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## CBO: SENATE IMMIGRATION BILL TO SAVE \$175 BILLION

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WASHINGTON—A sweeping effort to rewrite the nation's immigration laws would shrink federal deficits over the next two decades, the Congressional Budget Office said Tuesday in a report that could help win Republican support for the measure.

The legislation would save \$175 billion over a decade by prompting a labor-force expansion that boosts U.S. income- and payroll-tax collections, said the CBO, the nonpartisan agency that advises Congress on budget and economic matters. In the following decade, the legislation would decrease federal budget deficits by as much as \$670 billion, the CBO said.

The legislation would provide a boost to the economy, the CBO said. It estimated the nation's inflation-adjusted gross domestic product would be 3.3% higher in 2023 and 5.4% higher in 2033 than it would be without the immigration overhaul.

"This debunks the idea that immigration reform is anything other than a boon to our economy and robs the bill's opponents of one of their last remaining arguments," said Sen. Charles Schumer, a New York Democrat who helped craft the bill with Sen. Marco Rubio (R., Fla.) and six other senators.

Sen. Jeff Sessions (R., Ala.), a leading opponent of the bill, said its authors used "scoring gimmicks...to conceal its true cost" from taxpayers and the CBO.

Mr. Sessions said that while many illegal immigrants would be barred from receiving health-care benefits for at least 10 years, they could become eligible in later years.

Mr. Sessions also said the CBO didn't provide enough information to explain why illegal immigrants who gain legal status under the bill would pay more to the government than they receive in welfare payments or in entitlements, such as Medicare.

The CBO said the bill would increase government spending by \$262 billion from 2014 to 2023, mostly because some people would be eligible for refundable tax credits, such as the earned income tax credit and child tax credit, and health insurance subsidies.

The government also would spend an additional \$22 billion over the decade on provisions such as ratcheting up border security and replacing a voluntary system used to verify a person's legal status to work with a mandatory one.  
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But the spending would be more than offset by \$459 billion in new revenue from 2014 to 2023, as a larger labor force yields more in tax payments, according to the CBO projection.

There are costs for employers, too, such as implementing new systems to verify employees' legal status and new fees for visas needed to hire foreign workers. The bill would cost private employers at least \$700 million annually once all its mandates are in place, likely by 2016, according to the CBO.

If it were to be signed into law, the measure would mark the most far-reaching rewrite of immigration laws since the 1980s.

The Senate bill provides a path to citizenship for many of the 11 million immigrants in the U.S. illegally, creates a variety of new work-visa programs and increases border security and interior enforcement measures.

Initially, about eight million unauthorized immigrants living in the U.S. would gain a provisional legal status under the legislation, the CBO estimated.

In addition, the legislation would boost the U.S. population by 10.4 million residents over a decade—a 3% increase in the population. About 1.6 million of them would be temporary workers and their families. The 10 million also includes people who have been waiting in a backlog to come to the U.S. legally. By 2033, the law is expected to boost the total to 16.2 million additional residents.

The growing labor force would cause a slight decrease in average wages for the entire labor force—a 0.1% decline—in the first 10 years. In addition, the unemployment rate would be "slightly higher" through 2020, the CBO said. The labor force would grow by about six million people in the first decade, the CBO found.

However, after 10 years, increasing capital investment and strengthening productivity would boost wages by 0.5% for all workers by 2033. In part, thanks to the contributions of the expanded pool of highly-skilled foreign workers, productivity would rise 0.7% by 2023 and by roughly 1% in 2033, compared to current law.

The CBO assessment comes at a critical moment for the legislation, with Senate leaders pushing for a vote before the July 4 recess. The bill has just advanced to the Senate floor, and senators are debating which amendments to consider before moving to a final vote.

As immigration supporters court GOP votes, Senate Republicans are edging closer to a compromise amendment designed to beef up the bill's border-security provisions without alienating Democrats, who have rejected more stringent ideas.

Sen. John Hoeven (R., N.D.) said the amendment now being negotiated would offer more specific benchmarks designed to ensure the border is secure. "It has to be measurable, objective metrics so we know the border's secure and folks feel it's attainable," Mr. Hoeven said.

The immigration bill still faces an uncertain future in the House. Speaker John Boehner (R., Ohio) called the Senate bill's security measures "laughable" Tuesday.

Mr. Boehner also said a House bill would need the support of a majority of Republicans—a heavy lift in a chamber with some deeply conservative factions.

"Any immigration reform bill that is going to go into law ought to have a majority of both parties' support if we're really serious," Mr. Boehner said. "So, I don't see any way of bringing an immigration bill to the floor that doesn't have majority support of Republicans."

In a contentious first step, the House Judiciary Committee considered legislation Tuesday, beginning with an enforcement bill by Rep. Trey Gowdy (R., S.C.) that's been widely criticized by Democrats. Mr. Gowdy said other measures were in the works, including a measure with a "path to status" for illegal immigrants already in the United States.