MYTH: Immigrants are a drain on our social services.

FACT: By paying taxes and Social Security, immigrants contribute far more to government coffers than they use in social services.

In its landmark report published in 1997—arguably the most thorough national study to date of immigration’s fiscal impacts—the National Research Council (NRC) of the National Academy of Sciences concluded that on average, immigrants generate public revenue that exceeds their public costs over time—approximately $80,000 more in taxes than they receive in state, federal and local benefits over their life times. This same conclusion was reached in 2007 by the Council of Economic Advisers in their report to the Executive Office of the President where they state that “the long-run impact of immigration on public budgets is likely to be positive,” and agree with the NRC report’s view that “only a forward-looking projection of taxes and government spending can offer an accurate picture of the long-run fiscal consequences of admitting new immigrants.”

Indeed, most non-citizens are not even eligible for the majority of welfare programs unless they are legal permanent residents and have resided in the United States legally for at least five years. This includes benefits such as Temporary Assistance for Needy Families (TANF), SSI, Medicaid, and the State Children’s Health Insurance Program (SCHIP).

Moreover, according to government reports, noncitizens are much less likely than citizens to use the benefits for which they are eligible. For example, immigrants, especially the undocumented, tend to use medical services much less than the average American. In fact, the average immigrant uses less than half the dollar amount of health care services as the average native-born citizen. Moreover, the claim that immigrants account for high rates of emergency room (ER) visits is refuted by research; in fact, communities with high rates of ER usage tend to have relatively small percentages of immigrant residents.

Likewise, according to Department of Agriculture reports, noncitizens who are eligible for food stamps are significantly less likely to use them than are all other individuals who are eligible for the program. For example, about 45 percent of eligible noncitizens received food stamps in 2002, compared to almost 60 percent of eligible individuals overall.

Most of the fiscal impact from immigration is felt at the state and local levels. The Council of Economic Advisors points out in its report to the Executive Office of the President that “the positive fiscal impact tends to accrue at the federal level, but the net costs tend to be concentrated at the state and local level,” which bear primary responsibility for providing not only health care but education.

Still, according to recent studies from a number of cities and states—including the states of Arizona, Texas, Minnesota, California, New York, North Carolina and Arkansas, and cities or counties of Chicago and Santa Clara—while the cost of educating the children of immigrants may be high, the overall economic benefits of immigrants to the states remain positive. A University of Illinois study found that undocumented immigrants in the Chicago metropolitan area alone spent $2.89 billion in 2001, stimulating an additional $5.45 billion in total local spending and sustaining 31,908 jobs in the local economy.

The Udall Center at the University of Arizona found that the fiscal costs of immigrants, starting with education, totaled $1.41 billion in 2004, which, balanced against $1.64 billion in state tax revenue attributable to immigrants as workers, resulted in a fiscal gain of $222.6 million. Similarly, in its Special Report about undocumented immigrants in Texas, the Comptroller of
Public Accounts found that in 2005, even counting the costs associated with education, “the state revenues collected from undocumented immigrants exceed what the state spent on services, with the difference being $424.7 million.”

**MYTH:** Immigrants have a negative impact on the economy and the wages of citizens and take jobs away from citizens.

**FACT:** Immigration has a positive effect on the American economy as a whole and on the income of native-born workers.

In June 2007, the President’s Council of Economic Advisers (CEA) issued a report on “Immigration’s Economic Impact.” Based on a thorough review of the literature, the Council concluded that “immigrants not only help fuel the Nation’s economic growth, but also have an overall positive effect on the American economy as a whole and on the income of native-born American workers.” Among the report’s key findings were that, on average, U.S. natives benefit from immigration in that immigrants tend to complement natives, not substitute for them. Immigrants have different skills, which allow higher-skilled native workers to increase productivity and thus increase their incomes. Also, as the native-born U.S. population becomes older and better educated, young immigrant workers fill gaps in the low-skilled labor markets.

With respect to wages, in a 1997 study, the National Research Council estimated the annual wage gain due to immigration for U.S. workers to be $10 billion each year in 2007 CEA estimated the gain at over $30 billion per year. The CEA acknowledges that an increase in immigrant workers is likely to have some negative impact on the wages of low-skilled native workers, but they found this impact to be relatively small and went on to conclude that reducing immigration “would be a poorly-targeted and inefficient way to assist low-wage Americans.”

In addition to having an overall positive effect on the average wages of American workers, an increase in immigrant workers also tends to increase employment rates among the native-born. According to a Pew Hispanic Center study, between 2000 and 2004 “there was a positive correlation between the increase in the foreign-born population and the employment of native-born workers in 27 states and the District of Columbia.” These states included all the major destination states for immigrants and together they accounted for 67% of all native-born workers. California, for example, saw an increase in wages of natives by about four percent from 1990 to 2004—a period of large influx of immigrants to the state—due to the complimentary skills of immigrant workers and an increase in the demand for tasks performed by native workers.

**MYTH:** Immigrants—particularly Latino immigrants—don’t want to learn English.

**FACT:** Immigrants, including Latino immigrants, believe they need to learn English in order to succeed in the United States, and the majority uses at least some English at work.

Throughout our country’s history, critics of immigration have accused new immigrants of refusing to learn English and to otherwise assimilate. These charges are no truer today than they were then. As with prior waves of immigrants, there is a marked increase in English-language skills from one immigrant generation to the next. In the first ever major longitudinal study of the children of immigrants, in 1992 Rambaut and Portes found that “the pattern of linguistic assimilation prevails across nationalities.” The authors go on to report that “the linguistic outcomes for the third generation—the grandchildren of the present wave of immigrants—will be little different than what has been the age-old pattern in American immigration history.”

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While many first-generation Latino immigrants are unable to speak English, 88 percent of their U.S.-born adult children report that they speak English very well. 20 And studies show that the number rises dramatically for each subsequent generation. Furthermore, similar to other immigrants, Latinos believe that they need to learn English in order to succeed in the United States, and believe they will be discriminated against if they don’t. 21 Most Latino immigrants (67%) report that they use at least some English at work. 22

California’s second-generation immigrants experience a large drop in “low levels of English proficiency” compared to first generation immigrants, from 27% to 6%, and the proportion of immigrants with high levels of English proficiency rises from 49% in the first generation to 79% in the second generation. The proportion of both Asian and Latino immigrants, who speak English exclusively rises from 10% in the first generation to 29% in the second and 94% in the third. 23

Notwithstanding the current levels of English language acquisition for the newest wave of immigrants, there is a demand for English language classes that far exceeds the supply and which, if met, would greatly advance immigrants’ integration into American social and cultural life.

**MYTH: Immigrants don’t want to become citizens.**

**FACT: Many immigrants to the United States seek citizenship, even in the face of difficult requirements and huge backlogs that can delay the process for years.**

Most immigrants are ineligible to apply for citizenship until they have resided in the U.S. with lawful permanent resident status for five years, have passed background checks, have shown that they have paid their taxes, are of “good moral character, demonstrate knowledge of U.S. history and civics, and have the ability to understand, speak and write English.” In addition, people applying for naturalization have to pay a fee, which increased by 69% in 2007 from $400 to $675, making it much harder for low-income immigrants to reach their dream of becoming Americans. 24

Despite these barriers, The Pew Hispanic Center’s report on U.S. Census data shows that the proportion of eligible immigrants who have acquired citizenship rose to 52% in 2005, “the highest level in a quarter of a century.” 25 In the 2007 fiscal year, DHS received 1.4 million citizenship applications—nearly double from last fiscal year 26—and between June and July of 2007, naturalization applications increased 350% compared to last year. 27 In his testimony to Congress, US Citizenship and Immigration Services (USCIS) Director, Emilio Gonzalez, referred to this increase as “unprecedented in the history of immigration services in our nation.” 28

Yet, despite the promise by USCIS that backlogs would be eliminated, applications for naturalization can take a year and half to adjudicate and of the 1.4 applications it received in 2007, less than 660,000 have been decided. 29

**MYTH: Immigrants don’t pay taxes.**

**FACT: Almost all immigrants pay income taxes even though they can’t benefit from most federal and state local assistance programs and all immigrants pay sales and property taxes.**

According to the 2005 *Economic Report of the President,* “more than half of all undocumented immigrants are believed to be working ‘on the books’...[and]... contribute to the tax rolls but are ineligible for almost all Federal public assistance programs and most major Federal-state programs.” According to the report, undocumented immigrants also “contribute money to public coffers by paying sales and property taxes [the latter are implicit in apartment rentals].” 30
All immigrants (legal and undocumented) pay the same real estate taxes and the same sales and other consumption taxes as everyone else. The University of Illinois at Chicago found in 2002 that undocumented immigrants in the Chicago metro area spent $2.89 billion annually from their earnings and these expenditures generated $2.56 billion additional spending for the local economy.31

Legal immigrants pay income taxes and indeed many undocumented immigrants also pay income taxes or have taxes automatically withheld from their paychecks—even though they are unable to claim a tax refund, Social Security benefits or other welfare benefits that these taxes support. In the Chicago metro area for example, approximately seventy percent of undocumented workers paid payroll taxes, according to the University of Illinois study from 2002.32 In the Washington Metro Region, immigrants paid the same share of the region’s overall taxes (18 percent) as the rest of the population (17.4 percent), according to a 2006 Urban Institute study.33 This study also points to the fact that immigrants’ tax payments support both local and state services in addition to the federal government.

The Social Security Administration (SSA) holds that undocumented immigrants “account for a major portion” of the billions of dollars paid into the Social Security system—an estimated $520 billion as of October 2005.34 The SSA keeps a file called the “earnings suspense file” on all earnings with incorrect or fictitious Social Security numbers and the SSA’s chief actuary stated in 2005 that “three quarters of other-than-legal immigrants pay payroll taxes.”35 Their figures show that the suspense file is growing by more than $50 billion a year, generating $6 to 7 billion in Social Security tax revenue and about $1.5 billion in Medicare taxes.

**MYTH:** Immigrants send all their money back to their home countries instead of spending money here.

**FACT:** Immigrants do send money to family members, making it possible for more people to stay in their home countries rather than migrating to the United States. Importantly, sending remittances home does not keep immigrants from spending money in the United States.

It’s true that remittances are the biggest sources of foreign currency for most Latin American countries and surpass any amount of foreign aid sent by the U.S. The money sent by immigrants to their family members allows many people to stay in their home countries who might otherwise feel compelled to migrate to the U.S.

And while 51 percent of Latino immigrants send remittances home,36 they are spending their money in the United States as well. In fact, a 1998 study found that immigrants become net economic contributors after 10 to 15 years in the U.S.37

In addition to paying taxes and Social Security, immigrants spend money on goods and services in the United States. A study of Latino immigrants in California found significant gains in home ownership between those who had been in this country for ten years (16.4 percent are homeowners) and those who had been here for over thirty years (64.6 percent).38 Furthermore, a 2002 Harvard University study of U.S. Census data found that there were more than 5.7 million foreign-born homeowners in the United States.39 The study found that foreign-born new homeowners are buying their homes by saving more than native-born homebuyers and stretching their incomes more.

While homeownership nationally was approximately 69% in 2006, it was 60% for Asians and 50% for Latinos—each group with large immigrant populations and therefore greater impediments to obtaining bank loans.40 Although homeownership is largely correlated with legal status in the U.S., undocumented immigrants are also buying into the “American Dream” of homeownership in some of the most expensive housing markets in the country.41
MYTH: Immigrants bring crime to our cities and towns.

FACT: Immigrants are actually far less likely to commit crimes than their native-born counterparts. Even as the undocumented population has increased in the United States, crime rates have decreased significantly.

According to a 2000 report prepared for the U.S. Department of Justice, immigrants maintain low crime rates even when faced with adverse social conditions such as low income and low levels of education.62

Although incarceration rates are highest among young low-income men and many immigrants arriving in the U.S. are young men with low levels of education, incarceration rates among young men are invariably lower for immigrants than for their native-born counterparts. This is true across every ethnic group but the differences are especially noticeable among Mexicans, Salvadorans and Guatemalans, who constitute the majority of undocumented immigrants in the United States. Even in cities with the largest immigrant populations, such as New York, Los Angeles, Chicago and Miami, violent and non-violent crime rates have continued to decline.41

Even after taking into account higher deportation rates since the mid 1990’s, and reviewing the 1980 and 1990 censuses, the National Bureau of Economic Research (NBER) ascertained that, “18-40 year-old male immigrants have lower institutionalization rates than the native born each year...and by 2000, immigrants have institutionalization rates that are one-fifth those of the native born.”64 In fact, according to the NBAR study, the newly arrived immigrants are particularly unlikely to be involved in crime.

Cities like Hazleton, Pennsylvania have tried to blame a new wave of immigrants for a supposed rise in crime. Yet, Hazleton’s own crime statistics taken from the Pennsylvania State Police show that overall crime in the city has decreased and is now less than half of the national average.45

MYTH: Most immigrants are undocumented and have crossed the border illegally.

FACT: Two thirds of immigrants are here lawfully—either as naturalized citizens or in some other lawful status. Moreover, almost half of all undocumented immigrants entered the United States legally.

According to the Pew Hispanic Center, one third of all immigrants are undocumented, one third have some form of legal status and one third are naturalized citizens. This applies to immigrants from Latin America as well as others.46

Almost half of all undocumented immigrants entered the United States on visas that allowed them to reside here temporarily—either as tourists, students, or temporary workers. This means they were subject to inspection by immigration officials before entering the country,65 and became undocumented only when their visas expired and they didn’t leave the country.

MYTH: Weak border enforcement has led to high rates of undocumented immigration. We should increase enforcement and build a wall around our border.

FACT: Increased border security and the construction of border fences have done little to curb the flow of immigrants across the United States border. Instead, these policies have only succeeded in pushing border crossers into dangerous and less-patrolled regions, and increased the undocumented population by creating an incentive for immigrants not to leave.
Building a wall along the entire 2000-mile southern U.S. border would be prohibitively expensive. According to a study by the Cato Institute, rather than acting as a deterrent to those attempting to cross the border, increased enforcement has only succeeded in pushing immigration flows into more remote, less patrolled regions, resulting in a tripling of the death rate at the border and decreased apprehensions, and creating a dramatic increase in taxpayer money spent on making arrests along the border (from $300 per arrest in 1992 to $1,200 per arrest in 2002).  

Furthermore, increased border enforcement has actually increased the number of undocumented immigrants in the U.S. at any one time. The increased risk and cost to immigrants of crossing the border has resulted in fewer undocumented immigrants returning to their home countries for periods of time as part of the decades-long circular migration patterns that characterize undocumented immigration from Mexico up until the 1990s. Instead, immigrants stay in the United States for longer periods of time, often choosing to immigrate their families to avoid longer periods of separation.  

The Secure Fence Act of 2006 directed the Department of Homeland Security to construct 850 miles of additional border fencing. According to a report by Congressional Research Services, the San Diego fence, combined with increased border patrol agents in the area, succeeded in decreasing border crossing in that region, but at the same time there is considerable evidence that the flow of illegal immigration has shifted to the more remote areas of the Arizona desert, decreasing the number of apprehensions and increasing the cost.


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