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## IMMIGRATION OVERHAUL WOULD BENEFIT BIG STATES THE MOST

By Sara Murray  
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A handful of big states with large shares of undocumented workers stand to reap the biggest economic benefits if plans to overhaul the immigration system are passed into law, a new study shows.

A state-by-state analysis shows that, when it comes to certain immigration provisions, the economic wealth won't be spread evenly. In states such as California, Texas and Florida, more immigrants and businesses are poised to take advantage of policy changes. These states are likely to see outsize economic gains, whereas changes to immigration laws would have a more muted economic impact in less populous states.

The report, conducted by the nonpartisan Regional Economic Models Inc., a private forecasting firm, divides the immigration debate into three separate categories. The first, creating a path to legal status for some of the 11 million undocumented immigrants in the U.S., could add 550,000 jobs nationwide and \$45 billion to the nation's gross domestic product—a broad measure of economic output—by 2020, according to the study. The second, increasing the number of high-skilled visas, would generate nearly as much economic growth and about 400,000 jobs by 2020. The third, revamping low-skilled visa programs, could increase employment by 468,000 by 2020.

All of these provisions are included in the immigration-overhaul legislation that the Senate has passed.

"These proposals are about growing the economic pie, to a large extent," said Fred Treyz, Regional Economic Models' chief executive.

Still, some states will see bigger effects than others. In California, creating a path to legal status would add nearly 122,000 jobs by 2020, according to the study. The job gains would largely come from the retail, health-care, construction and other service industries, and Californians' personal income would rise by an average of \$445 per person, adjusted for inflation, by 2020.

The impact is so large, in part, because California is so large, with more than 2.5 million undocumented immigrants. As those immigrants gain legal status, they can switch jobs more freely and might be more willing to invest in education, such as learning English, increasing their pay and productivity. That would boost their purchasing power, with a ripple effect of creating more economic activity, particularly in service industries such as retail.

Because the state is also home to so many types of employers—from its technology sector to agriculture—it stands to benefit from efforts to expand high-skilled visas and low-skilled visas as well.

For a handful of less populous states with small numbers of undocumented immigrants, legalizing immigrants does relatively little to boost the economy and could even subtract from workers' wages, the study found.

Legalizing undocumented workers would add fewer than 1,000 jobs each in South Dakota, Vermont and Wyoming and give state economic growth only a slight boost, the study projected. It would also cause personal income, adjusted for inflation, in each of these states to shrink by 2020, because wages aren't expected to rise as quickly as prices. In Wyoming, for instance, real personal income would fall by \$27 million, or about \$23 per person on average.

Even for states that are projected to get a sizable bounce from an immigration overhaul, this doesn't mean all of its residents would. Some research has shown that American-born workers with low education levels could get hurt from immigration policies that bring in new flows of low-skilled labor.

"The big beneficiaries of immigration are immigrants," said Steven Camarota, director of research at the Center for Immigration Studies, which favors limiting immigration. "The concern here is the losers tend to be people who have relatively low wages to begin with."

The state-by-state immigration report was paid for by the Ford Foundation, Carnegie Corporation of New York and Unbound Philanthropy, a private foundation focused on migration issues. A spokesperson for the Ford Foundation said the group wasn't lobbying on immigration legislation but trying to inform the conversation. Both Carnegie and Unbound Philanthropy have supported creating a pathway to citizenship for undocumented immigrants.