

# **The Unauthorized Immigrant Workforce and Idaho's Economy**

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**University of Idaho**

McClure Center for  
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# EXECUTIVE SUMMARY

This report describes Idaho's unauthorized workforce and how their work, spending and taxes relate to Idaho's economy.

The University of Idaho James A. and Louise McClure Center for Public Policy Research examined existing data and research on unauthorized immigrants, both nationally and in Idaho. The most recent data on the number of unauthorized immigrants in the United States and Idaho are from 2021, with more detailed data only available for earlier years.<sup>1</sup>

This report summarizes conclusions from existing data and does not update estimates or collect new quantitative data. It integrates perspectives and up-to-date information on Idaho's unauthorized workforce from Idaho professionals in agriculture, dairy and hospitality industries.

The McClure Center conducts independent, evidence-based research. Publications contain no policy recommendations.

## KEY FINDINGS FOR IDAHO

### **The population of unauthorized immigrants in Idaho remained stable from 2005 to 2021.**

There were approximately 35,000 unauthorized immigrants in Idaho in 2021.<sup>2</sup> This number is the same as in 2005.<sup>3</sup> More than half of unauthorized immigrants in Idaho remain for at least 16 years.<sup>4</sup> This is the longest length of stay in the nation.<sup>5</sup>

### **Unauthorized immigrant workers contribute to Idaho's economy by meeting labor needs in Idaho industries.**

Finding workers is a key concern for Idaho businesses today.<sup>6</sup> In Idaho, 86% of unauthorized immigrants are working.<sup>7</sup> This is higher than the national average of 74%.<sup>8</sup> In Idaho, most unauthorized immigrants work in agriculture, construction and service industries.<sup>9</sup> Idaho industry professionals report that in agriculture, dairy and hospitality industries, businesses employ unauthorized workers to meet their labor needs because authorized workers cannot be found. They also report that businesses adapt to lack of workers by foregoing business growth opportunities, cutting back production or even closing. Such decisions can have a detrimental effect on the economy.

### **Unauthorized immigrant workers contribute to Idaho's economy through their spending.**

Unauthorized immigrant workers' spending, like all consumer spending, ripples through Idaho's economy by supporting jobs and stimulating additional spending. Recent estimates of unauthorized immigrants' contribution to Idaho's economy through their labor and subsequent spending are unavailable, but are likely in the billions of dollars and tens of thousands of jobs.<sup>10</sup>

### **Unauthorized immigrants pay taxes and are ineligible for most taxpayer-funded programs.**

Unauthorized immigrants in Idaho pay income, sales and other taxes.<sup>11</sup> Unauthorized immigrants are ineligible for most public programs that are funded by tax dollars, including housing and food assistance programs, Medicaid and subsidized health insurance.<sup>12</sup>

### **The precise fiscal impact of unauthorized immigrants to the state of Idaho is not known.**

The fiscal impact, or the difference between unauthorized immigrants' tax contributions and their public expenditures, has not been precisely quantified for Idaho. Where federal law requires services to be provided to everyone regardless of immigration status,<sup>13</sup> federal programs may partially or fully offset the cost to Idaho of fulfilling these requirements.<sup>14</sup>

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<sup>1</sup> Jeffrey S Passel and Jens Manuel Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)," November 16, 2023, [https://www.pewresearch.org/wp-content/uploads/2023/11/SR\\_23.11.16\\_unauthorized-immigrants-table-2.xlsx](https://www.pewresearch.org/wp-content/uploads/2023/11/SR_23.11.16_unauthorized-immigrants-table-2.xlsx); "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019" (Center for Migration Studies, 2022), <http://data.cmsny.org/state.html>; "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019" (Center for Migration Studies, 2022), <http://data.cmsny.org/state.html>.

<sup>2</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>3</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>4</sup> Jeffrey S Passel and D'Vera Cohn, "Overall Number of U.S. Unauthorized Immigrants Holds Steady Since 2009" (Pew Research Center, 2016), [https://www.pewresearch.org/hispanic/wp-content/uploads/sites/5/2016/09/PH\\_2016.09.20\\_Unauthorized\\_FINAL.pdf](https://www.pewresearch.org/hispanic/wp-content/uploads/sites/5/2016/09/PH_2016.09.20_Unauthorized_FINAL.pdf).

<sup>5</sup> Passel and Cohn, "Overall Number of U.S. Unauthorized Immigrants Holds Steady Since 2009."

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<sup>6</sup> Craig Shaul et al., “Idaho Employer Business Climate Survey: August 2023” (Idaho Department of Labor, August 2023).

<sup>7</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”

<sup>8</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”

<sup>9</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”

<sup>10</sup> See Appendix C.

<sup>11</sup> Lisa Christensen Gee, Matthew Gardner, and Meg Wiehe, “Undocumented Immigrants’ State & Local Tax Contributions” (The Institute on Taxation and Economic Policy, February 2016).

<sup>12</sup> See Appendix E.

<sup>13</sup> “Emergency Medical Treatment and Active Labor Act (EMTALA),” 42 U.S.C. § 1395dd § (1986); “Civil Rights Act,” Pub. L. No. 88–352, 78 Stat. 241 (1964); “Equal Educational Opportunities Act,” 20 USC § 1701-1758 § (1974); “Constitution of the United States, Amendment XIV,” 1868, [https://www.senate.gov/about/origins-foundations/senate-and-constitution/constitution.htm#amdt\\_14\\_\(1868\)](https://www.senate.gov/about/origins-foundations/senate-and-constitution/constitution.htm#amdt_14_(1868)).

<sup>14</sup> “English Language Acquisition State Grants--Title III, Part A. Funding Status and Awards,” July 7, 2023, <https://oese.ed.gov/offices/office-of-formula-grants/school-support-and-accountability/english-language-acquisition-state-grants/funding-status/>; “Federal Education-Related Discretionary Programs: Final Appropriations” (National Education Association, 2023 2020); “U.S. Department of Justice, Bureau of Justice Assistance: Funding Awards,” 2023, <https://bja.ojp.gov/funding/awards/list>.

# 1. OVERVIEW OF UNAUTHORIZED IMMIGRANTS

Unauthorized immigrants are people present in the United States who were born outside the country and do not have a valid visa or other immigration documentation. Unauthorized immigrants are part of Idaho communities, having lived and worked in both Idaho and the U.S. for decades. This section describes demographic trends for unauthorized immigrants in the U.S. and Idaho.

Most unauthorized immigrants in Idaho, and in the U.S., participate in the workforce.<sup>1</sup> Some unauthorized immigrants are children or elderly and others may be of working age, but not in the workforce for caregiving or other reasons. In some cases, data are available on the unauthorized immigrant workforce in particular, while in other cases, data focus on unauthorized immigrants as a whole.

**Unauthorized immigrants** are people present in the United States who were born outside the country and do not have a valid visa or other immigration documentation.

## Box 1: Estimating the unauthorized immigrant population

The precise number of unauthorized immigrants in the United States and in Idaho is not known. However, organizations such as the Center for Migration Studies and the Pew Research Center provide estimates of the unauthorized immigrant population based on information collected by the U.S. Census Bureau.

While some unauthorized immigrants may be willing to disclose their legal status in Census surveys, others may choose not to due to fear of repercussions, including deportation, making it impossible to gain a precise count of individual unauthorized immigrants.

Throughout this report, all references to populations of unauthorized immigrants in the U.S. and Idaho should be read as estimates, not precise numbers of individuals.

There are several sources of estimates of the number of unauthorized immigrants in the U.S. and in Idaho, each with their own methodologies. This report uses data from the Pew Research Center (Pew) and the Center for Migration Studies (CMS) based on their methodology and the way that they complement each other. Pew provides the most recent estimates of the unauthorized immigrant population (through 2021), while CMS provides additional detail on unauthorized population

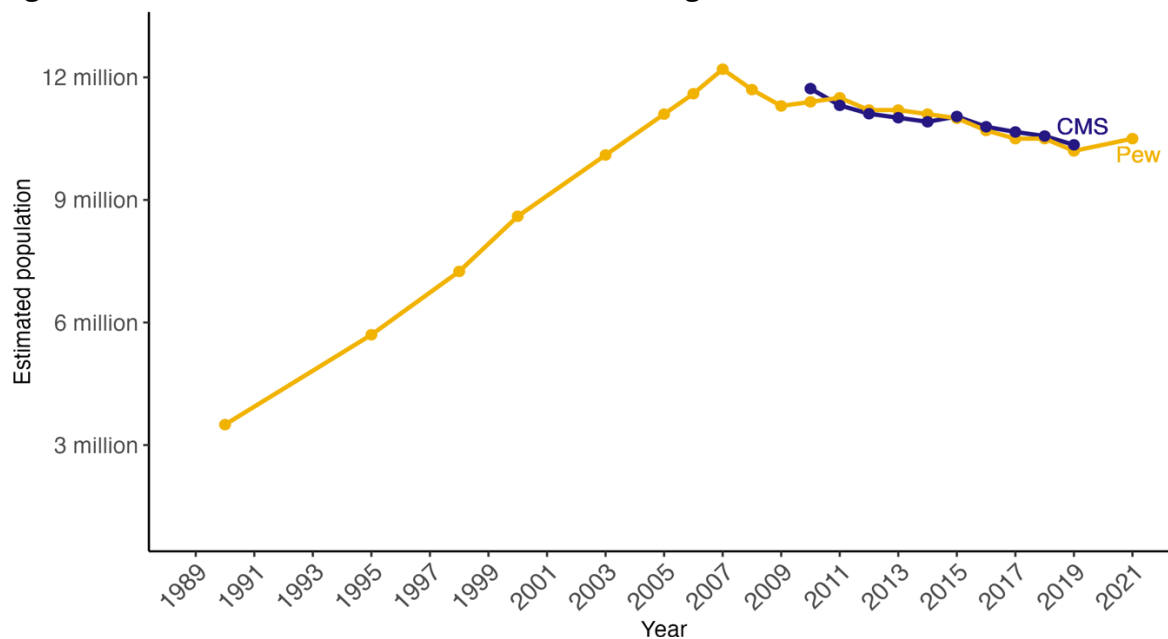
characteristics (through 2019).<sup>a</sup> Both data sources show similar levels and trends in the number of unauthorized immigrants. Appendix A contains detailed information on each data source.

<sup>a</sup> Both Pew and CMS estimates include individuals with Temporary Protected Status, Deferred Action for Childhood Arrivals and asylum-seekers whose cases have not been resolved.

## Unauthorized immigrants in the United States

Pew has estimated the number of unauthorized immigrants in the U.S. since 1990 and their most recent estimates are from 2021.<sup>2</sup> In 1990, there were approximately 3.5 million unauthorized immigrants in the U.S.<sup>3</sup> From 1990 to 2021, the overall number of unauthorized immigrants increased to 12.2 million in 2007, before steadily declining to 10.5 million in 2021.<sup>4</sup> The most recent estimates provided by CMS are consistent with Pew estimates, with 10.3 million unauthorized immigrants in the United States in 2019.<sup>5</sup> Trends in unauthorized immigrant populations from both sources are shown in Figure 1.

Figure 1. Estimated number of unauthorized immigrants in the U.S. (1990-2021)



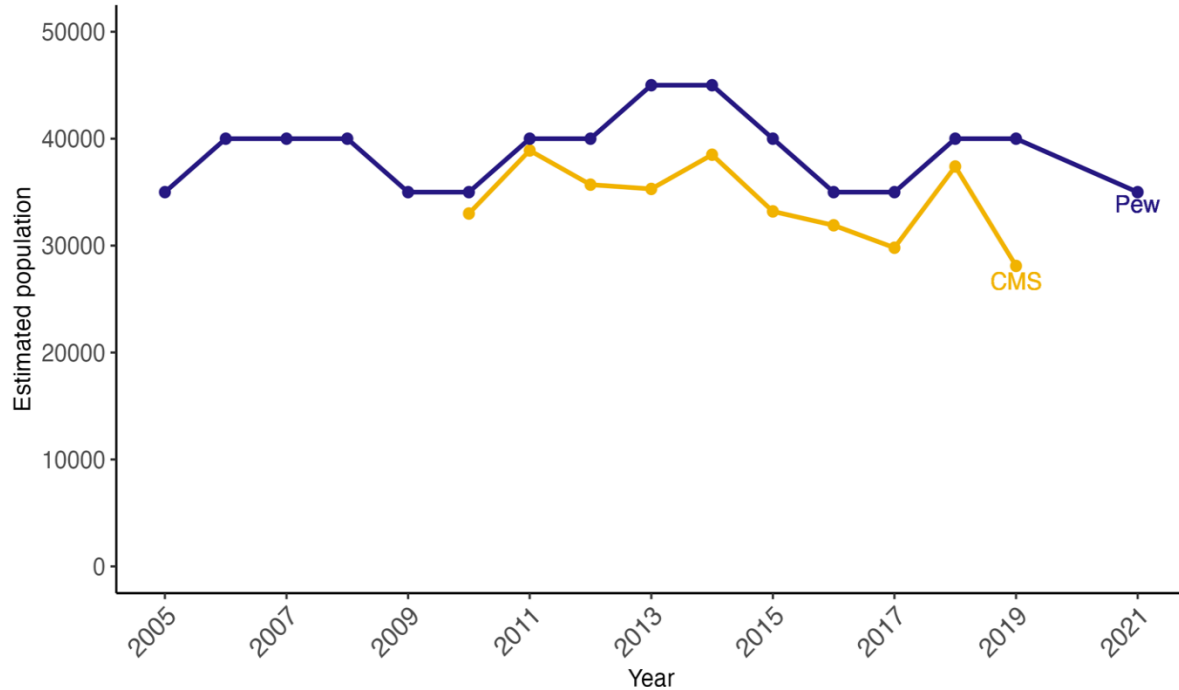
SOURCES: Passel, Jeffrey S, and Jens Manuel Krogstad. "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)," November 16, 2023. [https://www.pewresearch.org/wp-content/uploads/2023/11/SR\\_23.11.16\\_unauthorized-immigrants-table-2.xlsx](https://www.pewresearch.org/wp-content/uploads/2023/11/SR_23.11.16_unauthorized-immigrants-table-2.xlsx); "Dataset: Undocumented Immigrants in the United States, by State and Year, 2010-2019." New York: Center for Migration Studies, August 25, 2022. <https://cmsny.org/data-undocumented-state-2010-to-2019/>.

## Unauthorized immigrants in Idaho

Population trends for unauthorized immigrants in Idaho are more stable than national trends. **The population of unauthorized immigrants in Idaho remained stable from 2005 to 2021.**<sup>6</sup> In 2021, there were an estimated 35,000 unauthorized immigrants in Idaho.<sup>7</sup> Between 2005 and 2021, the number of unauthorized immigrants in Idaho ranged from 30,000 to 45,000 for all time periods in which data are available, with the exception of

2019, when the number of unauthorized immigrants in Idaho may have been as low as 28,100 (Figure 2).<sup>8</sup>

Figure 2. Estimated number of unauthorized immigrants in Idaho (2005-2021)



SOURCES: Passel, Jeffrey S, and Jens Manuel Krogstad. "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)," November 16, 2023. [https://www.pewresearch.org/wp-content/uploads/2023/11/SR\\_23.11.16\\_unauthorized-immigrants-table-2.xlsx](https://www.pewresearch.org/wp-content/uploads/2023/11/SR_23.11.16_unauthorized-immigrants-table-2.xlsx); "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019." Center for Migration Studies, 2022. <http://data.cmsny.org/state.html>.

In 2021, 76% of unauthorized immigrant adults in Idaho had been in the state for six or more years.<sup>9</sup> More detailed data have not been collected since 2014. At that time, at least half of unauthorized immigrants in Idaho had been in the state for more than 16 years.<sup>10</sup> This was the longest length of stay in the nation.<sup>11</sup>



### Box 2: From authorized visitor to unauthorized immigrant

People immigrate to the United States for economic and personal reasons. Those who arrive through ports of entry (land border crossings, airports and seaports) have their documentation inspected upon arrival. They may have business or vacation visas, student visas or one of a variety of employment visas. Other people may be immigrating to join family members on a longer-term basis.

Unauthorized immigrants have either overstayed their visas or entered without inspection.<sup>a</sup> Entry without inspection occurs when immigrants enter without passing through ports of entry. Between 2010 and 2017, the most recent period for which data are available, the majority of unauthorized immigrants in the U.S. had overstayed their visas.<sup>a</sup> In 2022, the U.S. Department of Homeland Security recorded 795,167 individuals who overstayed their visas and did not depart the U.S.; this figure also includes individuals who overstayed by at least one day and have since left the country.<sup>b</sup>

SOURCES: <sup>a</sup>Warren, Robert. "U.S. Undocumented Population Continued to Fall from 2016 to 2017, and Visa Overstays Significantly Exceeded Illegal Crossings for the Seventh Consecutive Year." Center for Migration Studies, January 2019; <sup>b</sup>"Fiscal Year 2022 Entry/Exit Overstay Report." U.S. Department of Homeland Security, June 21, 2023. [https://www.dhs.gov/sites/default/files/2023-07/23\\_0707\\_FY22\\_FY23\\_CBP\\_Integrated\\_Entry\\_Exit\\_Overstay\\_Report.pdf](https://www.dhs.gov/sites/default/files/2023-07/23_0707_FY22_FY23_CBP_Integrated_Entry_Exit_Overstay_Report.pdf).

## **Characteristics of unauthorized immigrants**

### *Country of origin*

Nationally, in 2021, unauthorized immigrants' top countries of origin were Mexico (39%), El Salvador (8%), Guatemala (7%), India (7%), Honduras (5%) and China (4%).<sup>12</sup> The composition of unauthorized immigrants nationally has changed since 2010, with the number of people from Mexico decreasing and the number of people from Central America and Asia increasing.<sup>13</sup>

In Idaho, in 2021, the majority of unauthorized immigrants were from Mexico (78%).<sup>14</sup> The composition of unauthorized immigrants in Idaho remained steady from 2010 to 2019, with more than 80% of unauthorized immigrants in Idaho coming from Mexico and Central America.<sup>15</sup>

### *Age*

The majority of unauthorized immigrants are working age adults. Table 1 shows that in 2019, 89% of unauthorized immigrants in the U.S., and 92% in Idaho, were ages 18-64.<sup>16</sup> There are few school-age children and retirement age adults among unauthorized immigrants in Idaho.<sup>17</sup>

**Table 1: Estimated age distribution of unauthorized immigrants (2019)**

Age	United States	Idaho
Under 5	1%	<1%
5-17	9%	6%
18-20	4%	6%
21-24	6%	8%
25-34	25%	23%
35-44	28%	30%
45-64	25%	24%
65 and older	1%	2%

SOURCES: "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019." Center for Migration Studies, 2022. <http://data.cmsny.org/state.html>.; "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019." Center for Migration Studies, 2022. <http://data.cmsny.org/state.html>.

NOTE: Columns do not total to 100% due to rounding.

### *Language*

English proficiency among unauthorized immigrants is increasing.<sup>18</sup> In 2007, approximately one-quarter of unauthorized immigrants nationally reported they either spoke only English at home or identified themselves as speaking English "very well" compared to 59% of unauthorized immigrants in 2019.<sup>19</sup>

English language proficiency among unauthorized immigrants in Idaho and the U.S. as a whole is comparable.<sup>20</sup> In 2019, 58% of unauthorized immigrants in Idaho identified themselves as speaking English "well" or "very well."<sup>21</sup> The remaining 42% identified themselves as speaking English "a little" or "not at all."<sup>22</sup>

### *Education*

In 2019, 40% of unauthorized immigrants in the U.S. had less than a high school diploma or equivalent and 19% had a bachelor's degree or higher.<sup>23</sup> In Idaho, unauthorized immigrants had lower educational attainment rates than unauthorized immigrants nationally.<sup>24</sup> The percentages of unauthorized immigrants in Idaho who held a high school diploma or equivalent or attended some college were similar to unauthorized immigrants nationally.<sup>25</sup> (See Table 2.)

**Table 2: Estimated adult unauthorized immigrant educational attainment (2019)**

	United States	Idaho
Less than high school diploma or equivalent	40%	52%
High school diploma or equivalent	27%	28%
Some college	15%	14%
Bachelor's degree or higher	19%	5%

SOURCES: "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019." Center for Migration Studies, 2022. <http://data.cmsny.org/state.html>.; "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019." Center for Migration Studies, 2022. <http://data.cmsny.org/state.html>.

NOTE: Categories are mutually exclusive. Columns do not total to 100% due to rounding.

In 2019, nationally, more than 19%, or 1.7 million, unauthorized immigrants were highly educated, having a bachelor's degree or higher.<sup>26</sup> In Idaho, in 2019, 5% of unauthorized immigrants were highly educated.<sup>27</sup> Highly educated unauthorized immigrants are regularly employed below their qualifications.<sup>28</sup>

### **The unauthorized immigrant workforce**

In 2021, the majority of unauthorized immigrants were in the workforce.<sup>29</sup> Nationally, 74% of unauthorized immigrants were working, compared to 86% in Idaho.<sup>30</sup> Unauthorized immigrants made up an estimated 4.6% of the U.S. labor force and 3% of Idaho's labor force in 2021.<sup>31</sup>

Nationally, the industry with the largest share of unauthorized immigrant workers in 2021 was the U.S. Bureau of Labor Statistics industry category "Agriculture, forestry, fishing and hunting."<sup>32</sup> Within this industry category, most unauthorized workers are employed in agricultural jobs and not forestry, fishing or hunting.<sup>b</sup> Other industry categories with many unauthorized workers in 2021 were construction, and leisure and hospitality.<sup>33</sup>

Nationally, an estimated 45% of all agricultural workers were unauthorized immigrants in 2019.<sup>34</sup> Within agriculture, unauthorized immigrant workers perform jobs like operating machinery, harvesting, grading and sorting crops, as well as hold jobs in livestock and dairy production.<sup>35</sup>

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<sup>b</sup> Information available on the jobs held by unauthorized immigrants indicate that many of the jobs in the U.S. Bureau of Labor Statistics "Agriculture, forestry, fishing and hunting" industry category are in agriculture, with very few jobs in forestry, fishing and hunting. Additional details about the types of jobs associated with unauthorized immigrants can be found in Appendix B.

In the leisure and hospitality industry, unauthorized immigrant workers perform jobs like washing dishes, cooking, preparing food and housekeeping.<sup>36</sup> Within construction, unauthorized immigrant workers perform jobs such as roofing, installing drywall, installing flooring and painting.<sup>37</sup>

Detailed information on jobs performed by unauthorized immigrant workers, the size of the authorized and unauthorized workforce in those jobs and national and Idaho wages is in Appendix B.

#### *The unauthorized immigrant workforce in Idaho*

In Idaho, there were an estimated 30,000 unauthorized immigrants in the workforce in 2021.<sup>38</sup> Of these, one-third worked in agriculture.<sup>39</sup> The remaining two-thirds of workers were split evenly across construction, manufacturing, professional services and leisure and hospitality.<sup>40</sup> Idaho is in the midst of changes, including significant population growth,<sup>41</sup> the effects of a global pandemic and low unemployment rates.<sup>42</sup> When unemployment is low, fewer people are looking for jobs and businesses may experience difficulty finding and retaining workers.

In agriculture, the H-2A temporary agricultural worker program offers the opportunity to meet labor shortages in seasonal agriculture with foreign workers.<sup>43</sup> Industries with year-round labor needs, such as dairy production, are not able to participate in H-2A.<sup>c,44</sup> H-2A workers are authorized workers.<sup>45</sup>

#### Box 3: Unauthorized immigrant worker wages

Unauthorized immigrant workers are, on average across all jobs, paid less than authorized immigrant workers.<sup>a</sup> Recent estimates find that unauthorized immigrant workers are paid 35% less than authorized immigrant workers, on average.<sup>a</sup>

This difference is largely due to socioeconomic characteristics such as occupation, education and English language proficiency.<sup>a</sup> When these characteristics are accounted for, the wage gap for women disappears and the wage gap for men is reduced to 2.7%.<sup>a</sup>

It is important to note that these are national average estimates. The wage gap for certain groups of people, jobs or places may be different from the national average, but detailed data are not available.<sup>a</sup> These estimates also do not capture lower pay due to limited access to legal recourse during wage disputes, to which unauthorized immigrant workers are more vulnerable.<sup>b</sup>

Job opportunities for unauthorized immigrants are limited and are concentrated in lower paying roles.<sup>a</sup> Median wages for jobs associated with the unauthorized immigrant workforce, both nationally and in Idaho, can be found in Appendix B.

SOURCES: <sup>a</sup> Borjas, George J., and Hugh Cassidy. "The Wage Penalty to Undocumented Immigration." *Labour Economics* 61 (December 2019); <sup>b</sup> Fussell, Elizabeth. "The Deportation Threat Dynamic and Victimization of Latino Migrants: Wage Theft and Robbery." *The Sociological Quarterly* 52, no. 4 (September 2011).

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<sup>c</sup> There are multiple temporary foreign worker classifications. The H-2A classification applies to temporary or seasonal agricultural workers. The H-2B classification applies to temporary non-agricultural workers. Further information on temporary foreign worker programs can be found at: <https://www.uscis.gov/working-in-the-united-states/temporary-nonimmigrant-workers>.

Since 2016, use of the H-2A program doubled nationally and increased by 63% in Idaho, indicating an ongoing need for labor in seasonal agriculture.<sup>46</sup> Information gathered through conversations with Idaho industry professionals suggests that the administrative costs and program structure of the H-2A program limit participation for many agricultural producers.

#### Box 4: Unauthorized immigrant workers and the Idaho labor market

The labor market is where workers and employers interact to determine wages and working conditions. Many factors influence labor markets. The strongest influences on labor markets are the globalized nature of trade and finance and changes in technology that affect how work is done.<sup>a</sup> To a lesser extent, immigration patterns can also influence the labor market by adding competition to the job market or filling jobs for which businesses cannot find workers.<sup>a</sup>

If unauthorized immigrants work for lower pay than authorized workers, then authorized workers may not be able to compete for jobs. How often this happens, and which workers' wages are most affected, depends on a complex set of circumstances.<sup>a</sup> Most importantly, for wages to be impacted, unauthorized immigrant workers must be competing directly with authorized workers for the same jobs.<sup>b</sup>

In Idaho, businesses are competing for workers more than workers are competing for jobs.<sup>c</sup> This means it is unlikely that unauthorized immigrant workers in Idaho are affecting wages of authorized workers. Idaho agriculture, construction, hospitality and health care businesses, among others, report that finding workers to fill positions is a top business concern.<sup>c</sup> Conversations with Idaho industry professionals echo this concern, identifying challenges in finding labor for commodity crop production, dairy production and hospitality services.

Labor challenges in seasonal agriculture in Idaho are reflected by a 63% increase in the use of the H-2A temporary agricultural worker program since 2016.<sup>d</sup> The H-2A program requires that qualified authorized applicants residing in the U.S. be hired instead of temporary foreign workers whenever possible.<sup>e</sup> Increasing numbers of H-2A temporary workers suggest that authorized workers' interest in seasonal agricultural positions is not growing with workforce needs.

SOURCES: <sup>a</sup>Blau, Francine D., and Christopher Mackie, eds. *The Economic and Fiscal Consequences of Immigration*. Washington, D.C.: National Academies Press, 2017. <https://doi.org/10.17226/23550>; <sup>b</sup>Ottaviano, Gianmarco I P, and Giovanni Peri. "Rethinking the Effect of Immigration on Wages." *Journal of the European Economic Association* 10, no. 1 (2012); <sup>c</sup>Shaul, Craig, Sam Wolkenhauer, Lisa Grigg, Jan Roeser, Seth Harrington, Matthew Paskash, and Ryan Whitesides. "Idaho Employer Business Climate Survey: August 2023." Idaho Department of Labor, August 2023; <sup>d</sup>"H-2A Disclosure Data (2008-2023)." U.S. Department of Labor, 2023. <https://www.dol.gov/agencies/eta/foreign-labor/performance>; <sup>e</sup>H-2A Temporary Agricultural Program. "U.S. Department of Labor: H-2A Temporary Agricultural Program," 2023. <https://www.dol.gov/agencies/eta/foreign-labor/programs/h-2a>.

#### **Takeaways:**

- The number of unauthorized immigrants in the U.S. grew between 1990 and 2007, reaching 12.2 million, then steadily declining to the 2021 estimate of 10.5 million.<sup>47</sup>
- From 2005 to 2021, the number of unauthorized immigrants in Idaho remained stable between 30,000 and 45,000.<sup>48</sup>

- Unauthorized immigrants in Idaho are mostly Spanish-speaking adults from Mexico with a high school diploma or less.<sup>49</sup>
- Approximately 86% of unauthorized immigrants in Idaho were employed as of 2021.<sup>50</sup>
- Both nationally and in Idaho, unauthorized immigrants work mostly in agriculture, construction and service industries.<sup>51</sup>
- Unauthorized immigrant workers are paid less than authorized immigrant workers due to differences in the jobs available to them, educational attainment and English language proficiency and other factors.<sup>52</sup>

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<sup>1</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>2</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>3</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>4</sup> Jeffrey S Passel and D'Vera Cohn, "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade" (US Census Bureau, 2018); Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>5</sup> "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019."

<sup>6</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>7</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>8</sup> "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019"; Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)"; Jeffrey S Passel and Cohn, "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade."

<sup>9</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>10</sup> Passel and Cohn, "Overall Number of U.S. Unauthorized Immigrants Holds Steady Since 2009."

<sup>11</sup> Passel and Cohn, "Overall Number of U.S. Unauthorized Immigrants Holds Steady Since 2009."

<sup>12</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>13</sup> Robert Warren, "In 2019, the US Undocumented Population Continued a Decade-Long Decline and the Foreign-Born Population Neared Zero Growth," *Journal on Migration and Human Security* 9, no. 1 (March 1, 2021): 31-43, <https://doi.org/10.1177/2331502421993746>.

<sup>14</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>15</sup> "Dataset: Undocumented Immigrants in the United States, by State, Region of Origin, and Year, 2010-2019" (New York: Center for Migration Studies, August 25, 2022), <https://cmsny.org/data-undocumented-state-region-of-origin-2010-to-2019/>.

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- <sup>16</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>17</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>18</sup> Jeffrey S. Passel and D’Vera Cohn, “U.S. Unauthorized Immigrants Are More Proficient in English, More Educated than a Decade Ago,” *Pew Research Center* (blog), May 23, 2019, <https://www.pewresearch.org/short-reads/2019/05/23/u-s-undocumented-immigrants-are-more-proficient-in-english-more-educated-than-a-decade-ago/>.
- <sup>19</sup> Passel and Cohn, “U.S. Unauthorized Immigrants Are More Proficient in English, More Educated than a Decade Ago”; “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019.”
- <sup>20</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>21</sup> “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>22</sup> “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>23</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019.”
- <sup>24</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>25</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>26</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; Evin Millet, “Highly-Educated Undocumented Immigrants in the United States,” *The Center for Migration Studies of New York (CMS)* (blog), August 2, 2022, <https://cmsny.org/educated-immigrants-millet-080122/>.
- <sup>27</sup> “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>28</sup> Christian Dustmann, Tommaso Frattini, and Ian. P. Preston, “The Effect of Immigration along the Distribution of Wages,” *The Review of Economic Studies* 80, no. 1 (January 1, 2013): 145–73, <https://doi.org/10.1093/restud/rds019>; Millet, “Highly-Educated Undocumented Immigrants in the United States.”
- <sup>29</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”
- <sup>30</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”
- <sup>31</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”
- <sup>32</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”
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- <sup>34</sup> Raquel Rosenbloom, “A Profile of Undocumented Agricultural Workers in the United States,” August 30, 2022, <https://cmsny.org/agricultural-workers-rosenbloom-083022/>.
- <sup>35</sup> Rosenbloom, “A Profile of Undocumented Agricultural Workers in the United States”; Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”
- <sup>36</sup> Jeffrey S Passel and D’Vera Cohn, “U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade” (Pew Research Center, 2018).
- <sup>37</sup> Passel and Cohn, “U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade.”
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- <sup>39</sup> Passel and Krogstad, “Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS).”

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<sup>40</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>41</sup> "Annual Estimates of the Resident Population for the United States, Regions, States, District of Columbia, and Puerto Rico: April 1, 2020 to July 1, 2022 (NST-EST2022-POP)" (U.S. Census Bureau, December 2019), <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-total.html>; "Annual Estimates of the Resident Population for the United States, Regions, States, District of Columbia, and Puerto Rico: April 1, 2020 to July 1, 2022 (NST-EST2022-POP)" (U.S. Census Bureau, December 2022), <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-total.html>.

<sup>42</sup> "Seasonally Adjusted Monthly Labor Force Data" (Idaho Department of Labor: Idaho Department of Labor, June 2023), <https://lmi.idaho.gov/data-tools/labor-force-statistics/>.

<sup>43</sup> "U.S. Department of Labor: H-2A Temporary Agricultural Program," H-2A Temporary Agricultural Program, 2023, <https://www.dol.gov/agencies/eta/foreign-labor/programs/h-2a>.

<sup>44</sup> "U.S. Department of Labor: H-2A Temporary Agricultural Program."

<sup>45</sup> "U.S. Department of Labor: H-2A Temporary Agricultural Program."

<sup>46</sup> "H-2A Disclosure Data (2008-2023)" (U.S. Department of Labor, 2023), <https://www.dol.gov/agencies/eta/foreign-labor/performance>; Marcelo Castillo, "H-2A Temporary Agricultural Job Certifications Continued to Soar in 2022," USDA Economic Research Service: Amber Waves, March 13, 2023, <https://www.ers.usda.gov/amber-waves/2023/march/h-2a-temporary-agricultural-job-certifications-continued-to-soar-in-2022/>.

<sup>47</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>48</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)"; "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019."

<sup>49</sup> "Dataset: Undocumented Immigrants in the United States, by State, Region of Origin, and Year, 2010-2019"; "Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019"; "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019."

<sup>50</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."

<sup>51</sup> Passel and Cohn, "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade."

<sup>52</sup> George J. Borjas and Hugh Cassidy, "The Wage Penalty to Undocumented Immigration," *Labour Economics* 61 (December 2019): 101757, <https://doi.org/10.1016/j.labeco.2019.101757>.



## 2. LABOR AND SPENDING

Unauthorized immigrants play an active part in the communities and economies where they live and work. In addition to bringing their languages and cultures, they help businesses meet labor needs and use their earnings to purchase goods and services in the local economy. This section outlines how unauthorized immigrants' labor and spending contribute to the economy.

### Labor

Participation in the labor force supports the economy. When businesses are unable to consistently secure inputs, such as labor, or substitute them with capital, such as technology, there can be negative economic consequences.

In a 2023 survey of Idaho businesses conducted by the Idaho Department of Labor, 53% of respondents reported labor turnover, cost and/or supply as a top concern for their business.<sup>1</sup> Where labor supply is limited or unstable, businesses make adjustments to manage the risk of not having enough workers to sustain profitable operations.<sup>2</sup> Examples of adjustments can include investing in technology to replace labor, holding back from expanding production, reducing production, absorbing losses in the short term and closing the business.<sup>3</sup>

Information gathered through conversations with Idaho industry professionals indicates that acquiring new technology, limiting business expansion, reducing current operations, absorbing short-term losses and closing the business are strategies Idaho businesses consider as they face labor constraints. Industry professionals describe their ongoing investments in technology as unable to fill the labor gap at this time. When businesses close, choose not to expand or choose to cut back production, this can slow growth and undermine efficiency in local, regional and national economies.

**Unauthorized immigrant workers contribute to Idaho's economy by meeting labor needs in Idaho industries.**<sup>4</sup> Idaho industry professionals report that in some industries, unauthorized immigrant workers are filling key gaps in the labor supply, allowing businesses to grow, maintain or avert closure.

When filling open positions, employers may or may not know if they are hiring unauthorized immigrants. Under the federal Immigration Reform and Control Act (IRCA) of 1986, employers are required to comply with the I-9 employment eligibility verification process when hiring.<sup>5</sup> The I-9 process includes examination of identification documents stipulated in the most recent I-9 guidelines.<sup>6</sup> Employers may not refuse to honor documents that “on their face reasonably appear to be genuine” nor request more or different documentation than is required by the I-9 verification process.<sup>7</sup> The E-Verify system is an additional verification option for employers to determine employment eligibility of newly hired employees (see Box 5 and Appendix D).<sup>8</sup>

#### *Labor constraints and commodity crop production*

Labor recruitment and retention are challenging for Idaho’s commodity crop producers, according to conversations with industry professionals. Commodity prices are set by global markets, not by individual producers’ cost of inputs.<sup>9</sup> Agricultural commodity producers may not be able to increase their wages as a strategy to attract workers the way that businesses that set their own prices may be able to do.<sup>10</sup> Many commodity crop producers in Idaho use the H-2A temporary foreign agricultural worker program.<sup>11</sup> The structure of the H-2A program limits producer participation, especially for smaller or more diversified operations that may need fewer, more flexible workers in multiple roles throughout the year.<sup>12</sup> Even with the H-2A program, Idaho commodity crop producers describe ongoing workforce challenges, which may lead some producers to hire unauthorized immigrant workers.

#### *Labor constraints and dairy production*

Dairy farms are continuous, year-round operations that require consistent labor to do physically demanding work.<sup>13</sup> Unlike commodity crop producers, they are not able to use the H-2A program to support their labor needs because their operations are not seasonal.<sup>14</sup> Dairy industry professionals indicate labor challenges that cannot be addressed through technology. Idaho’s dairy producers employ technology to increase the efficiency of their operations in many ways, including electronic cattle identification and medical record systems and sensors to measure milk production and composition.<sup>15</sup> Automated milking and feeding systems may offer opportunities to reduce labor shortages in milk production.<sup>16</sup> However, cost, lifespan, scalability and machinery reliability are key considerations for Idaho’s dairy producers as they decide whether to invest in these systems.<sup>17</sup> To date, such technology has not successfully eased the labor constraints facing Idaho dairy producers.<sup>18</sup> Idaho’s dairy industry employs unauthorized immigrant workers when securing authorized workers is not feasible.<sup>19</sup>

### *Labor constraints and hospitality services*

Idaho's hospitality services face challenges with recruitment and retention of workers.<sup>20</sup> Hospitality industry conversations indicate that in service sectors with small profit margins and customers who are unwilling or unable to support price increases to match input cost increases, business owners may not be able to afford to offer higher pay to attract or retain workers. Health benefits are also cited as an attractive form of compensation that many restaurants are unable to afford to offer.<sup>21</sup> In services where customers pay for quality and consistency, high worker turnover can cost businesses their customer loyalty.<sup>22</sup> Similarly, in services where personal connection is a key customer value, automation and mechanization can undermine the customer experience.<sup>23</sup> Hospitality services are not eligible for the H-2A program and have to use other temporary worker programs for foreign labor.<sup>24</sup> Idaho's hospitality services may turn to unauthorized immigrant workers to meet labor needs.<sup>25</sup>

### *Labor constraints and construction*

National-level data show a steady increase between 2013 and 2023 in the percentage of construction jobs that were unfilled.<sup>26</sup> In 2016, the most recent year for which detailed data are available, the construction industry employed the largest number of unauthorized immigrant workers of any industry (1.35 million).<sup>27</sup> In 2021, the construction industry still employed the largest number of unauthorized immigrant workers, though exact numbers are not available.<sup>28</sup> In 2021, in Idaho, the construction industry employed an estimated 5,000 unauthorized immigrant workers.<sup>29</sup> Detailed industry perspectives on unauthorized immigrants in the construction industry are not available for Idaho.

### Box 5 State-level E-Verify requirements

E-Verify is a U.S. Department of Homeland Security (DHS) online tool that allows employers to determine employment eligibility of newly hired employees and is available for free to any employer in the U.S.<sup>a</sup> To use this tool, employers enter information from an employee's Form I-9 into a database, which matches against DHS and Social Security Administration records and provides an immediate result.<sup>a</sup>

Twenty-three states have an E-Verify law that requires employers to use E-Verify when hiring new employees.<sup>b,c</sup> Of these, nine states have a comprehensive requirement, in which all employers, both public and private, must use E-Verify.<sup>b</sup> Five of these nine states offer exemptions to the E-Verify requirement for businesses under a certain size.<sup>b</sup> Fourteen other states require only public employers (state agencies, public contractors, public sub-contractors) to use E-Verify.

Idaho's work authorization verification requirement under Idaho Executive Order (EO) 2009-10 was in effect until its expiration in 2013.<sup>d,e</sup> In part, EO 2009-10 required the Idaho Division of Human Resources to develop and implement procedures to verify and ensure all new employees with any agency of the State of Idaho are eligible for employment under federal and state law.<sup>d</sup> To accomplish this, state agencies require new employees to complete the federal I-9 Employment Eligibility Verification form and many use the E-Verify system as part of this process.<sup>f</sup>

See Appendix D for E-Verify requirements by state, effects of E-Verify requirements on agriculture and implications for Idaho.

SOURCES: <sup>a</sup>"E-Verify: Verification Process Overview," September 15, 2022. <https://www.e-verify.gov/employers/verification-process>; <sup>b</sup>Luo, Tianyuan, Genti Kostandini, and Jeffrey L. Jordan. "Stringent Immigration Enforcement and the Farm Sector: Evidence from E-Verify Adoption across States." *Applied Economic Perspectives and Policy* 45, no. 2 (June 2023): 1211–32. <https://doi.org/10.1002/aapp.13269>; <sup>c</sup>National Conference of State Legislatures. "State E-Verify Action," August 19, 2015. <https://www.ncsl.org/immigration/state-e-verify-action>; <sup>d</sup>"Executive Order No. 2009-10: Establishing a Policy for All State Agencies Concerning Public Funds." The Office of the Governor, 2009; <sup>e</sup>"Idaho Administrative Code: Section 67-802." State of Idaho, 2023. <https://legislature.idaho.gov/statutesrules/idstat/title67/t67ch8/sect67-802/>; <sup>f</sup>Idaho Division of Human Resources. "Idaho Division of Human Resources," 2024. <https://dhr.idaho.gov>.

## Spending

Unauthorized immigrants participate in the economy with every purchase they make. This spending ripples through interconnected local, state, national and global economies, creating and maintaining jobs and additional spending.

### *Buying power*

Data on unauthorized immigrants' spending are not readily available. The best available information comes from estimates of different groups' buying power.<sup>31</sup> Buying power is the amount of money an individual or group has available for spending after taxes and excludes their borrowed funds and their savings from previous

**Buying power** is the amount of money an individual or group has available for spending after taxes, excluding borrowed and saved funds.<sup>30</sup>

years.<sup>32</sup> It is important to note that available estimates of buying power are approximations that are not adjusted for inflation.<sup>a</sup>

Estimated total buying power in Idaho was \$71.7 billion in 2019 and is expected to grow to \$92.6 billion in 2024.<sup>33</sup> Idaho was among the top states in buying power growth during the period 2010-2019, increasing 55% from \$46.5 billion to \$71.7 billion.<sup>34</sup> In 2021, Idaho was the fourth fastest growing state in terms of buying power and this growth is expected to continue.<sup>35</sup>

Hispanics are Idaho’s largest minority group.<sup>36</sup> More than 90% of unauthorized immigrants in Idaho are Hispanic.<sup>37</sup> Hispanic buying power is growing in Idaho.<sup>38</sup> Between 2010 and 2019, Hispanic buying power in Idaho grew 86%, from \$2.8 billion to \$5.1 billion and is expected to increase to \$7.2 billion by 2024 (Table 3).<sup>39</sup>

**Table 3: Estimated buying power in Idaho (2010-2024)**

	2010	2019	2024 (projected)
Hispanic	\$2.8 billion	\$5.1 billion	\$7.2 billion
Non-Hispanic	43.4 billion	\$66.5 billion	\$85.4 billion

SOURCE: Humphreys, Jeffrey. “The Multicultural Economy 2019.” Selig Center for Economic Growth, 2019.

NOTE: Columns do not total to figures cited in text due to rounding.

**Unauthorized immigrant workers contribute to Idaho’s economy through their spending.**<sup>40</sup>

A portion of Idaho’s Hispanic buying power can be attributed to Hispanic unauthorized immigrants. The estimated Hispanic population in Idaho was 229,490 in 2019,<sup>41</sup> with 11% being unauthorized immigrants.<sup>42</sup> In 2019, an estimated \$570 million of Idaho’s \$5.1 billion in Hispanic buying power could be attributed to Hispanic unauthorized immigrants. This estimate may be smaller if Hispanic unauthorized immigrants in Idaho have systematically lower incomes than other Hispanics in Idaho; with less income there is less money to spend.<sup>43</sup> Estimates of unauthorized immigrants’ buying power should be taken as approximations.

<sup>a</sup> Buying power across groups relevant to this report has grown over time at a rate higher than inflation. Estimates used in this report are from 2019, prior to the period of high inflation that began in 2021. See further discussion of inflation and buying power in: Jeffrey Humphreys, “The Multicultural Economy” (Selig Center for Economic Growth, 2019).

### *Spending effects overview*

When people use their buying power to spend money at Idaho businesses (and businesses outside of Idaho), they are directly supporting jobs and demand for goods and services. This indirectly furthers spending by the people in those jobs and industries that are supplying those goods and services, which, in turn, supports additional spending, jobs and demand for additional goods and services. This is often referred to as the multiplier effect and is the economic contribution that many studies quantify in terms of dollar amounts and number of jobs.

The **multiplier effect** is when initial spending that supports jobs and demand for goods and services leads to additional spending by people in other jobs and industries, which supports further spending and demand for additional goods and services.

Economic impacts of spending should be taken as approximations. Local, state, national and global economies are interconnected and economic activity crosses among them, making it difficult to precisely quantify effects on the economy at these different scales. Challenges to understanding spending effects of unauthorized workers in Idaho include stable unauthorized immigrant populations and relatively long lengths-of-stay,<sup>b</sup> out-of-state spending<sup>c</sup> such as online purchases and money sent to relatives living outside the U.S.

### *Spending effects at the state level*

National-level studies that estimate spending effects of unauthorized immigrants are not readily available. However, estimates of the overall economic effects of unauthorized immigrants have been published for Idaho, Minnesota and Texas.<sup>44</sup> These studies estimate spending effects, as well as the economic effects of unauthorized immigrants' labor contributions. The three studies are summarized in Appendix C. They show that economic contributions of unauthorized immigrants at the state level are likely in the billions of dollars and tens of thousands of jobs.<sup>d</sup>

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<sup>b</sup> Popular statistical methods for estimating the economic impacts of a population are most accurate when there are sudden changes in that population. Idaho has not experienced sudden changes in its unauthorized immigrant population. In addition, unauthorized immigrants tend to stay in Idaho for many years. Taken together, this creates further challenges for estimating economic contributions.

<sup>c</sup> Money spent or sent out-of-state reduces the multiplier effect.

<sup>d</sup> For example, in Idaho, in 2006, unauthorized immigrants were estimated to contribute \$2.7-\$4 billion to the state's economy and support 34,000-45,500 jobs. More recent estimates are unavailable. Source: Philip S. Watson et al., "Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy: A Nested CGE Analysis of the Idaho Economy," *Review of Regional Studies* 42, no. 1 (March 1, 2012).

There are no up-to-date studies on the role of unauthorized immigrants' spending in Idaho.<sup>45</sup>

### Takeaways:

- Unauthorized immigrant workers are filling needs in Idaho's labor market that are difficult to meet through other means, such as automation, increasing wages or temporary foreign worker programs.<sup>46</sup>
- Labor shortages create significant challenges for Idaho businesses that, unaddressed, can undermine Idaho's economy.<sup>47</sup>
- Hispanic unauthorized immigrants' buying power in Idaho was estimated at \$570 million in 2019 and was projected to continue to grow.<sup>48</sup>
- Spending by unauthorized immigrants, like all consumer spending, has positive effects on the economy, generating additional spending and supporting additional jobs.<sup>49</sup>
- Economic contributions of unauthorized immigrants at the state level are likely in the billions of dollars and tens of thousands of jobs.<sup>50</sup> There are no up-to-date studies on the role of unauthorized immigrants' spending in Idaho.<sup>51</sup>

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<sup>1</sup> Shaul et al., "Idaho Employer Business Climate Survey: August 2023."

<sup>2</sup> Alan Stockman, *Introduction to Economics*, 2nd ed. (Harcourt Brace, 1996).

<sup>3</sup> Stockman, *Introduction to Economics*.

<sup>4</sup> Information obtained from conversations with industry professionals. "U.S. Bureau of Labor Statistics Job Openings and Labor Turnover Survey (JOLTS)," 2023, <https://www.bls.gov/jlt/>; Shaul et al., "Idaho Employer Business Climate Survey: August 2023."

<sup>5</sup> "8 CFR Part 274a--Control of Employment of Aliens," *Federal Register* 52, no. 84 (May 1, 1987): 16221-28.

<sup>6</sup> "8 CFR Part 274a--Control of Employment of Aliens."

<sup>7</sup> "8 CFR Part 274a--Control of Employment of Aliens."

<sup>8</sup> "E-Verify: Verification Process Overview," September 15, 2022, <https://www.e-verify.gov/employers/verification-process>.

<sup>9</sup> Information obtained from conversations with industry professionals.

<sup>10</sup> Information obtained from conversations with industry professionals.

<sup>11</sup> Information obtained from conversations with industry professionals.

<sup>12</sup> Information obtained from conversations with industry professionals.

<sup>13</sup> Information obtained from conversations with industry professionals.

<sup>14</sup> "U.S. Department of Labor: H-2A Temporary Agricultural Program."

<sup>15</sup> Information obtained from conversations with industry professionals.

<sup>16</sup> Information obtained from conversations with industry professionals.

<sup>17</sup> Information obtained from conversations with industry professionals.

<sup>18</sup> Information obtained from conversations with industry professionals.

<sup>19</sup> Information obtained from conversations with industry professionals.

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- <sup>22</sup> Information obtained from conversations with industry professionals.
- <sup>23</sup> Information obtained from conversations with industry professionals.
- <sup>24</sup> "U.S. Department of Labor: H-2A Temporary Agricultural Program."
- <sup>25</sup> Information obtained from conversations with industry professionals.
- <sup>26</sup> "U.S. Bureau of Labor Statistics Job Openings and Labor Turnover Survey (JOLTS)."
- <sup>27</sup> Jeffrey S Passel and Cohn, "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade."
- <sup>28</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."
- <sup>29</sup> Passel and Krogstad, "Pew Research Center Estimates Based on Augmented U.S. Census Bureau Data, American Community Survey 2021 (IPUMS)."
- <sup>30</sup> Jeffrey Humphreys, "The Multicultural Economy 2019" (Selig Center for Economic Growth, 2019).
- <sup>31</sup> Humphreys, "The Multicultural Economy 2019"; Jeffrey Humphreys, "Multicultural Economy 2022" (Selig Center for Economic Growth, 2022).
- <sup>32</sup> Humphreys, "The Multicultural Economy 2019."
- <sup>33</sup> Humphreys, "The Multicultural Economy 2019."
- <sup>34</sup> Humphreys, "The Multicultural Economy 2019."
- <sup>35</sup> Humphreys, "Multicultural Economy 2022."
- <sup>36</sup> "Annual Estimates of the Resident Population by Sex, Race, and Hispanic Origin for Idaho: April 1, 2010 to July 1, 2019 (SC-EST2019-SR11H-16)" (U.S. Census Bureau: U.S. Census Bureau, June 2020), <https://www.census.gov/data/tables/time-series/demo/popest/2010s-state-detail.html>.
- <sup>37</sup> "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019."
- <sup>38</sup> Humphreys, "The Multicultural Economy 2019"; Humphreys, "Multicultural Economy 2022."
- <sup>39</sup> Humphreys, "The Multicultural Economy 2019."
- <sup>40</sup> Humphreys, "The Multicultural Economy 2019"; "Annual Estimates of the Resident Population by Sex, Race, and Hispanic Origin for Idaho: April 1, 2010 to July 1, 2019 (SC-EST2019-SR11H-16)"; "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019."
- <sup>41</sup> "Annual Estimates of the Resident Population by Sex, Race, and Hispanic Origin for Idaho: April 1, 2010 to July 1, 2019 (SC-EST2019-SR11H-16)."
- <sup>42</sup> "Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019."
- <sup>43</sup> Borjas and Cassidy, "The Wage Penalty to Undocumented Immigration."
- <sup>44</sup> Philip S. Watson et al., "Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy: A Nested CGE Analysis of the Idaho Economy," *Review of Regional Studies* 42, no. 1 (March 1, 2012), <https://doi.org/10.52324/001c.8134>; James Kielkopf, "The Economic Impact of Undocumented Workers in Minnesota," Hispanic Advocacy and Community Empowerment through Research (University of Minnesota, 2000); Carole Keeton Strayhorn, "Undocumented Immigrants in Texas: A Financial Analysis of the Impact to the State Budget and Economy" (Texas Office of the Comptroller, December 2006), [https://www.fosterglobal.com/policy\\_papers/TexasAnalysisCost-BenefitOfUndocdWorkers.pdf](https://www.fosterglobal.com/policy_papers/TexasAnalysisCost-BenefitOfUndocdWorkers.pdf).
- <sup>45</sup> See Appendix C.
- <sup>46</sup> Information obtained from conversations with industry professionals.
- <sup>47</sup> Information obtained from conversations with industry professionals.
- <sup>48</sup> Humphreys, "The Multicultural Economy 2019"; "Annual Estimates of the Resident Population by Sex, Race, and Hispanic Origin for Idaho: April 1, 2010 to July 1, 2019 (SC-EST2019-SR11H-16)."
- <sup>49</sup> Watson et al., "Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy," March 1, 2012; Kielkopf, "The Economic Impact of Undocumented Workers in Minnesota"; Strayhorn, "Undocumented Immigrants in Texas: A Financial Analysis of the Impact to the State Budget and Economy."
- <sup>50</sup> See Appendix C.
- <sup>51</sup> See Appendix C.



### 3. FISCAL IMPACTS

Unauthorized immigrants' net fiscal impact is the difference between their tax contributions and expenditures based on their use of public programs.<sup>2</sup> This section explores the variety of public revenue streams and expenditures associated with unauthorized immigrants and focuses on net fiscal impacts at the state and local level.

**Net fiscal impact** is the difference between a group's contributions to taxes and the expenditures associated with their use of public programs.<sup>1</sup>

#### Overview of fiscal impacts

At the federal level, unauthorized immigrants have a positive net fiscal impact because they often pay federal taxes and are ineligible for federal programs such as Medicare, Medicaid and Social Security.<sup>3</sup> At the state and local level, their net fiscal impact can be smaller, or even negative, depending on tax structures, unauthorized immigrant eligibility for public programs and how state and local governments fund public programs for which

##### Box 6: Accounting for net fiscal impacts

Net fiscal impacts can be difficult to calculate and conclusions can be influenced heavily by methodology. Whether net fiscal impacts are positive or negative, and their magnitudes, are sensitive to which level of government is analyzed and how the analyst accounts for different public programs. For example, programs such as national defense incur minimal additional costs when one more person is added to the user base. Meanwhile, in education, each additional student incurs an additional per student cost.

Estimates also can be influenced by timeframe analyzed. For example, short-term estimates can result in high costs of education, while longer-term estimates can result in lower costs of education, with significant returns to investment in education as those educated enter the labor force and pay taxes.

Source: Rueben, Kim, and Sarah Gault. "State and Local Fiscal Effects of Immigration." State and Local Finance Initiative. The Urban Institute, June 2017.

unauthorized immigrants are eligible.<sup>4</sup> When considering net fiscal impacts at the state and local level, federal dollars flowing to the state are treated as revenues for the state that can partially or fully offset state and local expenditures.

##### *Taxes*

Federal, state and local governments collect taxes from residents, workers

and consumers in their jurisdictions. Workers in Idaho pay income tax to federal and state governments. People in Idaho also pay sales taxes to the state and property taxes to local government. People in Idaho may pay additional local taxes where local sales taxes or property tax levies have been approved.<sup>5</sup>

**Unauthorized immigrants pay taxes.**<sup>6</sup> They pay sales and excise<sup>a</sup> taxes on purchases and pay property taxes either indirectly via their landlords if they are renting property or directly if they own property.<sup>7</sup> Unauthorized immigrants working under a false Social Security Number (SSN) have Social Security contributions and payroll taxes, including state and federal income taxes, deducted from their paycheck by their employer.<sup>8</sup>

Federal and state taxes paid by unauthorized immigrant workers may vary by the nature of the jobs they hold and decisions made by employers who hire unauthorized immigrant workers. For example, employers may opt to not add workers to the payroll, instead paying them cash “under the table” for high turnover jobs that employ workers sporadically or part-time. In jobs that require a longer-term workforce, employers may opt to add workers to the payroll, requiring documentation of work authorization through the I-9 process.<sup>b</sup>

For unauthorized immigrant workers on the payroll, federal and state taxes and Social Security contributions are automatically deducted from earnings.<sup>9</sup> These workers pay into programs for which they are not eligible and are unlikely to benefit.<sup>10</sup> Unauthorized immigrant workers paid “under the table” do not pay federal and state taxes, nor do they make Social Security contributions, unless they opt to claim their income by filing a tax return using an Individual Taxpayer Identification Numbers (ITIN).<sup>c,11</sup>

### *Public program expenditures*

Federal, state and local governments fund a variety of public programs. Federal tax dollars return to each state in the form of grants or appropriations and fund federal programs. Other major public programs are funded and administered directly by the federal government without sending funding to the states (see Appendix E for funding sources of

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<sup>a</sup> Excise taxes are taxes on specific products. Idaho’s excise taxes include beer, wine, cigarettes, tobacco, fuels, mine licensing, water-generated electricity and oil and gas production. For more information, see <https://tax.idaho.gov/taxes/product-excise-taxes/>.

<sup>b</sup> Under the Immigration Reform and Control Act (IRCA) of 1986, employers are required to comply with the I-9 employment eligibility verification process when hiring. This includes examination of identification documents stipulated in the most recent I-9 guidelines. Employers are barred from refusing to honor documents that “on their face reasonably appear to be genuine” and from requesting more or different documentation than is required by the I-9 verification process. See 8 CFR § 274a.1 (1-1-23 Edition) for details.

<sup>c</sup> An Individual Taxpayer Identification Number (ITIN) is a tax processing number issued by the Internal Revenue Service (IRS). The IRS issues ITINs to individuals who do not have, and are not eligible to obtain, a Social Security number (SSN) from the Social Security Administration to facilitate the payment of taxes. The exact number of unauthorized immigrant workers that file taxes using ITINs is not known. It is possible that the number is in the millions, based on the growth of the Social Security Earnings Suspense File (ESA), which is where Social Security contributions associated with ITINs, as well as with names and SSNs that do not match, are kept. The ESA had approximately 8 million filers per year between 2015 and 2019. Many of these are believed to be associated with unauthorized immigrant workers.

major public programs). In Idaho, the state funds the majority of K-12 education<sup>12</sup> and some of Medicaid.<sup>13</sup> The state has the responsibility to fund state law enforcement.<sup>14</sup> Local governments in Idaho also fund education and other services.<sup>15</sup>

**Unauthorized immigrants are ineligible for most taxpayer-funded programs,**<sup>16</sup> except for Emergency Medicaid, K-12 education and the National School Lunch Program (see Appendix E for unauthorized immigrant public program eligibility).<sup>17</sup> Emergency Medicaid and K-12 education are funded by both federal and state governments.<sup>18</sup> The National School Lunch Program is mostly funded by the federal government, with a small contribution by the state.<sup>19</sup>

### **Net fiscal impacts in Idaho**

There is no fiscal impact study of unauthorized immigrants in Idaho that provides a full account of revenues and expenditures. **The precise fiscal impact of unauthorized immigrants to the state of Idaho is not known.** The remainder of this section describes potential fiscal contributions and expenditures associated with unauthorized immigrants in Idaho.

### **Tax contributions to Idaho**

In 2014, Idaho collected \$1.6 billion in sales and excise taxes, \$1.3 billion in individual state income tax and \$1.5 billion in property taxes.<sup>d,20</sup> Of this, unauthorized immigrants paid Idaho an estimated \$15.5 million in sales and excise taxes, \$2.4 million in state individual income tax and \$8.4 million in property taxes, for a total of \$26.3 million.<sup>21</sup>

In addition to the direct tax revenue paid by unauthorized immigrants through income, sales, excise and property taxes, unauthorized immigrants' spending stimulates additional state and local tax revenue through the multiplier effect, described in detail in Section 2 of this report. The only Idaho-specific information on state and local tax revenue due to unauthorized immigrants' multiplier effects is from 2006 and indicates that the absence of the unauthorized immigrant workforce in Idaho would reduce state and local tax revenues by an estimated \$90 million annually.<sup>22</sup> This estimate includes taxes paid directly, as well as

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<sup>d</sup> Data from 2014 are reported to align with the most recent estimates of taxes paid by unauthorized immigrants for Idaho. Idaho's tax receipts may have increased since 2014, but the amount of taxes paid per unauthorized immigrant relative to authorized residents is unlikely to have changed significantly.

indirect effects of additional spending stimulated by unauthorized immigrant workers' expenditures.<sup>23</sup>

## **Public program expenditures in Idaho**

Federal law requires certain public programs and services to be available to everyone, regardless of immigration status. Idaho limits public program eligibility for unauthorized immigrants to only those programs required by federal law.<sup>e</sup> When states provide federally required services to unauthorized immigrants, expenditures may occur. Such state and local government expenditures associated with unauthorized immigrants fall in three categories: education, health care and law enforcement. The extent to which these expenditures affect the net fiscal impact for Idaho depends on unauthorized immigrants' use of public programs in these categories and opportunities available to partially or fully offset state or local spending with federal funds.

### *Education*

Title VI of the federal Civil Rights Act of 1964 and the federal Equal Educational Opportunities Act of 1974 require that all students be able to participate meaningfully and equally in educational programs.<sup>24</sup> In Idaho, state and local governments pay for 90% of K-12 education,<sup>f</sup> including expenses associated with educating unauthorized immigrant children.<sup>25</sup> There are no studies that document expenditures associated with educating unauthorized immigrant children in Idaho.

In 2019, the total enrollment for K-12 public schools in Idaho was approximately 300,000 students.<sup>26</sup> In the same year, Idaho had an estimated 1,750 unauthorized immigrant children ages 5-17.<sup>27</sup> If all of these students attended K-12 public schools in Idaho,<sup>g</sup> this would be 0.6% of all public school students.<sup>28</sup> At Idaho's 2019 per-pupil rate of \$10,700,<sup>29</sup>

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<sup>e</sup> Idaho Executive Order No. 2009-10 was in effect until its expiration in 2013. In part, EO 2009-10 required that state agencies evaluate and, if needed, develop "procedures and programs consistent with state and federal law to ensure that only individuals who are legally in the United States receive government benefits involving state or federal stimulus funds." State agency policies continue to reflect EO 2009-10.

<sup>f</sup> Idaho's K-12 public schools are funded by federal (10%), state (66%) and local (24%) government funds. This figure includes capital and operation expenditures. See: [https://nces.ed.gov/programs/digest/d22/tables/dt22\\_235.20.asp](https://nces.ed.gov/programs/digest/d22/tables/dt22_235.20.asp)

<sup>g</sup> Some portion of older undocumented children may be in the workforce full- or part-time and not enrolled in school. People aged 18-21 may also be enrolled in public K-12 education, though labor force participation among unauthorized immigrants over the age of 18 is very high (91%), suggesting this group is less likely to be enrolled in school. For more information on labor force participation rates of unauthorized immigrants, see Passel, Jeffrey S, and D'Vera Cohn. "Size of U.S. Unauthorized Immigrant Workforce Stable After the Great Recession," 2016.

undocumented immigrant students' education would amount to approximately \$18.8 million in expenditures out of the total state K-12 public education budget of \$2.27 billion for the 2019-2020 school year.<sup>30</sup> This calculation assumes that undocumented immigrant students have the same needs, on average, as students with legal status. If undocumented immigrant students have more needs, on average, than students with legal status, then this figure would increase. If these students have fewer needs, then this figure would decrease.

English learners have additional education needs. Information on English proficiency for school-age undocumented children is not readily available. Approximately 42% of unauthorized immigrants over age five in Idaho speak English "a little" or "not at all."<sup>31</sup> Idaho schools receive federal public education funding for English learning needs of children through two federal programs: English Language Acquisition State Grants<sup>32</sup> and the Migrant Education Program.<sup>33</sup> Between FY2020 and FY2022, Idaho received \$7.4 million in English Language Acquisition State Grants and \$16.8 million in Migrant Education Grants.<sup>34</sup> The extent to which these partially or fully offset the cost of educating undocumented immigrant children is not known.

### *Health care*

The federal Emergency Medical Treatment and Labor Act (EMTALA) requires that all people have access to emergency medical treatment, regardless of immigration or insurance status.<sup>35</sup> Uninsured unauthorized immigrants, like all uninsured people, are eligible for coverage in emergency situations<sup>h</sup> under Emergency Medicaid.<sup>36</sup> In Idaho, in 2022, the federal government funded 76% of Emergency Medicaid for adults and 83% for children, with the remainder paid by the state.<sup>37</sup> Estimates of unauthorized immigrants' emergency medical treatment expenditures in Idaho are not readily available.

Unauthorized immigrants are more likely to be uninsured than people with legal status.<sup>38</sup> In Idaho, in 2019, an estimated 61% of unauthorized immigrants (17,000 people) were uninsured, compared to 11% of all people in the state (200,000 people).<sup>39</sup> Unreimbursed non-emergency health care costs of uninsured unauthorized immigrants, like the costs of uninsured people with legal status, are passed on to the public through higher overall health care costs and rising insurance premiums.<sup>40</sup> In terms of the percentage of health

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<sup>h</sup> EMTALA requires that patients with an emergency medical condition be "stabilized" and treated within the capabilities of the facility. An emergency medical condition is one that "could reasonably be expected to result in placing the health of the patient, or (in case of pregnancy, the unborn child) in serious jeopardy, the significant impairment to bodily functions, or serious dysfunction of any bodily organ or part." 42 USCS § 1395dd section e(1)(A). In Idaho, "the Division of Medicaid determines if the condition is an emergency and the services necessary to treat it." Idaho Admin. Code r. 16.03.05.801.

care costs for which providers are not reimbursed from any source, recent research finds no differences among people born in the U.S., authorized immigrants and unauthorized immigrants.<sup>41</sup>

Unauthorized immigrants may have lower health care costs than the U.S. population as a whole. The unauthorized immigrant population is younger than the U.S. population, on average, and younger people have lower average health care costs.<sup>42</sup> In Idaho and nationally, 74% of unauthorized immigrants are under the age of 45.<sup>43</sup> Institutional barriers to health care access also may reduce unauthorized immigrants' use of publicly funded non-emergency health care programs.<sup>44</sup> Institutional barriers include perceived risk of deportation and ineligibility for public health programs such as Medicaid, Medicare and the Affordable Care Act.<sup>45</sup>

There are no federal programs that explicitly offset non-emergency health care costs of uninsured unauthorized immigrants.

#### *Law enforcement*

Unauthorized immigrants are entitled to due process of law under the 14<sup>th</sup> Amendment of the U.S. Constitution.<sup>46</sup> If unauthorized immigrants are charged with non-immigration-related offenses,<sup>i</sup> state and local law enforcement and criminal justice systems incur expenses. There are no estimates of expenditures associated with unauthorized immigrants' interaction with law enforcement and the criminal justice system in Idaho.

Immigrants, both unauthorized and authorized, are less likely to be arrested or incarcerated than people born in the U.S.<sup>47</sup> Unauthorized immigrants are also less likely to report crimes to the police for fear of deportation or other consequences.<sup>48</sup>

The State Criminal Alien Assistance Program (SCAAP) is a federal program, which provides payments to state and local governments that request funds to cover select expenditures specific to incarceration of unauthorized immigrants with certain types of convictions.<sup>49</sup> In 2020 and 2021, eight Idaho counties and the Idaho Department of Corrections received a total of \$538,174 in SCAAP funds.<sup>50</sup>

#### **Takeaways:**

- Fiscal impacts at the state and local level depend on tax structures and the extent to which unauthorized immigrants use public programs.<sup>51</sup>

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<sup>i</sup> In the U.S., federal law enforcement agencies conduct immigration enforcement.

- Unauthorized immigrants pay income, sales, excise and property taxes and their spending indirectly generates further tax revenues for Idaho.<sup>52</sup>
- Unauthorized immigrants are not eligible for a majority of public programs.<sup>53</sup>
- Federal programs partially or fully offset state and local expenditures associated with unauthorized immigrants, including public programs that support migrant education, English language learning in schools, emergency medical care and reimbursements to law enforcement entities.<sup>54</sup>

<sup>1</sup> Kim Rueben and Sarah Gault, "State and Local Fiscal Effects of Immigration," State and Local Finance Initiative (The Urban Institute, June 2017).

<sup>2</sup> Rueben and Gault, "State and Local Fiscal Effects of Immigration."

<sup>3</sup> Rueben and Gault, "State and Local Fiscal Effects of Immigration"; Alex Nowrasteh, Sarah Eckhardt, and Michael Howard, *The Fiscal Impact of Immigration in the United States* (Washington, DC: CATO Institute, 2023); Francine D. Blau and Christopher Mackie, eds., *The Economic and Fiscal Consequences of Immigration* (Washington, D.C.: National Academies Press, 2017), <https://doi.org/10.17226/23550>.

<sup>4</sup> Rueben and Gault, "State and Local Fiscal Effects of Immigration"; Nowrasteh, Eckhardt, and Howard, *The Fiscal Impact of Immigration in the United States*; Blau and Mackie, *The Economic and Fiscal Consequences of Immigration*.

<sup>5</sup> "Idaho State Tax Commission: City Sales Taxes," accessed December 9, 2023, <https://tax.idaho.gov/taxes/sales-use/sales-tax/local-sales-tax/city-sales-tax/>; "Idaho State Tax Commission: Auditorium Districts," accessed December 9, 2023, <https://tax.idaho.gov/taxes/sales-use/sales-tax/local-sales-tax/city-sales-tax/>.

<sup>6</sup> Gee, Gardner, and Wiehe, "Undocumented Immigrants' State & Local Tax Contributions."

<sup>7</sup> Gee, Gardner, and Wiehe, "Undocumented Immigrants' State & Local Tax Contributions."

<sup>8</sup> Gee, Gardner, and Wiehe, "Undocumented Immigrants' State & Local Tax Contributions."

<sup>9</sup> Gee, Gardner, and Wiehe, "Undocumented Immigrants' State & Local Tax Contributions."

<sup>10</sup> See Appendix E.

<sup>11</sup> "Status of the Social Security Administration's Earnings Suspense File," Informational Report (Social Security Administration Office of the Inspector General, September 2015); Paula Singer and Linda Dodd-Major, "Identification Numbers and U.S. Government Compliance Initiatives," *Tax Notes* 104, no. 13 (September 20, 2004); "Edit Routines Used to Reinstate Wage Items from the Earnings Suspense File," Audit Report (Social Security Administration Office of the Inspector General, June 12, 2023).

<sup>12</sup> "National Public Education Financial Survey 2019-2020" (U.S. Department of Education, National Center for Education Statistics: U.S. Department of Education, National Center for Education Statistics, 2022), [https://nces.ed.gov/programs/digest/d22/tables/dt22\\_235.20.asp](https://nces.ed.gov/programs/digest/d22/tables/dt22_235.20.asp).

<sup>13</sup> "Exhibit 6. Federal Medical Assistance Percentages and Enhanced FMAPs by State, FYs 2020-2023," 2020.

<sup>14</sup> "Section 67-2908 - Idaho State Police, Salaries and Expenses--Sources of Payment" (State of Idaho, n.d.), <https://legislature.idaho.gov/wp-content/uploads/statutesrules/idstat/Title67/T67CH29.pdf>.

<sup>15</sup> "National Public Education Financial Survey 2019-2020."

<sup>16</sup> See Appendix E.

<sup>17</sup> Emergency Medical Treatment and Active Labor Act (EMTALA); Equal Educational Opportunities Act; "Requirements Relating to Provision of Benefits Based on Citizenship, Alienage, or Immigration Status under the Richard B. Russell National School Lunch Act, the Child Nutrition Act of 1966, and Certain Other Acts," 8 U.S.C. § 1615 § (n.d.), <https://www.govinfo.gov/content/pkg/USCODE-2018-title8/pdf/USCODE-2018-title8-chap14-subchapl-sec1615.pdf>.

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- <sup>18</sup> “Exhibit 6. Federal Medical Assistance Percentages and Enhanced FMAPs by State, FYs 2020-2023”; “National Public Education Financial Survey 2019-2020.”
- <sup>19</sup> “Section 33-1015 - State Revenue Matching Under the National School Lunch Act.” (State of Idaho, n.d.), <https://legislature.idaho.gov/statutesrules/idstat/title33/t33ch10/sect33-1015/#:~:text=33%2D1015.,the%20national%20school%20lunch%20act>.
- <sup>20</sup> “Idaho Tax Commission 2014 Annual Report,” Annual Report (Idaho State Tax Commission, 2014), [https://tax.idaho.gov/wp-content/uploads/reports/EPB00033/EPB00033\\_12-02-2014.pdf](https://tax.idaho.gov/wp-content/uploads/reports/EPB00033/EPB00033_12-02-2014.pdf).
- <sup>21</sup> Gee, Gardner, and Wiehe, “Undocumented Immigrants’ State & Local Tax Contributions.”
- <sup>22</sup> Watson et al., “Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy,” March 1, 2012.
- <sup>23</sup> Philip S. Watson et al., “Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy: A Nested CGE Analysis of the Idaho Economy,” *Review of Regional Studies* 42, no. 1 (March 1, 2012), <https://doi.org/10.52324/001c.8134>.
- <sup>24</sup> Civil Rights Act; Equal Educational Opportunities Act.
- <sup>25</sup> “National Public Education Financial Survey 2019-2020.”
- <sup>26</sup> “Historical Enrollment by Building” (Idaho Department of Education, July 2023), <https://www.sde.idaho.gov/finance/files/attendance-enrollment/historical/Historical-Enrollment-by-Building.xlsx>.
- <sup>27</sup> “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>28</sup> “Dataset: Undocumented Immigrants in the United States, by State and Year, 2010-2019” (New York: Center for Migration Studies, August 25, 2022), <https://cmsny.org/data-undocumented-state-2010-to-2019/>.
- <sup>29</sup> “Public School Expenditures,” Condition of Education (National Center for Education Statistics, 2023), [https://nces.ed.gov/programs/coe/pdf/2023/cmb\\_508.pdf](https://nces.ed.gov/programs/coe/pdf/2023/cmb_508.pdf).
- <sup>30</sup> “FY20 Public Education Budgets (K-12)” (Idaho State Board of Education, 2019), <https://boardofed.idaho.gov/resources/fy20-public-education-budgets-k-12/>.
- <sup>31</sup> “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>32</sup> “English Language Acquisition State Grants--Title III, Part A. Funding Status and Awards.”
- <sup>33</sup> “Migrant Education Program (Title I, Part C)--State Grants,” January 25, 2021, <https://oese.ed.gov/offices/office-of-migrant-education/migrant-education-program/>.
- <sup>34</sup> “Federal Education-Related Discretionary Programs: Final Appropriations”; “English Language Acquisition State Grants--Title III, Part A. Funding Status and Awards.”
- <sup>35</sup> Emergency Medical Treatment and Active Labor Act (EMTALA).
- <sup>36</sup> “Section 16.03.05.801 - Ineligible Non-Citizen with Emergency Medical Condition” (State of Idaho, March 17, 2022).
- <sup>37</sup> “Exhibit 6. Federal Medical Assistance Percentages and Enhanced FMAPs by State, FYs 2020-2023.”
- <sup>38</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>39</sup> “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019”; “Selected Characteristics of Health Insurance Coverage in the United States: Idaho” (U.S. Census Bureau American Community Survey, 2019), [https://data.census.gov/table/ACSST1Y2019.S2701?t=Health Insurance&g=040XX00US16&y=2019](https://data.census.gov/table/ACSST1Y2019.S2701?t=Health%20Insurance&g=040XX00US16&y=2019).
- <sup>40</sup> Jesse M. Pines et al., “The Cost Shifting Economics of United States Emergency Department Professional Services (2016–2019),” *Annals of Emergency Medicine*, June 2023, S0196064423003530, <https://doi.org/10.1016/j.annemergmed.2023.04.026>; *Hidden Costs, Value Lost: Uninsurance in America* (Washington, D.C.: National Academies Press, 2003).
- <sup>41</sup> Fernando A. Wilson et al., “Comparison of Use of Health Care Services and Spending for Unauthorized Immigrants vs Authorized Immigrants or US Citizens Using a Machine Learning Model,” *JAMA Network Open* 3, no. 12 (December 11, 2020): e2029230, <https://doi.org/10.1001/jamanetworkopen.2020.29230>.
- <sup>42</sup> Berhanu Alemayehu and Kenneth E. Warner, “The Lifetime Distribution of Health Care Costs,” *Health Services Research* 39, no. 3 (June 2004): 627–42, <https://doi.org/10.1111/j.1475-6773.2004.00248.x>.



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- <sup>43</sup> “Center for Migration Studies Undocumented Immigrants in the United States, by Year, 2010-2019”; “Center for Migration Studies Undocumented Immigrants in Idaho, 2010-2019.”
- <sup>44</sup> Omar Martinez et al., “Evaluating the Impact of Immigration Policies on Health Status Among Undocumented Immigrants: A Systematic Review,” *Journal of Immigrant and Minority Health* 17, no. 3 (June 2015): 947–70, <https://doi.org/10.1007/s10903-013-9968-4>.
- <sup>45</sup> Martinez et al., “Evaluating the Impact of Immigration Policies on Health Status Among Undocumented Immigrants.”
- <sup>46</sup> “Constitution of the United States, Amendment XIV.”
- <sup>47</sup> Ran Abramitzky et al., “Law-Abiding Immigrants: The Incarceration Gap Between Immigrants and the U.S. Born, 1870-2020,” IPR Working Paper Series (Northwestern University: Institute for Policy Research, August 31, 2023); Bianca E. Bersani, “An Examination of First and Second Generation Immigrant Offending Trajectories,” *Justice Quarterly* 31, no. 2 (March 4, 2014): 315–43, <https://doi.org/10.1080/07418825.2012.659200>; Sandra Bucerius, “Immigrants and Crime,” in *The Oxford Handbook of Crime and Criminal Justice*, ed. Michael Tonry, 2011, 385–419, <https://doi.org/10.1093/oxfordhb/9780195395082.013.0013>; Kristin Butcher and Anne Morrison Piehl, “Why Are Immigrants’ Incarceration Rates so Low? Evidence on Selective Immigration, Deterrence, and Deportation,” NBER Working Paper Series (Cambridge, MA: National Bureau of Economic Research, July 2007), <https://doi.org/10.3386/w13229>; Michael T. Light, Jingying He, and Jason P. Robey, “Comparing Crime Rates between Undocumented Immigrants, Legal Immigrants, and Native-Born US Citizens in Texas,” *Proceedings of the National Academy of Sciences* 117, no. 51 (December 22, 2020): 32340–47, <https://doi.org/10.1073/pnas.2014704117>.
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- <sup>49</sup> “State Criminal Alien Assistance Program (SCAAP),” Overview, April 22, 2021, <https://www.bja.ojp.gov/program/state-criminal-alien-assistance-program-scaap/overview>.
- <sup>50</sup> “U.S. Department of Justice, Bureau of Justice Assistance: Funding Awards.”
- <sup>51</sup> Rueben and Gault, “State and Local Fiscal Effects of Immigration.”
- <sup>52</sup> ITEP, “Who Pays? A Distributional Analysis of the Tax System in All 50 States,” Who Pays? (Institute on Taxation and Economic Policy, January 2015); Watson et al., “Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy,” March 1, 2012.
- <sup>53</sup> See Appendix E.
- <sup>54</sup> “English Language Acquisition State Grants--Title III, Part A. Funding Status and Awards”; “Migrant Education Program (Title I, Part C)--State Grants”; “Federal Education-Related Discretionary Programs: Final Appropriations”; “Exhibit 6. Federal Medical Assistance Percentages and Enhanced FMAPs by State, FYs 2020-2023”; “State Criminal Alien Assistance Program (SCAAP)”; “U.S. Department of Justice, Bureau of Justice Assistance: Funding Awards.”

## APPENDIX A: ESTIMATING THE UNAUTHORIZED IMMIGRANT POPULATION

The analysis presented in this report relied on two data sources of estimates pertaining to unauthorized immigrants. The author considered the strengths, weaknesses and level of detail of three data sources and selected two (the Pew Research Center and the Center for Migration Studies) as the primary data sources on unauthorized immigrants in the U.S. and Idaho.

### *Pew Research Center (Pew)<sup>1</sup>*

#### Strengths:

- Provides annual estimates of the unauthorized immigrant population between 1990 and 2021.<sup>a</sup>
- Uses data from the American Community Survey, which collects population data using a well-established methodology.
- Provides estimates at the national and state level.
- Provides information on the precision of estimates (90% confidence intervals).
- Provides thorough documentation of methods.

#### Weaknesses:

- Estimates have not been updated since 2021.
- Provides limited detail on characteristics of unauthorized immigrants at the state level.
- American Community Survey data has a small sample size for Idaho, which reduces the precision of estimates.

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<sup>a</sup> Pew Research Center estimates of the unauthorized immigrant population include individuals with Temporary Protected Status, Deferred Action for Childhood Arrivals and asylum-seekers whose cases have not been resolved.

### *Center for Migration Studies (CMS)<sup>2</sup>*

#### Strengths:

- Provides annual estimates of the unauthorized immigrant population from 2010 to 2019.<sup>b</sup>
- Uses data from the American Community Survey, which collects population data using a well-established methodology.
- Provides estimates at the national and state level.
- Provides detailed characteristics of unauthorized immigrants at the national and state level.
- Provides documentation of methods.

#### Weaknesses

- Estimates have not been updated since 2019.
- Does not provide information on the precision of estimates (confidence intervals).
- American Community Survey data has a small sample size for Idaho, which reduces the precision of estimates.

### *U.S. Department of Homeland Security (DHS)<sup>3</sup>*

#### Strengths:

- Provides estimates of the unauthorized immigrant population for 2000, then annual estimates from 2005 to 2018.<sup>c</sup>
- Uses data from the American Community Survey, which collects population data using a well-established methodology.
- Uses supplementary information from DHS, U.S. Citizenship and Immigration Services and U.S. Customs and Border Protection databases.

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<sup>b</sup> Center for Migration Studies estimates of the unauthorized immigrant population include individuals with Temporary Protected Status, Deferred Action for Childhood Arrivals and asylum-seekers whose cases have not been resolved.

<sup>c</sup> U.S. Department of Homeland Security estimates of the unauthorized immigrant population include individuals with Temporary Protected Status, Deferred Action for Childhood Arrivals and asylum-seekers whose cases have not been resolved, as well as “those who are residing in the US while awaiting removal proceedings in immigration court.” For details, see Baker, Bryan. “Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2015–January 2018.” Population Estimates. U.S. Department of Homeland Security, January 2021.

### Weaknesses

- Provides no state-level estimates.
- DHS cautions against interpretation of trends over time due to changes to methodology in 2010 and 2015.
- Methodological changes are not thoroughly documented.

### U.S. estimates

Pew, CMS and DHS estimates for the number of unauthorized immigrants in the U.S. are shown in Figure A1. CMS and Pew estimates correspond closely with each other, while DHS Method 1 estimates follow a trend very similar to Pew. DHS Method 2 and Method 3 diverge from CMS and Pew estimates.

Figure A1. Data source comparison of estimated unauthorized immigrant population in the U.S. (1990-2021)

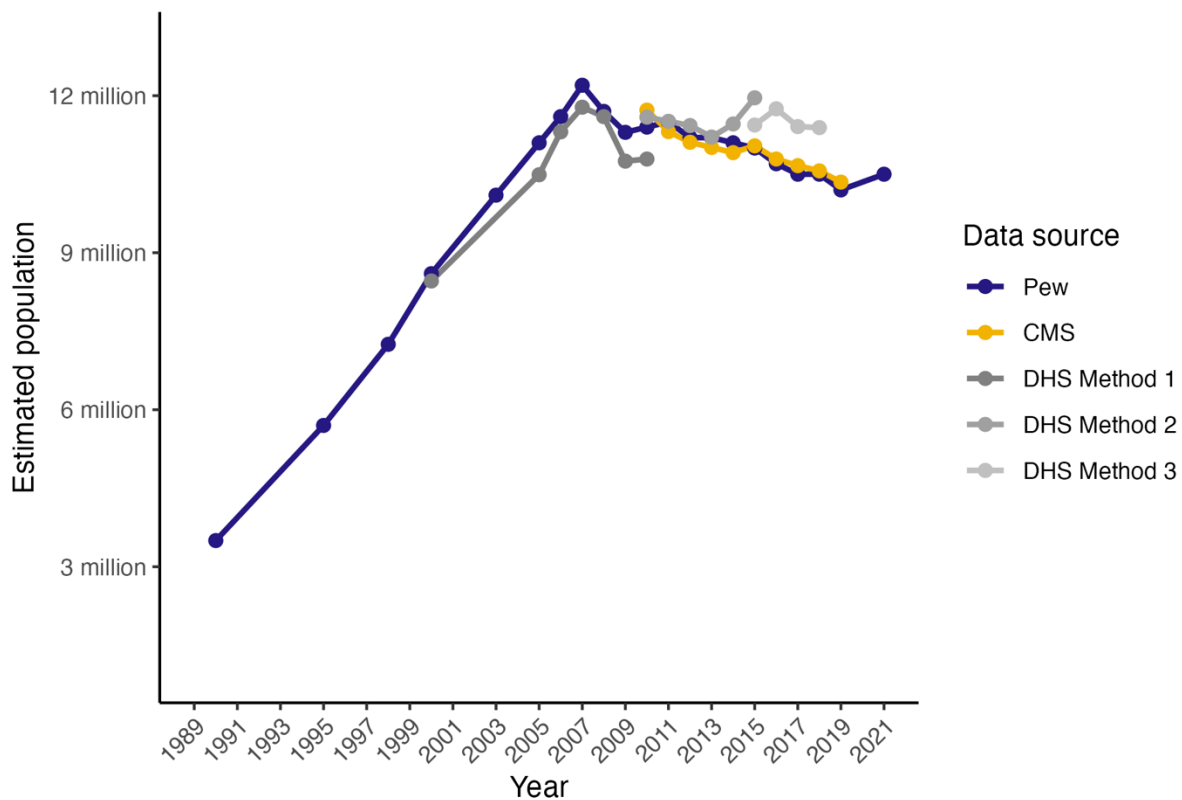
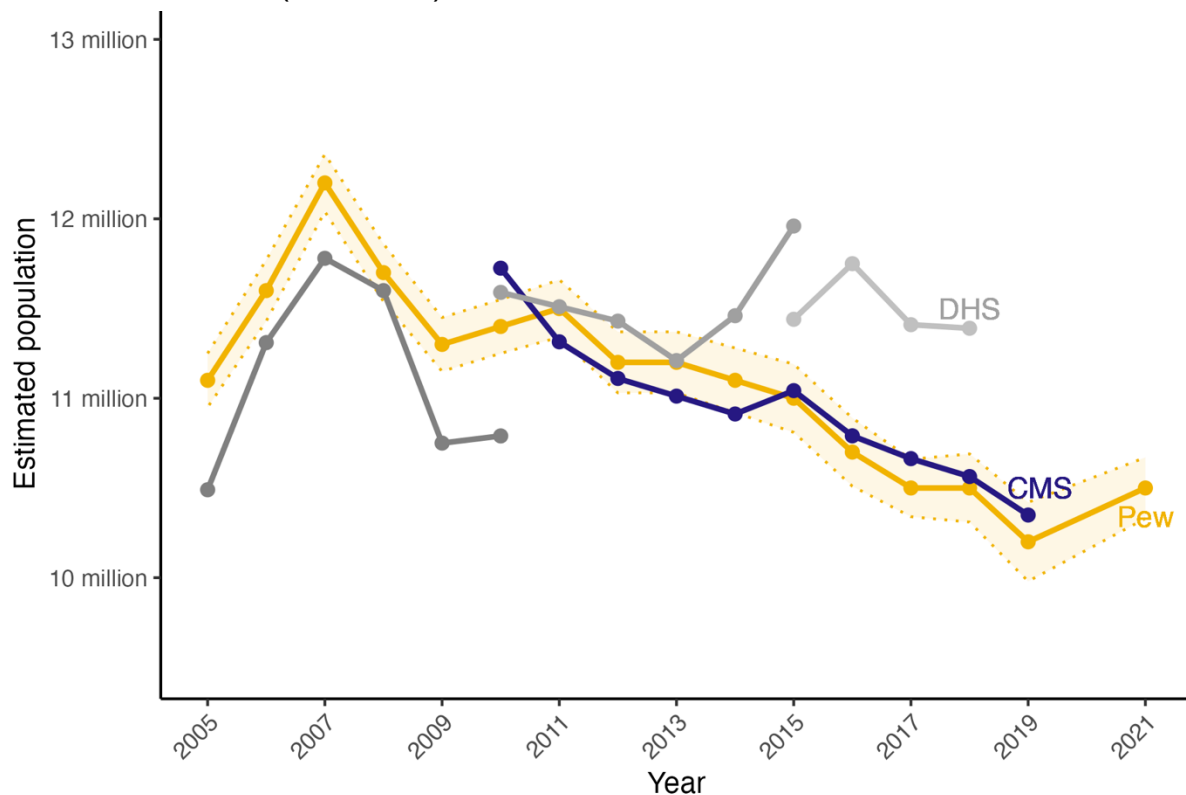


Figure A2 illustrates Pew, CMS and DHS estimates of the unauthorized immigrant population nationally from 1990 to 2021. The yellow shaded area represents the 90% confidence intervals for the Pew estimates. For the ten years that CMS and Pew data

overlap, CMS estimates fall within or very close to the Pew estimates in all years except 2010. This suggests no meaningful statistical difference between them. CMS does not provide confidence intervals, so no formal tests of statistical differences are possible.

DHS estimates are more varied in their correspondence to CMS and Pew estimates, likely due to differences in methodology and data inputs. They follow a trend similar to Pew estimates from 2005 to 2010, prior to the change in DHS methodology. From 2010 to 2013, DHS estimates align closely with CMS and Pew estimates and diverge for the period 2014-2018. DHS does not provide confidence intervals for their estimates, so no formal tests of statistical differences are possible.

Figure A2. Estimated unauthorized immigrant population in the U.S., including Pew 90% confidence intervals (2005-2021)

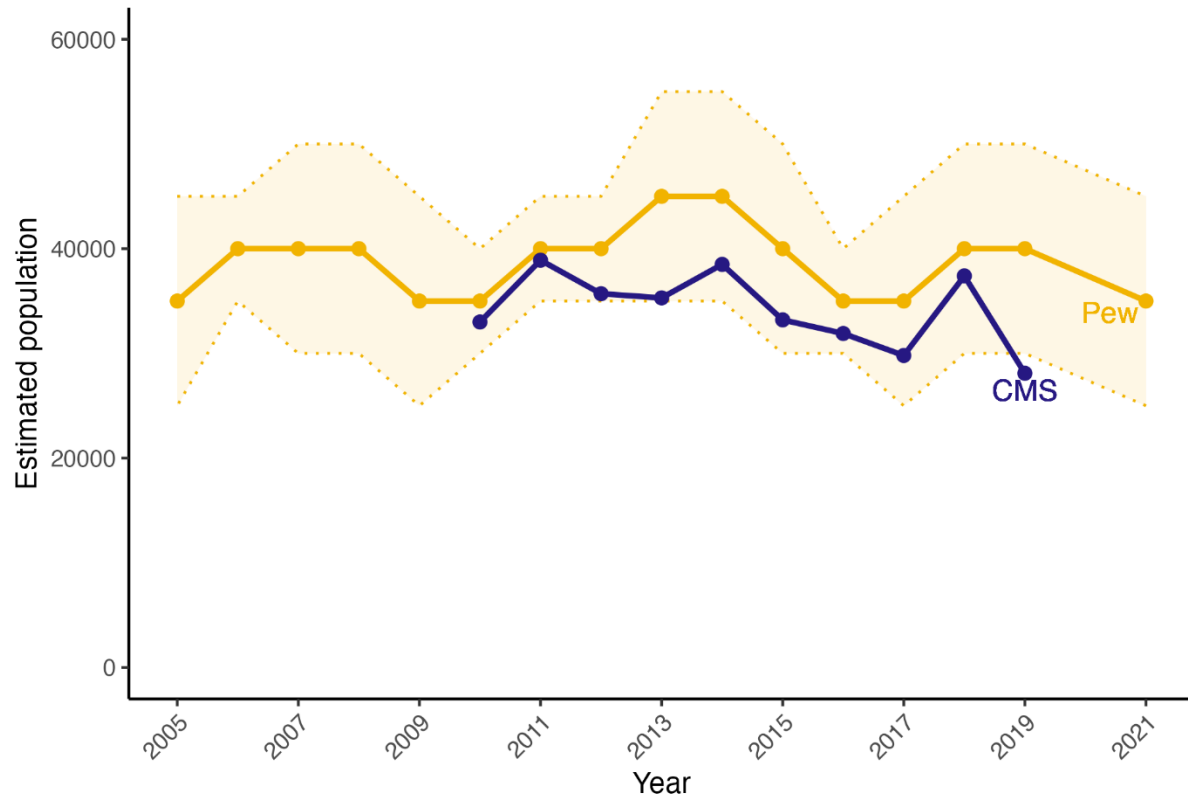


### Idaho estimates

Figure A3 illustrates CMS and Pew estimates of the unauthorized immigrant population in Idaho from 2005 to 2021, all of the years for which data are available. The shaded area represents the 90% confidence intervals for the Pew estimates. For the ten years that CMS and Pew data overlap, CMS estimates fall within the range of Pew estimates in all years

except for 2019. This suggests no meaningful statistical difference between data from these sources. CMS does not provide confidence intervals, so no formal tests of statistical differences are possible.

Figure A3. Estimated unauthorized immigrant population in Idaho, including Pew 90% confidence intervals (2005-2021)



<sup>1</sup> Passel and Cohn, "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade."

<sup>2</sup> Warren, "In 2019, the US Undocumented Population Continued a Decade-Long Decline and the Foreign-Born Population Neared Zero Growth."

<sup>3</sup> Bryan Baker and Nancy Rytina, "Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2012," 2013; Bryan Baker, "Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2014," 2014; Bryan Baker, "Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2015–January 2018," Population Estimates (U.S. Department of Homeland Security, January 2021).

## **APPENDIX B: UNAUTHORIZED IMMIGRANT WORKFORCE OCCUPATION DETAIL**

Table B1 compiles information on occupations associated with unauthorized immigrant workers, workforce size and median wages. Information comes from two sources: the Pew Research Center and the U.S. Bureau of Labor Statistics.

Occupations in Table B1 are a combination of non-farm occupations identified by Pew as being associated with the unauthorized immigrant workforce and agricultural occupations identified in conversations with industry professionals.

Pew estimates workforce sizes by occupation. Estimates are presented as national totals and detailed information at the state level is not available. Detailed data on the number of unauthorized immigrants in specific agricultural occupations are not available at the national and state level.

The median wage for occupations associated with the unauthorized immigrant workforce is based on national wage survey data collected by the U.S. Bureau of Labor Statistics. Those surveyed may or may not include unauthorized immigrant workers.

Wage differences between unauthorized and authorized immigrant workers are discussed in the main body of the report, Box 3.

**Table B1: Estimated workforce and wages in occupations associated with unauthorized immigrant workers**

Occupation	U.S. workforce (2016)		Median hourly wage (2022; \$)	
	Total workers	Unauthorized immigrant workers	National	Idaho
<i>Agriculture</i>				
Miscellaneous Agricultural Workers	920,000	250,000	16.00	*
Farmworkers and Laborers, Crop, Nursery and Greenhouse	*	*	15.87	15
Farmworkers, Farm, Ranch and Aquacultural Animals	*	*	16.42	14.98
Graders and Sorters, Agricultural Products	*	*	15.65	11.5
Agricultural Workers, All Other	*	*	17.17	19.1
<i>Food Processing</i>				
Packers and Packers, Hand	560,000	110,000	15.83	14.63
Packaging and Filling Machine Operators and Tenders	300,000	60,000	17.67	17.19
Butchers and Other Meat, Poultry and Fish Processing Workers	290,000	45,000	17.25	*
Bakers	250,000	40,000	15.76	15.26
<i>Leisure/Hospitality</i>				
Cooks	2,640,000	400,000	14.86	*
Maids and Housekeeping Cleaners	1,760,000	425,000	14.4	14.44
Food Preparation Workers	1,160,000	110,000	14.32	13.47
Chefs and Head Cooks	480,000	55,000	27.17	17.52
Dishwashers	400,000	65,000	13.98	11
Dining Room and Cafeteria Attendants and Bartender Helpers	390,000	45,000	14	11.41



Food Cooking Machine Operators and Tenders	160,000	25,000	17.64	19.22
<i>Construction</i>				
Construction Laborers	2,020,000	425,000	19.59	18.3
Carpenters	1,320,000	220,000	24.71	21.74
Painters, Construction and Maintenance	630,000	170,000	22.16	18.43
Roofers	230,000	70,000	23.04	21.24
Carpet, Floor and Tile Installers and Finishers	180,000	50,000	23.03	*
Drywall Installers, Ceiling Tile Installers and Tapers	160,000	45,000	24.6	*
Brickmasons, Blockmasons and Stonemasons	160,000	40,000	28.03	*
Painting Workers	150,000	20,000	20.85	*
<i>Other Services and Manufacturing</i>				
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	2,770,000	275,000	15.38	14.29
Grounds Maintenance Workers	1,540,000	300,000	17.39	*
Cleaners of Vehicles and Equipment	430,000	55,000	14.9	14.3
Laundry and Dry-Cleaning Workers	210,000	40,000	13.97	14.78
Sewing Machine Operators	200,000	45,000	15.26	13.83
First-Line Supervisors of Landscaping, Lawn Service, and Groundskeeping	170,000	15,000	24.43	27.68
Automotive Body and Related Repairers	140,000	15,000	22.92	22.9

SOURCES: Non-farm occupations listed are from Passel, Jeffrey S, and D'Vera Cohn. "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade." Pew Research Center, 2018. Agricultural occupations selected by the author based on conversations with agriculture industry professionals in Idaho. Occupational data from the May 2022 U.S. Bureau of Labor Statistics Occupational Employment and Wage Statistics (OEWS).

NOTES: \*Indicates no data available. Some occupations may span multiple occupational categories (e.g., Leisure/hospitality and Agriculture and food processing). See Technical Notes for May 2022 OEWS Estimates for further detail.

[https://www.bls.gov/oes/current/oes\\_tec.htm](https://www.bls.gov/oes/current/oes_tec.htm).

## **APPENDIX C: STATE-LEVEL STUDIES ON THE ECONOMIC CONTRIBUTIONS OF UNAUTHORIZED IMMIGRANTS**

Table C1 summarizes the three available state-level studies that attempt to quantify economic contributions of unauthorized immigrants in Idaho, Minnesota and Texas.<sup>1</sup>

Direct contributions listed in Table C1 capture unauthorized immigrant workers' labor output, typically expressed in dollars and jobs. Indirect and induced contributions relate to spending on inputs associated with labor provided by unauthorized immigrant workers, as well as the effects of unauthorized immigrants' spending, also expressed in dollars and jobs. The Minnesota study quantified indirect and induced contributions separately. The Texas study reported findings in terms of jobs.

It is difficult to compare existing research due to differences in methodology, groups studied and geographic, demographic and economic features that differ among these three states. Two key findings arise from Table C1:

1. Unauthorized immigrants support the state economy in positive ways, both in terms of dollars and jobs. The magnitude may vary between states and estimates; existing findings show contributions consistently in the billions of dollars and tens of thousands of jobs.
2. All state-level studies are relatively old, with the most recent study using data for Idaho that are 17 years old. While the number of unauthorized immigrants in Idaho has remained stable, the structure of the economy may have changed during this time. See Section 1 and Appendix A for estimates of Idaho's unauthorized immigrant population over time.

**Table C1: Summary of state-level economic contribution studies**

State (Year)	Group studied	Number of people	<u>Estimated direct contributions</u>		<u>Estimated indirect or induced contributions</u>	
			Dollars	Jobs	Dollars	Jobs
Idaho (2006)	Unauthorized workers, less educated	23,500 - 41,000	\$2.7-4 billion	34,000-45,500	*	*
Minnesota (2000)	Unauthorized workers	18,000 - 48,000	\$1.2-3 billion	18,008-48,268	\$1.2-2.5 billion	20,513-48,894
Texas (2005)	Unauthorized immigrants	1.4 million	*	298,000	*	*

SOURCES: Watson, Philip S., Kimberly Castelin, Priscilla Salant, and J.D. Wulfhorst. "Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy: A Nested CGE Analysis of the Idaho Economy." *Review of Regional Studies* 42, no. 1. March 2012.; Kielkopf, James. "The Economic Impact of Undocumented Workers in Minnesota." Hispanic Advocacy and Community Empowerment through Research. University of Minnesota, 2000.; Strayhorn, Carole Keeton. "Undocumented Immigrants in Texas: A Financial Analysis of the Impact to the State Budget and Economy." Texas Office of the Comptroller, December 2006.

NOTE: "Year" refers to the year of the data used in the analysis, not the year that the analysis was conducted. \*Indicates information not reported by authors.

<sup>1</sup> Watson et al., "Estimating the Impacts of a Reduction in the Foreign-Born Labor Supply on a State Economy," March 1, 2012; Kielkopf, "The Economic Impact of Undocumented Workers in Minnesota"; Strayhorn, "Undocumented Immigrants in Texas: A Financial Analysis of the Impact to the State Budget and Economy."

# APPENDIX D: STATE-LEVEL E-VERIFY REQUIREMENTS, LABOR MARKET EFFECTS OF E-VERIFY REQUIREMENTS AND IMPLICATIONS FOR IDAHO

Some states require the use of E-Verify by some or all employers. Table D1 contains information on E-Verify requirement by state, as of 2023. State-level E-Verify requirements are regularly revised and adapted.

There are currently no state-level E-Verify requirements in Alaska, Arkansas, California, Connecticut, Delaware, Hawaii, Idaho, Illinois, Kansas, Kentucky, Maine, Maryland, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Rhode Island, South Dakota, Vermont, Wisconsin and Wyoming.

State agencies in Idaho and Delaware use E-Verify by policy.

**Table D1: State-level E-Verify requirements as of 2023**

<b>Comprehensive E-Verify requirement</b>		
<i>State</i>	<i>E-Verify requirement</i>	<i>Business size exemption</i>
Alabama	All employers, public and private	None
Arizona	All employers, public and private	None
Florida	All employers, public and private	Businesses with 24 or fewer employees
Georgia	All employers, public and private	Businesses with 10 or fewer employees
Mississippi	All employers, public and private	None
North Carolina	All employers, public and private	Businesses with 24 or fewer employees
South Carolina	All employers, public and private	None
Tennessee	All employers, public and private	Businesses with 34 or fewer employees
Utah	All employers, public and private	Businesses with 149 or fewer employees

<b>Partial E-Verify requirement</b>		
<i>State</i>	<i>E-Verify requirement</i>	<i>Business size exemption</i>
Colorado	State agencies and contractors	None
Indiana	State/local agencies and contractors	None
Louisiana	State/local contractors	None
Massachusetts	State agencies	None
Michigan	Some state agency contractors	None
Minnesota	State contractors with contracts over \$50,000	None
Missouri	Public employers, contractors, subcontractors	None
Nebraska	Public employers and contractors Businesses qualifying for state tax incentives	None
Oklahoma	Public employers, contractors and subcontractors	None
Pennsylvania	Public works contractors and subcontractors Construction industry employers	None
Texas	State agencies and contractors Institutions of higher education	None
Virginia	Agencies of the Commonwealth Public contractors with a contract over \$50,000	Public contractors with 49 or fewer employees
Washington	Some counties and cities	None
West Virginia	Public employers and contractors	None

SOURCES: Luo, Tianyuan, Genti Kostandini, and Jeffrey L. Jordan. "Stringent Immigration Enforcement and the Farm Sector: Evidence from E-Verify Adoption across States." *Applied Economic Perspectives and Policy* 45, no. 2 (June 2023): 1211–32. <https://doi.org/10.1002/aep.13269>; National Conference of State Legislatures. "State E-Verify Action," August 19, 2015. <https://www.ncsl.org/immigration/state-e-verify-action>.

NOTE: The contents of this table are based on publicly available information.

## **Effects of E-Verify requirements**

Comprehensive E-Verify requirements (in which all employers, both public and private, must use E-Verify) are sometimes considered a mechanism to improve job opportunities for authorized workers who are perceived as directly competing with unauthorized

immigrant workers for jobs.<sup>1</sup> Comprehensive E-Verify requirements affect job opportunities in the states where they have been enacted, but specific effects can be difficult to measure and predict. Studies on wage impacts find varied results, including increases, decreases and no change for both unauthorized immigrants' and authorized workers' wages.<sup>2</sup> Studies on employment and labor force participation also find varied results, with increases and decreases for both unauthorized immigrants and authorized workers.<sup>3</sup>

Comprehensive E-Verify requirements for both public and private employers have particular impacts on agriculture due to that industry's use of unauthorized immigrant workers.<sup>4</sup> The introduction of comprehensive E-Verify mandates led to a reduction in the farm workforce in four states: Mississippi (-10.4%), Arizona (-9.3%), South Carolina (-4.6%) and Alabama (-3.8%).<sup>5</sup> In Georgia, North Carolina, Tennessee and Utah, there were no changes in the size of the farm workforce.<sup>6</sup> In Alabama and Arizona, the amount of farmland in operation decreased by a small amount, likely due to difficulty obtaining workers.<sup>7</sup>

### **E-Verify in Idaho**

Idaho's work authorization verification requirement under Idaho Executive Order 2009-10 was in effect until its expiration in 2013. In part, EO 2009-10 required the Idaho Division of Human Resources to develop and implement procedures to verify and ensure all new employees with any agency of the State of Idaho are eligible for employment under federal and state law.<sup>8</sup> To accomplish this, state agencies require new employees to complete the federal I-9 Employment Verification Form and many use the E-Verify system as part of this process.<sup>9</sup> The Idaho Department of Administration Division of Purchasing standard contract terms and conditions currently describe penalties imposed upon contractors that violate EO 2009-10 by hiring unauthorized immigrants, but does not explicitly require E-Verify use by contractors.<sup>10</sup>

As of April 2023, 3,078 Idaho businesses with employees voluntarily enrolled in E-Verify, 984 of which used the system in the prior year.<sup>11</sup> This means that approximately 1.7% of Idaho's 54,864 businesses with employees<sup>12</sup> used E-Verify in the prior year.

In Idaho, agricultural employers are not required to use E-Verify. Comprehensive E-Verify requirements may reduce the size of the farm labor force;<sup>13</sup> this could have labor market impacts in Idaho. Conversations with Idaho industry professionals indicate that unauthorized immigrants are not competing directly with authorized workers in Idaho for

crop production jobs. Farms have difficulty finding enough authorized workers, including using the H-2A program, to meet labor needs due to high physical demands, wages constrained by commodity prices and the seasonal nature of the work.<sup>14</sup> Idaho's dairy industry faces labor constraints similar to those facing the commodity crop industry,<sup>15</sup> but dairy farms are not eligible for the H-2A program due to the year-round nature of their operations.<sup>16</sup>

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<sup>1</sup> Sarah Bohn, Magnus Lofstrom, and Steven Raphael, "Do E-Verify Mandates Improve Labor Market Outcomes of Low-Skilled Native and Legal Immigrant Workers?: E-Verify and Legal Worker Outcomes," *Southern Economic Journal* 81, no. 4 (April 2015): 960–79, <https://doi.org/10.1002/soej.12019>.

<sup>2</sup> Pia M. Orrenius and Madeline Zavodny, "The Impact of E-Verify Mandates on Labor Market Outcomes: E-Verify and Labor Market Outcomes," *Southern Economic Journal* 81, no. 4 (April 2015): 947–59, <https://doi.org/10.1002/soej.12023>; Catalina Amuedo-Dorantes and Cynthia Bansak, "Employment Verification Mandates and the Labor Market Outcomes of Likely Unauthorized and Native Workers," *Contemporary Economic Policy* 32, no. 3 (July 2014): 671–80, <https://doi.org/10.1111/coep.12043>; Sarah Bohn, Magnus Lofstrom, and Steven Raphael, "Do E-Verify Mandates Improve Labor Market Outcomes of Low-Skilled Native and Legal Immigrant Workers?: E-Verify and Legal Worker Outcomes," *Southern Economic Journal* 81, no. 4 (April 2015): 960–79, <https://doi.org/10.1002/soej.12019>.

<sup>3</sup> Orrenius and Zavodny, "The Impact of E-Verify Mandates on Labor Market Outcomes"; Amuedo-Dorantes and Bansak, "Employment Verification Mandates and the Labor Market Outcomes of Likely Unauthorized and Native Workers"; Bohn, Lofstrom, and Raphael, "Do E-Verify Mandates Improve Labor Market Outcomes of Low-Skilled Native and Legal Immigrant Workers?," April 2015.

<sup>4</sup> Rosenbloom, "A Profile of Undocumented Agricultural Workers in the United States"; Tianyuan Luo, Genti Kostandini, and Jeffrey L. Jordan, "Stringent Immigration Enforcement and the Farm Sector: Evidence from E-VERIFY Adoption across States," *Applied Economic Perspectives and Policy* 45, no. 2 (June 2023): 1211–32, <https://doi.org/10.1002/aapp.13269>.

<sup>5</sup> Luo, Kostandini, and Jordan, "Stringent Immigration Enforcement and the Farm Sector."

<sup>6</sup> Luo, Kostandini, and Jordan, "Stringent Immigration Enforcement and the Farm Sector."

<sup>7</sup> Luo, Kostandini, and Jordan, "Stringent Immigration Enforcement and the Farm Sector."

<sup>8</sup> "Executive Order No. 2009-10: Establishing a Policy for All State Agencies Concerning Public Funds" (The Office of the Governor, 2009), <https://adminrules.idaho.gov/rules/2010/EXOOrders/out/000910-exo.pdf>.

<sup>9</sup> Idaho Division of Human Resources. <https://dhr.idaho.gov>

<sup>10</sup> "Standard Contract Terms and Conditions" (Idaho Department of Administration State Division of Purchasing, January 2017), <https://purchasing.idaho.gov/information-for-vendors/#hfaq-post-11977>.

<sup>11</sup> "E-Verify Usage Statistics," April 30, 2023, <https://www.e-verify.gov/about-e-verify/e-verify-data/e-verify-usage-statistics>.

<sup>12</sup> "QuickFacts: Idaho" (U.S. Census Bureau: U.S. Census Bureau, July 1, 2022), <https://www.census.gov/quickfacts/fact/table/ID/PST045222>.

<sup>13</sup> Luo, Kostandini, and Jordan, "Stringent Immigration Enforcement and the Farm Sector."

<sup>14</sup> Information obtained from conversations with industry professionals.

<sup>15</sup> Information obtained from conversations with industry professionals.

<sup>16</sup> "U.S. Department of Labor: H-2A Temporary Agricultural Program."

## APPENDIX E: PUBLIC PROGRAM FUNDING SOURCES AND UNAUTHORIZED IMMIGRANT ELIGIBILITY

**Table E1: Public program funding sources and unauthorized immigrant eligibility as of 2023**

	<i>Funding</i>		<i>Unauthorized immigrant eligibility</i>
	<i>Federal</i>	<i>State/ Local</i>	
National School Lunch Program (free and reduced-price lunch) <sup>1</sup>	X	X	Yes <sup>2</sup>
K-12 Education <sup>3</sup>	X	X	Yes <sup>4</sup>
Emergency Medicaid <sup>5</sup>	X	X	Yes <sup>6</sup>
Medicaid <sup>7</sup>	X	X	No
Children's Health Insurance Program <sup>8</sup>	X	X	No
Medicare <sup>9</sup>	X		No
Affordable Care Act <sup>10</sup>	X		No
OASDI (Social Security) <sup>11</sup>	X		No
Earned Income Tax Credit (EITC) <sup>12</sup>	X		No
Supplemental Nutrition Assistance Program (SNAP) <sup>13</sup>	X		No
Temporary Assistance for Needy Families (TANF) <sup>14</sup>	X		No
Section 8 Housing Choice Voucher Program <sup>15</sup>	X		No
Public Housing Program <sup>16</sup>	X		No
Low Income Home Energy Assistance Program (LIHEAP) <sup>17</sup>	X		No

<sup>1</sup> "School Lunch Programs," 42 USC § 1751-1769j § (2022), School Lunch Programs, 42 USC § 1751-1769j § (2022). <https://uscode.house.gov/view.xhtml?path=/prelim@title42/chapter13&edition=prelim#;> "Idaho Admin. Code 33-1015," 33.

<sup>2</sup> Requirements relating to provision of benefits based on citizenship, alienage, or immigration status under the Richard B. Russell National School Lunch Act, the Child Nutrition Act of 1966, and certain other Acts.

<sup>3</sup> "Table 235.20. Revenues for Public Elementary and Secondary Schools, by Source of Funds and State or Jurisdiction;" 2022, 235, [https://nces.ed.gov/programs/digest/d22/tables/dt22\\_235.20.asp](https://nces.ed.gov/programs/digest/d22/tables/dt22_235.20.asp).

<sup>4</sup> Equal Educational Opportunities Act; Civil Rights Act.

<sup>5</sup> "House Bill No. 369" (2023), <https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2023/legislation/H0369.pdf>.



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<sup>6</sup> Emergency Medical Treatment and Active Labor Act (EMTALA); “Idaho Admin. Code 16.03.05.801.”

<sup>7</sup> House Bill No. 369.

<sup>8</sup> House Bill No. 369.

<sup>9</sup> “Subchapter XVIII--Health Insurance for Aged and Disabled,” 42 U.S.C. § 1395 et seq § (n.d.), <https://www.govinfo.gov/content/pkg/USCODE-2011-title42/html/USCODE-2011-title42-chap7-subchapXVIII.htm>.

<sup>10</sup> “Patient Protection and Affordable Care Act,” 42 U.S.C. 18001 et seq § (n.d.), <https://www.govinfo.gov/content/pkg/STATUTE-124/pdf/STATUTE-124-Pg119.pdf>.

<sup>11</sup> “Compilation of the Social Security Laws,” n.d., [https://www.ssa.gov/OP\\_Home/ssact/ssact-toc.htm](https://www.ssa.gov/OP_Home/ssact/ssact-toc.htm).

<sup>12</sup> “Earned Income,” 26 U.S. Code § 32 § (n.d.), <https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title26-section32&num=0&edition=prelim>.

<sup>13</sup> “Supplemental Nutrition Assistance Program,” 7 U.S.C. § 2011-2036d § (n.d.), <https://uscode.house.gov/view.xhtml?path=/prelim@title7/chapter51&edition=prelim>.

<sup>14</sup> “Block Grants to States for Temporary Assistance for Needy Families,” 42 U.S. Code § 601-619 § (n.d.), <https://www.govinfo.gov/content/pkg/USCODE-2021-title42/pdf/USCODE-2021-title42-chap7-subchapIV-partA.pdf>.

<sup>15</sup> “Low-Income Housing Assistance,” 42 USC § 1437f § (n.d.), <https://uscode.house.gov/view.xhtml?req=SOCIAL+SECURITY+ACT&f=treesort&num=660>.

<sup>16</sup> Low-income housing assistance.

<sup>17</sup> “Low-Income Home Energy Assistance,” 42 U.S.C. § 8621-8630 § (n.d.), <https://www.govinfo.gov/content/pkg/USCODE-2011-title42/pdf/USCODE-2011-title42-chap94-subchapII-sec8621.pdf>.