600 million
Total	67,493	\$27,913 billion

*

Note: At least one of the company founders was foreign born.

Source: Stuart Anderson. *Employment-Based Immigration and High Technology*, (Washington, DC: Empower America, 1996).

Immigrant-Founded Businesses Are an Important Revenue Source

Businesses founded by immigrants are a source of substantial economic and fiscal gain for U.S. citizens. Ten high-tech firms founded by immigrants, generated \$28 billion in revenues in 1996. These and other businesses started by immigrants add at least another \$29 billion to the total amount of taxes paid by immigrants.

As They Assimilate, Immigrants Become Net Economic Contributors

Immigrants' earnings rise over time as they climb the economic ladder of success in America. In their first years in the United States, immigrants typically are a net cost to the country, but over time--usually after 10 to 15 years in the United States--they turn into net contributors.

An Education and Training Windfall

Most immigrants arrive in the United States in the prime of their working years. More than 70 percent of immigrants are over the age of 18 when they arrive in the United States. That means there are roughly 17.5 million immigrants in the United States today whose education and upbringing were paid for by the citizens of the sending country, not American taxpayers. The windfall to the United States of obtaining this human capital at no expense to American taxpayers is roughly **\$1.43 trillion**. This makes immigrants a fiscal bargain for our country.

Federal vs. State and Local Tax Imbalance

Like natives, immigrants use more state and local services than they pay for in state and local taxes. The average immigrant imposes a net lifetime fiscal cost on state and local governments of \$25,000. Their overall net tax contribution, when considering all levels of government is explained by the fact that most of the taxes immigrants pay--income and social security taxes--go to the federal government, while many of the services used--schools, hospitals, and roads--are provided by local governments. Despite this imbalance, there is no evidence that states or cities with large immigrant populations perform worse economically than those with small immigrant populations. In fact, just the opposite is generally true.

Immigrants Are Net Contributors to Social Security and Medicare

The total net benefit (taxes paid over benefits received) to the Social Security system in today's dollars from continuing current levels of immigration is nearly \$500 billion for the 1998-2022 period and nearly \$2.0 trillion through 2072. Our population is aging, and each worker will be supporting a growing population of retirees. Immigrant workers will be an essential component to solving the long-term problem of financing Social Security.

Immigrant Workers are Essential to the U.S. Economy

With the U.S. economy in the midst of its longest expansion in history, immigrant workers are increasingly essential to filling jobs ranging from computer programmers to hotel and restaurant workers. Federal Reserve Chairman Alan Greenspan has repeatedly commented that immigration is an important source of workers in a tight labor market. The shrinking U.S. labor supply may have serious implications for inflation pressures, Greenspan says, as "there is an effective limit to new hiring, unless immigration is uncapped." Without an increase in immigration, inflation--and the resulting slowdown of the economy--could threaten the prosperity of all Americans.

New Rules to Affect Fiscal Calculations

Working-age immigrants who have been in the United States for more than ten years are less likely to receive welfare than the native-born. The exceptions, because of their special needs, are refugees and elderly immigrants.

Beyond Fiscal Calculations

Overall, immigrants are a fiscal bargain for American taxpayers. Of course, the value of immigrants is not primarily measured by the dollar calculation of their fiscal impact. Immigrants contribute to America in many ways other than the size of their tax payments and the amount they pump into our economy. Their enrichment of our culture and the overall vitality they bring to American society are immeasurable in fiscal terms. They are a vital benefit to all Americans.

SOURCES:

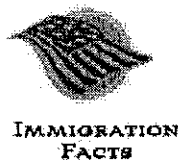
National Research Council, National Academy of Sciences, *The New Americans: Economic, Demographic, and Fiscal Effects of Immigration*, National Academy Press, 1997

Stephen Moore, *A Fiscal Portrait of the Newest Americans* (Washington, DC: National Immigration Forum and Cato Institute, 1998).

Alan Greenspan, *Technology and the Economy*, Remarks before the Economic Club of New York, NY, January 13, 2000.

Ibid., *Statement before the Committee on Banking and Financial Services U.S. House of Representatives* February 17, 2000,

National Immigration Forum 2000



IMMIGRATION FACTS

Fast Facts on Today's Newcomers

Did you know that:

- Most immigrants-about 75%-come to the U.S. legally.
- Most legal immigrants-about three quarters-come to join close family members.
- As of 1998, nearly 10% of the U.S. population was foreign-born. By comparison, from 1870 to 1920, the foreign-born population made up approximately 15% of the total population.
- In 1998, approximately 737,000 new immigrants and refugees arrived in the U.S. or were granted permanent residence. Of these, 604,000 entered as lawful permanent residents and another 133,000 came as refugees, asylum seekers, or others fleeing persecution.
- Many undocumented immigrants don't come to the U.S. by crossing a border illegally. In fact, four out of 10 enter legally with student, tourist, business, or some other temporary visa and become "illegal" when they stay in the U.S. after their visa expires.
- One third of the foreign-born population in the U.S. in 1997 were naturalized citizens.

Where do immigrants come from?

- In 1998, the "Top Ten" countries from which the U.S. received legal immigrants were: **Mexico** (131,575), **China** (36,884), **India** (36,482), **Philippines** (34,466), the **Dominican Republic** (20,387), **Vietnam** (17,649), **Cuba** (17,375), **Jamaica** (15,146), **El Salvador** (14,590), and **Korea** (14,268).

Where do refugees come from?

- In 1998, the "Top Ten" places from which refugees fled and were resettled in the U.S. were: **Bosnia and Hercegovina, the Former Soviet Union, Vietnam, Somalia, Iran, Cuba, Liberia, Iraq, Sudan, and Burma.**

SOURCES:

U.S. Bureau of the Census, *Nearly 1 in 10 U.S. Residents Are Foreign-Born*, Census Bureau Reports, Press Release, (Washington, DC: September 17, 1999)
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 U.S. Immigration and Naturalization Service, *Statistical Yearbook of the Immigration and Naturalization Service, 1997* (Washington, DC: U.S. Government Printing Office, 1999).
 U.S. Immigration and Naturalization Service, Office of Policy and Planning, Statistics Branch, *Annual Report: Legal Immigration, Fiscal Year 1998*, (Washington, DC: May 1999)
 U.S. Immigration and Naturalization Service, *Estimates of the Unauthorized Immigrant Population Residing in the United States: October 1996*, (Washington, DC: January 1997).
 U.S. Committee for Refugees, *Refugee Reports*, (Washington, DC: December, 1999).

Immigration Business Assistance Program

Mary Klemesrud, Iowa Department of Economic Development
Economic Development Budget Appropriations Subcommittee
February 1, 2001

Immigration Business Assistance Program

Program Goal

To increase the qualified labor pool in the State of Iowa by attracting and acculturating diverse populations into the workplace and communities.

Immigration Business Assistance Program

Assistance Approach

- 1 Provide clear, straight-forward information about the immigration hiring process.
- 2 Make referrals to expert resources.
- 3 Work with key regulatory agencies to resolve barriers.

Immigration Business Assistance Program

New Iowan Resource Guide

Comprehensive statewide immigration resources.

- Employment-Based Immigration
- Immigration Resources
- Best Practices/Case Studies

Immigration Business Assistance Program

Business Needs Assessment

Project Overview

- Determine immigration knowledge and resource needs of Iowa employers.
- 292 Iowa businesses surveyed by telephone.
- 82% of Iowa employers have little to no knowledge about immigration process.

Immigration Business Assistance Program

Key Partners

- Iowa Business and Industry
- Iowa Communities
- State and Local Governments
- Immigration and Naturalization Service
- United States Department of State
- Congressional Offices

Immigration Business Assistance Program

Critical Issues

H-1B Visas: Temporary visa category for non-immigrant workers in specialty occupations.

Typical H-1B occupations include engineers, architects, computer programmers.

"American Competitiveness in the 21st Century Act".

Immigration Business Assistance Program

Model Communities Project

- Selection Process
- State Agency Resource Team
- Immigration Business Assistance Program
- Community and Rural Development

Immigration Business Assistance Program

Key Results and Conclusions

- 392 businesses and individuals assisted.
- Working with IWD and other key partners to place individuals with Iowa employers.
- Continue outreach efforts including comprehensive website development to share best practices and immigration resources.

Immigration Business Assistance Program

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New Iowan Centers

Barbara Bobb, Iowa Workforce
Development
Economic Development Budget
Appropriations Subcommittee
February 1, 2001

New Iowan Center Locations

Sioux City

- Partnered with Woodbury County Community Action Agency.
- Access services at IWD center.

Muscatine

- Partnered with Muscatine's Center for Strategic Action.
- Access services at IWD center and Multicultural Center.

Services

- Job placement
- Referrals to supportive community services
 - ESL Classes
 - child care
 - transportation
 - emergency
 - medical
 - housing/shelter
 - food
 - acculturation Info
- Employer services
 - outreach
 - assistance
 - training
- INS forms assistance
- Community Service Directory
- New Iowan Handbook
 - INS process
 - employer expectations
 - cultural differences
- Staff training
- Marketing

Partnerships

- University of Northern Iowa
- University of Iowa Labor Center
- Council for International Understanding
- Regional Advisory Boards
 - business
 - community
 - labor

People Served

- Employers--114
- Immigrants--161 individuals
 - Job placement
 - INS forms assistance to get or retain employment
- Community Colleges
 - Assisting in visa information
 - Student to work visas
- Filling information requests
 - From Texas, New Jersey, Illinois, N. Mexico
 - From nearby cities--Iowa City, Quad Cities, Newton, Ottumwa, Council Bluffs
 - Community/Religious groups
 - 600 people given INS information in Sioux City

IWD System Enhancements

- Command Spanish for staff & One Stop partners.
- Diversity training for staff & One Stop partners.
- INS forms training (I-9, legal residency cards).
- Translation of IWD forms and documents.
- Community networking and training to provide INS assistance.
 - 44 trained in Sioux City on January 27
- INS pre-accreditation training for IWD/NIC staff.
- Bilingual preference for job vacancies.
- Community training.

Future Plans for Enhanced Services

- Maintain funding for existing New Iowan Centers.
- Expand services to Storm Lake, Waterloo, Perry.
- Acculturation information available statewide via videotape.
- Expanded resource libraries in more communities.

New Iowan Centers

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**Proposed Office of Refugee
and Immigration Services**

Wayne Johnson, Bureau of Refugee
Services
Economic Development Budget
Appropriations Subcommittee
February 1, 2001

**Proposed Office of Refugee
and Immigration Services**

- Budget Request: \$211,708 for administrative costs.
- Office Purpose: Provide services to immigrants that mirror services currently provided to refugees.
- Comprehensive Approach: Umbrella of statewide immigration services.

**Proposed Office of Refugee
and Immigration Services**

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Immigration Myths

Myth Number 1

Immigrants take jobs away from Americans.

Immigration Myths

Myth Number 2

Most immigrants are a drain on the U.S. economy.

Immigration Myths

Myth Number 3

America is being overrun by immigrants.
