# REQUEST FOR BOARD ACTION

### **HENDERSON COUNTY**

### **BOARD OF COMMISSIONERS**

**MEETING DATE:** October 17, 2007

**SUBJECT:** Report of the Committee on Illegal Immigration

**ATTACHMENT(S):** Yes

1.) Report with attachments2.) PowerPoint Presentation

### **SUMMARY OF MATTER:**

The Henderson County Committee on Illegal Immigration will present its report(s), along with an oral presentation.

### **BOARD ACTION REQUESTED:**

No Board action is requested.

### **SUGGESTED MOTION:**

No motion suggested.

## Henderson County, NC – Blue Ribbon Committee on Illegal Immigration Final Report August 6, 2007

PURPOSE: "To assess, determine, and recommend the proper role and specific steps that the Henderson County Board of Commissioners should take regarding the issue of illegal immigration.

CHARGE: "To analyze the impact of illegal immigration on Henderson County, quantify Henderson County government's legal standing in regards to affecting this impact and report responses appropriate for Henderson County Government. REPORT TO: "Board of Commissioners and the community."

### Preamble and Background:

The committee commenced meeting on April 23<sup>rd</sup>, and has met weekly ever since. Meeting details are contained in publicly available minutes of each meeting. Two members of this committee represent agriculture, one law enforcement, two the Latino community, one a former congressional staffer, and the balance interested and responsible citizens. Of this group four are ordained ministers, two of whom have active congregational responsibilities.

### Presenters:

April 30, 2007 Henderson County Health Department and Henderson County Social Services Department

May 7, 2007 Pardee Hospital and Park Ridge Hospital

May 14, 2007 Henderson County Schools

May 21, 2007 Blue Ridge Community College and Western Carolina Community Action (WCCA)

May 30, 2007 Henderson County Sheriff and Henderson County Clerk of Court June 4, 2007 North Carolina Cooperative Extension Service and North Carolina Employment Security Commission

June 11, 2007 North Carolina Farm Bureau, citizens and La Vos, a Spanish Language Newspaper

June 18, 2007 Henderson County Inspections Department and citizen July 30, 2007 Henderson County Chamber of Commerce

Complete list of Presenters found in the addendum.

Our work has been enormously hampered by Federal Law & Administrative Guidelines which prohibit inquiring as to legal status. Major studies are in conflict, such as the "Heritage Report on Fiscal Cost of Low Skill Immigrants" (average net fiscal deficit of \$19,588/household) versus the NC State Kenan Institute study which indicates a net cost of \$102 per immigrant.

### We first deal with the committee's Charge:

- 1. Estimates of the number of illegal immigrants in the county range from around 4000 to 12000 or more. Given current legal restrictions, it is impossible to know. Indications are they constitute a significant number of the total immigrant and other low-skilled workforce in the county.
- 2. The majority of all immigrants are hard working low-skilled "blue collar" Latino workers. A number have young families. They are valued by their employers in four major areas: agriculture, construction, hospitality, and some areas of health care. They come to work on time, work hard, and are loyal to their employers. The loss of this workforce could cause considerable economic harm to our county. Unfortunately, anecdotal evidence indicates that many of the workers are here illegally.
- 3. The county's unemployment rate is 3.3%, well below the national average. It does not appear that in our county at this time, there is any measurable negative impact on jobs for resident citizens, nor even on pay levels for similar work. HOWEVER, there is reasonable concern that such negative impact could be happening here and in other parts of the USA.
  - 4. There are known adverse effects associated to illegal immigration:
- A. Lack of driving skills and training, high rates of driving while impaired, and lack of driver's licenses & insurance.
  - B. Crime related to illegal drug dealing and trafficking.
- C. The Spanish/English language barrier. (Social services, law enforcement, medical services, etc. must provide expensive translators.)
- D. Fear, ignorance, prejudice, dislike of the "bother" associated with change and newcomers and the risk of an entirely separate Latino community of "them not us."
- E. A hard to measure cost loading on health care, social services, law enforcement, and school systems.
- F. Changes in and to the Welfare Reform Act of 1996 and Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 among others, effectively make medical and health related care, with the exception of non-emergency Medicaid, available to most illegal aliens in North Carolina. This adds to the work load of the Health and Social Services Departments including the need for certified translators.
- G. It has been suggested that lack of low-cost housing dissuades legal laborers from entering the county, making way for those (generally thought to be illegal workers) willing to live in sub-standard accommodations.
- H. The Committee has been unable to obtain numerical estimates of the illegal population in schools, in medical care, hospitality or agriculture. In the construction industry the county's director of Code Enforcement Services reports

that contractors he has talked to estimate perhaps 85% of some 2,000 low-skilled workers to be illegal.

- I. Documentation required to be provided to employers by employees is hard to verify. There is a lack of simple means for employers of verifying even Social Security numbers. There is a pilot program pending which may remedy this problem, but it has not yet been fully implemented.
- 5. Although none of the Committee members recommends that illegal immigration continues as is, it is clear that illegal immigrants are willing and able to do the low-skilled work; they are clearly contributing to our county's healthy economy.

### **RECOMMENDATIONS:**

Statement from the Chairman:

"As the committee debated specific recommendations at length it was found that there was no unanimous agreement on all recommendations, and sometimes even concerning a given recommendation or its wording. Studies and reports were met with countering studies and reports time and again. Opposing positions hardened, and it was finally decided that the best we all could do was list the debated recommendations from all in general categories: MUTUALLY AGREED – ten items, ENFORCEMENT – four items, INTEGRATION – eight items. Some of these recommendations conflict with others. Some committee members may decide to write personal comments directly to the BOC as well. The final meeting was on August 6, 2007 and the rather exhausted members were glad to return to normal living."

## A. Mutually Agreed

- 1. The BOC should obey and support Federal and State immigration laws. In particular we attach a two-page document from the county Sheriff, entitled "Immigrations and Customs Enforcement (ICE) 287(g) Program." The first responsibility of any government is protection of its citizens and we ask the HC BOC to take every possible step to move this program forward as rapidly as possible, and to fully fund the Sheriff's department.
- 2. Collect and evaluate immigration data from county departments, particularly Health, Social Services, Schools, and Law Enforcement, especially as new immigration laws are enacted and/or old laws are enforced.
- 3. Consider creating a follow-on citizens committee, such as this one, to again examine the immigration issue.
- 4. Henderson County government should set the example for all employers in the County by taking whatever means are available to screen for illegal immigrant work applicants. All units of county government should begin using the free federal

Employment Eligibility Verification Program (EEV – also known as the Basic Pilot Program) as soon as possible. This should apply to all Henderson County agencies and Pardee Hospital and its branches and clinics.

- 5. Encourage Pardee Hospital to keep a record of non-reimbursed Emergency Medical and Clinic expenses more than 90 days overdue. These should be checked on the Systematic Alien Verification for Entitlements (SAVE) system for legal eligibility for Public Benefits and with Social Security to identify fraudulent or stolen social security numbers. Indications of social security card fraud or theft should be turned over to the proper authorities.
- 6 The County should strongly endorse and support all recommendations made by Sheriff Rick Davis regarding illegal immigration and illegal immigrant crime. It is especially important to reduce and preferably eliminate illegal drug traffic in Henderson County and to prevent the individual and gang violence associated with it.
- 7. It is very important for the County to send an unequivocal message to the public, employers, and the media that it does not welcome illegal immigration for any purpose, nor does it condone the employment of illegal immigrants for any purpose. It should be the duty of the County Commissioners to see that all activities to prevent illegal immigration and to lessen its risk and cost s to the County are coordinated and reviewed quarterly by the County Manager. The County Manager should report a summary of all data and findings to the Commissioners at least once quarterly.
- 8. Discourage substandard or overly intensive habitation of housing by a combination of appropriate housing code measures and enforcement of same.
- 9. Do Whatever possible within the political means and ways of the BOC to support the businesses in Henderson county in their efforts to get Congress to reform our immigration laws to a workable system in order to ensure a balanced and legal supply of able and willing labor force for our county without negative complications that come with the illegal immigration.
- 10. Recognize the economic contributions of our Hispanic labor force to our county's economy.

## B. Enforcement

- 1. Encourage the Employment Eligibility Verification Program (EEV) use by all Henderson County employers as soon as possible.
- 2. The Sheriff's department should investigate the employment record of anyone identified as an illegal alien. The identity of the employer should be noted and reported to the County Commissioners or the City of Hendersonville for appropriate action. The Sheriff's department should also collect and report data on

illegal alien arrests to the County Commissioners at least quarterly. This information should be made available to the public and all local news media at the same time.

- 3. Tax and Budget Planning: Establish a long-range planning committee consisting of qualified County employees to determine the impact of immigration on Henderson County schools, infrastructure, budgets, and taxes.
- 4. Despite the burden on some sectors of the County economy and some employers, the County must seek to phase out the employment of illegal immigration within three to five years.

## C. Integration

- 1. Encourage ESL (English as a Second Language) and US citizenship courses. Recognize individuals who tutor, perhaps provide added classroom or other meeting space, and promote education of issues concerning illegal immigration.
- 2. Encourage Driver Education for legal immigrants. Again, provide moral support and recognition when these efforts are already being taken by non-government organizations, churches, etc.. and provide space, equipment etc. as possible. This should include instruction about insurance, legal rights and responsibilities, etc
- 3 Note that Arizona, Oklahoma, and Georgia have passed strict enforcement laws. Before instituting similar action here to the detriment of our business community, (and anticipating little to no significant action by the federal government in the meantime) the BOC should follow up in three and six months on the effect of those laws on the agriculture, construction, healthcare and hospitality industries in those states.
- 4 The BOC should, by way of a written document, encourage the Sheriff's Department to be very clear and open about what violations trigger 278(g) interventions, to act consistently with their public statements to the Latino community on the subject and to ensure that the program is used to remove serious threats to public safety rather than allow it to become an indiscriminate threat to all immigrants.
- 5. Consider issuing ID cards to and registering those undocumented immigrants with no criminal records, who have a paying job and pay taxes (via the W-2 process). Consider extending public transportation routes to better serve the origin/destination needs of the immigrant community as a whole. Encourage carpooling with a centralized informational structure that makes if feasible.
- 6 Using volunteer organizations, implement bi-directional cultural awareness training in order to dispel misconceptions and provide nondiscriminatory service to

all residents. Encourage that issues of cultural diversity are included at all levels of the public schools' curriculum.

- 7. Refrain from adopting resolutions or measures that will place the blame and the burden of the faulty immigration system and the lack of enforcement thereof on the business community of Henderson county, which in turn would seriously hurt the business climate in the county.
- 8. Assist the business community in its efforts to obtain legal immigration status for individuals that have been employed for 1 year or longer by the same employer, under the verified assumption that all normal required payroll and other tax withholdings have been made over the same time span and no criminal history outside of the immigration related issues exists.

Respectfully submitted, Robert Heltman, Chairman of the Blue Ribbon Committee on Illegal Immigration, Henderson County North Carolina.

Róbert Heltman, Chairman

### Attachments "A"

## To Blue Ribbon Committee on Illegal Immigration Report

Resources used in addition to visitors and presenters.

- 1. Board and Commission Members, Blue Ribbon Committee on Illegal Immigration.
- 2. Sources Reviewed by the Blue Ribbon Committee on Illegal Immigration, Henderson County, NC 2007
- 3. Sheriff's Report "Immigrations and Customs Enforcement (ICE) 287(g) Henderson County Overview"
- 4. Larry Ford, July 3, 2007 Letter to the (ICE) program supporting Sheriff Davis' request.
- 5. Bob Williford, President of the Henderson County Chamber of Commerce, July 30, 2007.
- 6. Congressman Heath Shuler, North Carolina Legislature, letters of May 1, 2007 and July 26, 2007.

## Attachments "B"

## To Blue Ribbon Committee on Illegal Immigration Report

Additional resources available in the Henderson County Legal Department.

- 1. Bert Lemkes "Illegal Immigrants and Henderson County", "Draft Report to BOC", July 29, 2007 and Power Point July 9, 2007.
- 2. Marion DeLorenzo "Thoughts" and Letter to Chamber of Commerce July 22, 2007".
- 3. Danny McConnell, "Report to the Board of Commissioners and the Community".
- 4. Capt. Dan Summey, "Report to the Committee".
- 5. Mike Scruggs, "Preliminary Recommendations, June 18, 2007", "Some Estimated Costs of Illegal Immigration in the County", June 25, 2007 and July 16, 2007 and "Revised Recommendations", July 7, 2007.
- 6. Patrick Tapia, Latino Advocacy Coalition June 15, 2007, "Recommendations to be considered for final report of the Blue Ribbon committee", July 27, 2007 and "Edited Draft", July 29, 2007.
- 7. Larry Ford, letter to the Committee, July 2007.
- 8. M.C.C. Immigration Committee Recommendations for Enforcement of Immigration Laws By Local Police Agencies, June 2006.
- 9. Resolution addresses illegal immigrants, The North Carolina Sheriff, Spring 2007.
- 10. The Economic Impact of the Hispanic Population on the State of North Carolina, John D. Kasarda and James H. Johnson, Jr. Frank Hawkins Kenan Institute of Private Enterprise, January 2006.
- 11. Did you know? Illegal immigrants reduce wages and opportunities for unskilled and poor Americans, CTB, citizens for tight boarders.

- 12. It's a Mistake to Depend on Foreign Labor, An Analyst's View, by Mark Krikorian, Idaho Statesman, July 22, 2001.
- 13. Trends in Emergency Medicaid Expenditures for Recent and Undocumented Immigrants, C. Annette DuBard, MC, MPH, Mark W. Massing, MD, MPH, PhD, 2007 American Medical Association.
- 14. UNC Study Misleads Public On Impact of Illegal Immigrants, Fern Shubert, Former NC State Senator, Conservative Citizen, Spring 2007.
- 15. Executive Office of the President Council of Economic Advisers, Washington, DC, Immigration's Economic Impact, June 20, 2007.
- 16. MapStats, Henderson County, North Carolina, fedstates.gov July 3, 2007.
- 17. Fact Sheet, Basic Pilot Employment Verification Program, Removing the Guess Work from Employment Document Review, Press Office W. S. Department of Homeland Security, U.S. Citizenship and Immigration Services.
- 18. The Georgia Security and Immigration Compliance Act outlined, the Dustin Inman Society Blog, July 5, 2007.
- 19. According to New Judicial Watch Zogby Poll: 66% of Likely Voters Including Majority of Hispanics Support Using More Law Enforcement to Stop Illegal Immigration, judicialwatch.org, April 10, 29007.
- 20. Bureau of Justice Statistics Bulletin, Prisoners in 2005, November 2006, U.S. Department of Justice.
- 21. Hispanics A Statistical Portrait, New Century Foundation, Oakton, VA.
- 22. Heritage Special Report, The Fiscal Cost of Low-Skill Immigrants to the U.S. Taxpayer, The Heritage Foundation, May 21, 2007.
- 23. Opinion, Plucking the Wings of the U.S. Eagle, Acres, the Voice of Eco-Agriculture, May 2007.
- 24. WebMemo, Setting the Record Straight: Illegal Immigrants Will Receive Welfare Under Senate Bill, The Heritage Foundation, June, 18, 2007.
- 25. Comments of Dr. James S. Holt to the California Board of Food and Agriculture, April 26, 2006 at Del Mar, California.
- 26. The Economic Foundations of Immigration (The U.S. Experience) David Kennedy, Esq., Mario E. Delgado, MBA, MS, July 17, 2006.
- 27. Farmworkers' Vital Contribution to North Carolina's Economy, North Carolina Farmworkers' Institute, 2007.
- 28. Impact of Migrant Labor Restrictions on the Agricultural Sector, American Farm Bureau Federation, February 2006.
- 29. Immigration raids leave Georgia town bereft, stunned, Russ Bynum, The Associated Press, September 16, 2006.
- 30. Backfire at the Boarder, Why Enforcement without Legalization Cannot Stop Illegal Immigration, Douglas S. Massey, Center for Trade Policy Studies, June 13, 2005.
- 31. Immigration defeat threatens N.C. crops, Kristin Collins and Barbara Barret.
- 32. Barnes Farming Corporation, Spring Hope, NC, letter to President Bush, March 9, 2007.
- 33. William H. Bryan, Mt. Olive Pickle Company, letter to Senator Elizabeth Dole, November 28, 2006.
- 34. National Roofing Contractors Association, Statement, May 10, 2007.

- 35. American Agriculture and Immigration Reform: An Industry Perspective, Presented to the USDA Agricultural Outlook Conference, March 1,2007, Craig J Regelbrugge, Senior Director of Government Relations American Nursery & Landscape Association and National Co-chair, Agriculture Coalition for Immigration Reform.
- 36. State and Local Assistance: A Force-Multiplier Immigration law Enforcement, Charles Smith, M.A., J.D.
- 37. Local Government Law Bulletin, Are Immigrants Eligible for Publicly Funded Benefits and Services? Jill Moore, May 2007.
- 38. North Carolina Minority Health Facts, Hispanics/Latinos, State Center for Health Statistics and Office of Minority Health and Health Disparities, December 2006.
- 39. Agriculture Coalition for Immigration Reform, ACIR Applauds Reintroduction of AG-Jobs, January 10, 2007.
- 40. About the Industry, American Nursery & Landscape Association (ANLA) Commends Bi-Partisan Introduction of Comprehensive Immigration Reform, March 23, 2007.
- 41. Agriculture Must Have a Legal Workforce, National Council of Agricultural Employers, April, 24, 2007.
- 42. Essential Worker Immigration Coalition, (EWIC) The Undeniable and Indispensable Contributions Undocumented Immigrants Make into the Social Security System.
- 43. The Impact of Immigration on a Local Economy: The Case of Dawson County, Nebraska, Orn Bodvarsson and Hendrik Van den Berg.
- 44. From citizens: Eileen Facciola, Sandra Crisp and Nick and Annette Kolack.

All emails available in the Legal Department.

## Addendum to Blue Ribbon Committee on Illegal Immigration Report

April 30, 2007

Tom Bridges, Henderson County Health Department, Director Sandy Morgan, Henderson County Social Services Department, Income Maintenance Administrator

May 7, 2007

Lindsay Howell, Pardee Hospital, Community Relations Keith Ford, Pardee Hospital, Clinical Social Worker

Jodi Grabowski, Park Ridge Hospital, Marketing and Business Development May 14, 2007

Stephen Paige, Henderson County School, Superintendent Susan Recktenwald, Henderson County Schools, English As A Second Language (ESL), Teacher

May 21, 2007

Nancy Bulow, Blue Ridge Community College, English for Speakers of Other Languages, Continuing Education, Spanish Teacher Rick Marshall, Blue Ridge Community College, Basic Skills Program, Director Sheryl Fortune, Western Carolina Community Action (WCCA), Housing

Choice Voucher Program (HCV)

May 30, 2007

Rick Davis, Henderson County Sheriff

Kim-Gasperson-Justice, Henderson County Clerk of Court

June 4, 2007

Cliff Ruth, North Carolina Cooperative Extension Service, Henderson County, Area Specialized Agent, Agriculture

Diane Dusharne, North Carolina Cooperative Extension Service, Henderson County, Area Specialized, Small Fruit and Vegetables

Denise Baker, North Carolina Cooperative Extension Service, Henderson County, Director

Terry Keating, North Carolina Employment Security Commission, Director June 11, 2007

Jimmy Cowan, North Carolina Farm Bureau, (I do not know his title) Mary Jane Pell, citizen

Carolina McGready, citizen, Latino Community, El Centro, Development Director

Daniel Benavides, citizen, Blue Ridge Health Services, Outreach Worker Robert McCarson, citizen, La Vos, Spanish Newspaper, Publisher June 18, 2007

Sam Laughter, Henderson County Inspections Department, Director Father John Salvos, citizen, Immaculate Conception Catholic church, Priest July 30, 2007

Bob Williford, Henderson County Chamber of Commerce, Director

## **ATTACHMENT 1**

# Board and Commission Members

### And Vacant Positions

# Blue Ribbon Committee on Illegal Immigration

Meeting Times:Positions:11Terms:Contact Person:Russ BurrellMeeting Place:Length:September,Contact Phone:828-698-4427

Description: To assess, determine and recommend the proper role and specific steps that the Henderson County BOC should take regarding the issue of illegal immigration. To analyse the impact on Henderson County, quantify HC legal standing in regards to affecting this impact and report responses

appropriate for Henderson County Government.

Rev. Mark Lee Hunnicutt Status: Special Representation: Faith Community

Work Phone: 692-1262
403 Rutledge Dr. Home Phone: 697-9808 First Appointed: 05/07/2007
Hendersonville NC 28739 FAX: Current Appointment: 05/07/2007

Gender: Male Expiration: 12/31/2007
E-mail: mark@mudcreekchurch.org Number of Terms: 1

Mr. Bert Lemkes Status: Special Representation: Business Community

Work Phone: 891-4116 ext. 4118 Member
2 272 Greenhouse Rd. Home Phone: 828-891-5747 First Appointed: 03/12/2007

272 Greenhouse Rd. Home Phone: 828-891-5747 First Appointed: 03/12/2007
Horse Shoe NC 28742 FAX: Current Appointment: 03/12/2007
Gender: Male Expiration:

E-mail: bertle@vanwingerden-intl.com Number of Terms: 1

Mr. Patrick Tapia Status: Special Representation: Latino/Hispanic

Work Phone: 693-1981 Advocate

505-B Brookside Camp Road Home Phone: 489-7322 First Appointed: 03/12/2007
Hendersonville NC 28792 FAX: Current Appointment: 03/12/2007

Gender: Male Expiration:
E-mail: patrick@elcentrohvl.org Number of Terms: 1

L-man. patrick@electrionvi.org rumber of ferms. 1

Captain Dan Summey
Status:
Work Phone: 329-6830
Special Representation: Local Law Enforcement
Enforcement

145 5th Ave. East Home Phone: 697-3030 First Appointed: 03/12/2007 Hendersonville NC 28792 FAX: Current Appointment: 03/12/2007

Gender: Male Expiration:

E-mail: dsummey@cityofhendersonville.org Number of Terms: 1

Mr. Daniel McConnell
Status:
Work Phone:
Special Representation: Agriculture

475 Old Dana Rd. Home Phone: 692-2819 First Appointed: 03/12/2007
Hendersonville NC 28792 FAX: Current Appointment: 03/12/2007
Gender: Male Expiration:

E-mail: mcconnellfarms@bellsouth.net Number of Terms: 1

Mr. Benny Corn Status: Special Representation: At Large

 93 Marley Drive
 Home Phone:
 828-692-1707
 First Appointed:
 03/12/2007

 Flat Rock NC 28731
 FAX:
 Current Appointment:
 03/12/2007

Gender: Male Expiration:
E-mail: Number of Terms: 1

Mr. Larry Ford Status: Special Representation: At Large

Work Phone: 489-2728

PO Box 6734 Home Phone: 698-5590 First Appointed: 03/12/2007

Hendersonville NC 28793 FAX: Current Appointment: 03/12/2007

endersonville NC 28793 FAX: Current Appointment: 03/12/2007 Gender: Male Expiration:

6

7

Member

# **Board and Commission Members**

### And Vacant Positions

# Blue Ribbon Committee on Illegal Immigration

Meeting Times:

Positions: 11

Contact Person:

Russ Burrell

Meeting Place:

Length: September, Contact Phone:

828-698-4427

Description:

8

9

10

11

To assess, determine and recommend the proper role and specific steps that the Henderson County BOC should take regarding the issue of illegal immigration. To analyse the impact on Henderson County, quantify HC legal standing in regards to affecting this impact and report responses

Terms:

appropriate for Henderson County Government.

Mr. Mike Scruggs

Mr. Juan Unda-Azua

Mr. Robert Heltman

245 Whistlewood Lane Hendersonville NC 28739

Status: Work Phone: 606-9533 Home Phone: 891-4779

FAX:

Gender: Male E-mail:

Number of Terms: 1 Special Representation: At Large

Special Representation: At Large

First Appointed: 03/12/2007

First Appointed: 03/21/2007

Current Appointment: 03/21/2007

Expiration:

Current Appointment: 03/12/2007

Expiration:

602 Kanuga Road Hendersonville NC 28792

Home Phone: 828-698-8892 FAX:

Work Phone: 828-692-4744

Gender: E-mail:

Status:

Status:

Work Phone: 697-6694 Home Phone: 692-9333 FAX: 698-0007 Gender: Male

E-mail: bobh@leadingedgepands.com

Special Representation: At Large

Number of Terms: 1

First Appointed: 03/21/2007 Current Appointment: 03/21/2007

Expiration: Number of Terms: 1

Ms. Marion DeLorenzo

227 Wooden Bridge Lane

Hendersonville NC 28739

PO Box 1087 Hendersonville NC 28793 Status:

Work Phone: 674-3939 Home Phone: 693-3838

FAX:

Gender: Female

E-mail: marion\_1@bellsouth.net

Special Representation: At Large

First Appointed: 03/21/2007 Current Appointment: 03/21/2007

Expiration: Number of Terms: 1

## **Henderson County**

BOARD OR COMMITTEE NAME: BLUE RIBBON COMMITTEE ON ILLEGAL IMMIGRATION

2007 ATTENDANCE ROSTER

	APR	APR	May	May	May	May	June	June	Tune	June	July	July
MEMBER	24	30	7	14	al	30	4	11	18	25	2	9
CORN, BENNY	~	V		/	~	~	V	~	/	~	~	~
DELORENZO, MARION	~	V	~	~	1	V	~	~	~	~	V	~
FORD, LARRY	~	X	V	X		-	-	~		~	_	X
HELTMAN, BOB	~	V	~	~	_	V			~	~		
LEMKES, BERT	~	V	~	/	/	~			~	~	~	/
MCCONNELL, DANIEL	~	~	-	~	/		/	/	~	~	~	
SCRUGGS, MIKE	x	х	V	X	X	X	V	~	~	~	~	-
SUMMEY, DAN CAPTAIN	~	/	~	X	~	X	V	~		~	V	~
TAPIA, PATRICK	~	/	~	~		X	X	-		1	-	X
UNDA-AZUA, JUAN	~	~		~		~	~		~	~	X	X
Hunnicutt, Mark				V	1	X	V	X	X	レ	V	~
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Submitted by: Onnie Balcock	to Deputy Clerk to Board of Commissioners
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**Date Submitted:** 

✓ = In attendance

x = Absent

## **Henderson County**

BOARD OR COMMITTEE NAME: BLUE RIBBON COMMITTEE ON ILLEGAL IMMIGRATION

2007	AT	TEN	MAC	ICE	ROS	TER
(YEAR)						

	July	July	July	Aug	T	T		T		T	T
MEMBER	16	23	30	le							
CORN, BENNY	V	~	X	V			1				
DELORENZO, MARION	1	V	V	1					<del> </del>	<del>                                     </del>	1
FORD, LARRY	×	V	1	1					_		1
HELTMAN, BOB	1	V	V	V					<b>†</b>		
LEMKES, BERT	X	~		1					1		_
MCCONNELL, DANIEL	V	V	V	V							
SCRUGGS, MIKE	V	~	~	~							
SUMMEY, DAN CAPTAIN	ン	~	V	~							
TAPIA, PATRICK	V	~		~							
UNDA-AZUA, JUAN	V	~	/								
Hunnicutt, Mark		X	X	V							
,											

Submitted by:		mnie B	abcock	to Deputy	Clerk to	Board of	Commissioners
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**Date Submitted:** 

y = In attendance

× = Absent

# Sources Reviewed by the Blue Ribbon Committee on Illegal Immigration Henderson County, NC 2007

# **Major Studies and Reports:**

- The Fiscal Cost of Low-Skill Immigrants to the U.S. Taxpayer, Heritage Foundation, May 21, 2007
- Hendersonville Tribune, article Oct 24, 2006 by Dick Baird on Illegals' costs in our county.
- The Economic Impact of the Hispanic Population on the State of North Carolina, Kasarda & Johnson, Jr. UNC's Kenan Institute, January 2006
- COMMENTS OF DR. JAMES S. HOLT TO THE CALÍFORNIA BOARD OF FOOD AND AGRICULTURE, APRIL 26, 2006 AT DEL MAR, CALIFORNIA.
- NORTH CAROLINA FARM LABOR FACTS (Compiled by Dr. James S. Holt, McGuiness, Norris & Williams, Washington, DC for the Agricultural Coalition for Immigration Reform (ACIR))
- "State and Local Assistance: A Force-Multiplier in Immigration Law Enforcement" by Charles Smith, M.S., J.D. Available via: The American Immigration Control Foundation, PO Box 525, Monterey, VA 24465 phone (540) 468 2022.
- Delgado/Kennedy study "The Economic Foundations of Immigration (The U.S. Experience).
- EXECUTIVE OFFICE OF THE PRESIDENT, COUNCIL OF ECONOMIC ADVISERS WASHINGTON, DC 20502 Immigration's Economic Impact June 20, 2007

## Books:

- 1. Heaven's Door: Immigration Policy and the American Economy by George J. Borjas
- 2. The Case Against Immigration: The Moral, Economic, Social, and Environmental Reasons for Reducing U.S. Immigration Back to Traditional Levels by Roy Howard Beck
- 3. Alien Nation: Common Sense About America's Immigration Disaster by Peter Brimelow
- 4. Americans No More by Georgie Anne Geyer
- 5. America Alone by Mark Steyn
- 6. State of Emergency by Patrick J. Buchanan
- 7. The New Americans by Michael Barone
- 8. The Truth About Muhammad by Robert Spencer

## Internet Web Sites, Articles, etc.:

www.numbersusa.com

Www.vdare.com/misc/o70416\_sheehy.htm (site deals with many issues)

Www.sierratimes.com/06/03/30/209 215 39 22 17230.htm (site covers many topics)

Www.townhall.com (many topics, look for those dealing with immigration)

Www.nationalreview.com (many topics)

Www.worldnetdaily.com/news/printer-friendly.asp?ARTICLE\_ID=Www.heritage.org (conservative think tank...look for specific studies, etc.)

Www.city-journal.com (look for specific topics...e.g., Heather MacDonald's birthrates study 1-21-07) www.kenan-flagler.unc.edu

www.theaction-club.com

www.ncagr.com/Stats/cntysumm/henderson.htm

www.ncagr.com/stats/casurcpt/cshcomyr.htm

www.ncagr.com/stats/cashrcpt/cshvfgyr.htm

http://pewhispanic.org

http://www.theactionclub.com/immigration.htm

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## Immigrations and Customs Enforcement (ICE) 287(g) Program Henderson County Overview

### Part I - Brief History

The Immigration and Nationality Act was amended in 1996 by The Illegal Immigration Reform and Immigration Responsibility Act, adding 287(g) to the Act. This section allows the Secretary of the Department of Homeland Security to enter into agreements with state and local law enforcement agencies. These agreements allow designated officers to perform immigration law enforcement functions under an MOU (Memorandum of Understanding). The MOU outlines the scope of authority and law enforcement activities, ICE supervision requirements and training requirements.

### Part II - Proposal

The Henderson County Sheriff's Office has formally submitted a letter of request to the Secretary of the Department of Homeland Security, asking for authority under the 287(g) Program to train officers within the Henderson County Detention Center, which will allow the enforcement of immigration laws on a local level. Initially the Sheriff's Office is requesting to have 8-10 officers within the Detention Center trained under the 287(g) Program, which will allow approximately 2 officers per shift. No extra personnel were requested for this program in the Fiscal Year 2007-2008 budget period.

As the program evolves the status of the available space and personnel needs to make this a successful effort will continually be examined by leadership, both in the Sheriff's Office and at the Henderson County Detention Center. It is the intention of Sheriff Rick Davis and budget management staff, both on the department level at the Sheriff's Office and at the county management level, to establish an enterprise fund to support the 287(g) Program. As revenue is generated from this program it will be moved into the enterprise fund for the future support of the program. It is the intention of the Henderson County Sheriff's Office, following the model of the Mecklenburg County Sheriff's Office, to have the 287(g) Program essentially self sufficient. While it is the goal of the Henderson County Sheriff's Office to have the 287(g) Program as a self supporting program over the long term, there might possibly be some expenses incurred to get the program off the ground. The Sheriff's Office respectfully requests that the Blue Ribbon Commission recommend to the Henderson County Board of Commissioners that they offer their support to this program and all necessary aspects to get it off the ground and running successfully. In the event that there are space needs or personnel needs that arise within the Detention Center due to the 287(g) Program, it is anticipated that these needs can be addressed through funding provided by the enterprise fund. This fund will be built up over time as more individuals are involved with this program. A daily rate of reimbursement will be negotiated between the Henderson County Sheriff's Office and the United States Marshall's Office.

The Detention Center personnel will undergo the four-week training program provided by the Department of Homeland Security and Immigrations and Customs Enforcement, which is specifically designed for correctional officers. This educational curriculum is intensive, the standards and testing requirements are set by the Office of Training and Development at the ICE Academy and the training is delivered by certified ICE officers. Course content includes, but is not limited to; nationality law, immigration law, criminal law, ICE operations, statutory authority, document examination, cross cultural communications, special status aliens, Department of Justice guidance regarding use of race and removal charges.

### Part III - Status

As stated in the above section (Part II), the Henderson County Sheriff's Office has formally submitted a letter of request to the Secretary of the Department of Homeland Security to participate in the 287(g) Program. Leadership within the Sheriff's Office and the Detention Center are currently completing a field survey, as part of a feasibility study, which is the next step in the official approval process. Personnel from the Sheriff's Office are working hard with members of the North Carolina Congressional Delegation to ensure the final approval of Henderson County's request to participate in this program. It is the hope of staff within the Sheriff's Office that the required number of Detention Officers will be trained and this program will be online at the Henderson County Detention Center by January 1, 2008.

### Part IV - Conclusion

After thorough research relating to the program, lengthy discussions with ICE staff and visits to the Mecklenburg County Detention Center it is the opinion of Sheriff Rick Davis that the 287(g) Program is the only option for local law enforcement agencies to manage the criminal element of the illegal alien population. This program, specifically the Detention Center portion, is designed to manage and to begin the deportation process on a local level for those illegal aliens involved with the criminal element of society. It is imperative to note that these individuals not only prey on members of society in general, but prey heavily on members of their own community that are fearful of making reports to local law enforcement. The 287(g) Program as proposed by the Henderson County Sheriff's Office will provide relief for all segments of the community and will help make Henderson County a safe place to live for all people. The Henderson County Sheriff's Office requests the support of this effort by the Blue Ribbon Commission.

If you have questions please contact:

Sheriff Rick Davis
Henderson County Sheriff's Office
(828) 694 – 2723
rdavis@hendersoncountync.org

Joe Johnson Director of Public Affairs Henderson County Sheriff's Office (828) 694 – 2718 jjohnson@hendersoncountync.org

July 15, 2007

Jesus Ramos, Unit Chief Immigration and Customs Enforcement 425 I St. N.W. Room 3040 Washington, D.C. 20536

RE: Immigration and Customs Enforcement (ICE) 287 (g) Program

Dear Jesus Ramos:

We are writing to urge the expedition of the 287 (g) application of the Henderson County, NC Sheriff's Department. Recognizing that a serious problem existed, the Henderson County Board of Commissioners appointed a committee of eleven residents to study the effects of illegal immigration. Our committee includes members from the Latino community, the agriculture industry, and other interested and informed citizens of our community.

Henderson County's economy is based largely on the agriculture, construction, healthcare and service industries. As you know, these are industries which attract a large number of immigrants, both legal and illegal.

Our committee heard several hours of testimony from these industries and others and deliberated very carefully before reaching our conclusions.

While we disagree on some issues and options we are united in our support for our Sheriff and his staff. We are also united in our determination to welcome and integrate legal immigrants while enforcing our local, state and federal laws regarding illegal immigration.

Upon hearing testimony, we agree with the Latino community that the "bad apples" paint an inaccurate picture of our Latino immigrant population.

After weeks of testimony and study, we strongly endorse the 287g application of Sheriff Rick Davis and the Henderson County Sheriff's Department. We also urge that this application process be expedited to the best of your ability.

Thank you very much for taking the opinion of this Commissioner appointed citizens committee under consideration.

Sincerely,

## **ATTACHMENT 5**



July 30, 2007

Mr. Robert Heltman, Chairman Henderson County Immigration Reform Task Force 100 N. King Street Hendersonville, NC 28702

Dear Bob:

The Henderson County Chamber of Commerce represents over 1,100 businesses in the Henderson County area. Immigration reform is an issue of concern to the organization due to its impact on workforce availability. The Chamber supports a comprehensive national approach to solving immigration reform and illegal immigration issues.

We support efforts to secure our borders and be informed of who is entering our country and for what purpose. We also feel that the workforce needs of our country must simultaneously be addressed. With many low wage, low skill jobs going unfilled in America there is a need to find people who are willing to occupy these positions. Currently, many are filled by legal (and arguably a large portion of illegal) immigrants. It is critical that any reform measures include solutions to these significant labor force needs.

The issue also should be dealt with at the Federal level. A hodgepodge of laws from community to community will not suffice. Federal laws that put all communities on a level playing field are the most desirable method of regulation.

We also oppose attempts to use onerous fines and additional levels of regulation on businesses as a method of control. Many businesses, especially small businesses, do not have the expertise or resources to act as federal program regulators.

We appreciate your efforts to build consensus on this issue. If we can be of assistance please do not hesitate call on either of us at The Chamber (692-1413).

Sincerely,

Carl Shaw Chairman

Carl E. Shan

Bob Williford President

### HEATH SHULER

11TH DISTRICT, NORTH CAROLINA

512 CANNON HOUSE OFFICE BUILDING WASHINGTON, DC 20515 PHONE (202) 225–6401 FAX (202) 226–6422

356 BILTMORE AVENUE, SUITE 400 ASHEVILLE, NC 28801 PHONE (828) 252–1651 FAX (828) 252–8734



# Congress of the United States

House of Representatives Washington, DC 20515—3311 DEPUTY AT-LARGE WHIP

#### COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

SUBCOMMITTEE ON HIGHWAYS AND TRANSIT

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

# COMMITTEE ON NATURAL RESOURCES

SUBCOMMITTEE ON NATIONAL PARKS, FORESTS, AND PUBLIC LANDS

## COMMITTEE ON SMALL BUSINESS

SUBCOMMITTEE ON RURAL AND URBAN ENTREPRENEURSHIP CHAIRMAN

May 1, 2007

Bob Heltman P.O. Box 545 Hendersonville, North Carolina 28793-0545

Dear Bob:

Thank you for contacting me with your thoughts on illegal immigration and American border security. I appreciate hearing from you. To do my job in Washington, I need your input on how this issue affects Western North Carolina.

We all understand that we must secure our nation's borders, and I am working tirelessly to do that. I believe that truly securing our borders will require a three-pronged approach. First, we must increase the number of Customs and Border Patrol agents and provide the necessary funding to properly train and equip them. Second, we need to invest heavily in infrastructure improvements to help our officers do their job more effectively. These improvements include all-weather roads, agent facilities, fencing in urban zones, and road barriers in remote zones. Third, we must improve our technological capabilities. Drones, infrared cameras, sensors, and mobile lighting units are critical tools our Border Patrol agents need to protect our country. I am confident that funding these measures will prevent drug traffickers, human smugglers, illegal aliens, and terrorists from unlawfully entering the United States.

Last year Congress authorized the construction of a border fence, and the President called for several thousand additional border agents. However, there was no funding appropriated to put these initiatives into action. These measures also failed to provide necessary resources for technology and infrastructure improvements. A partial solution to this growing problem is unacceptable. If we fail to stop the flood of illegal immigrants from entering our country, the effects will be devastating to working families across the country.

In the last five years, North Carolina has seen its illegal immigrant population more than triple -the largest increase in the United States. Our state now has the ninth largest illegal alien
population in the country and is quickly moving up the list. This illegal immigrant population is
costing North Carolina taxpayers an estimated \$997 million per year for emergency medical
care, education, and incarceration.

Solving our illegal immigration problem will require bipartisan support, and I am currently working with members of both parties to find that solution. We must streamline immigration procedures to enhance compliance with the law and bolster our enforcement of it. We must reject calls for amnesty, which would reward illegal behavior and provide an incentive for future law breaking. Several pieces of legislation are currently being considered by the House Judiciary and Homeland Security Committees to address illegal immigration. Please be assured that I will keep your thoughts in mind when I have an opportunity to act on this legislation.

Again, thank you for sharing your views about this important matter. Please check my website at http://shuler.house.gov/ for continued updates on my work, and do not hesitate to contact me again about those issues that are important to you.

It is an honor to serve you in the U.S. Congress.

Sincerely.

Rep. Heath Shuler

MEMBER OF CONGRESS

HS/ed

11th District, North Carolina

512 Cannon House Office Building Washington, DC 20515 Phone (202) 225–6401 Fax (202) 226–6422

356 BILTMORE AVENUE, SUITE 400 ASHEVILLE, NC 28801 PHONE (828) 252–1651 FAX (828) 252–8734



# Congress of the United States

# House of Representatives Washington, DC 20515—3311

DEPUTY AT-LARGE WHIP
COMMITTEE ON TRANSPORTATION

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE

SUBCOMMITTEE ON HIGHWAYS AND TRANSIT

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

COMMITTEE ON NATURAL RESOURCES

Subcommittee on National Parks, Forests, and Public Lands

COMMITTEE ON SMALL BUSINESS

Subcommittee on Rural and Urban Entrepreneurship Chairman

July 26, 2007

Mr. Bob Heitman PO Box 545 Hendersonville, North Carolina 28793-0545

Dear Mr. Heitman:

Thank you for contacting me with your thoughts on illegal immigration and American border security. I appreciate hearing from you. To do my job in Washington, I need your input on how this issue affects Western North Carolina.

We all understand that we must secure our nation's borders, and I am working tirelessly to do that. I believe that truly securing our borders will require a three-pronged approach. First, we must increase the number of Customs and Border Patrol agents and provide the necessary funding to properly train and equip them. Second, we need to invest heavily in infrastructure improvements to help our officers do their job more effectively. These improvements include all-weather roads, agent facilities, fencing in urban zones, and road barriers in remote zones. Third, we must improve our technological capabilities. Drones, infrared cameras, sensors, and mobile lighting units are critical tools our Border Patrol agents need to protect our country. I am confident that funding these measures will help prevent drug traffickers, human smugglers, illegal aliens, and terrorists from unlawfully entering the United States.

Last year Congress authorized the construction of a border fence, and the President called for several thousand additional border agents. However, there was little funding appropriated to put these initiatives into action. These measures also failed to provide necessary resources for technology and infrastructure improvements. A partial solution to this growing problem is unacceptable. If we fail to stop the flood of illegal immigrants from entering our country, the effects will be devastating to working families across the country.

In the last five years, North Carolina has seen its illegal immigrant population more than triple -- the largest increase in the United States. Our state now has the ninth largest illegal alien population in the country and is quickly moving up the list. This illegal immigrant population is costing North Carolina taxpayers an estimated \$997 million per year for emergency medical care, education, and incarceration.

Solving our illegal immigration problem will require bipartisan support. I am currently working with members of both parties, as well as the Immigration Reform Caucus, to find that solution.

We must streamline immigration procedures to enhance compliance with the law and bolster our enforcement of it. We must reject calls for amnesty, which would reward illegal behavior and provide an incentive for future law breaking. Several pieces of legislation are currently being considered by the House Judiciary and Homeland Security Committees to address illegal immigration. Please be assured that I will keep your thoughts in mind when I have an opportunity to act on this legislation.

Additionally, we must address our methods of admitting legal immigrants. While it is important that we maintain our country's traditional focus on reunifying families, we can not allow chain migration to overwhelm our nation's immigration system. Preference should be given only to immediate family members, not extended family members. We must also put emphasis on admitting immigrants based on their job skills, education, and proficiency in the English language. Currently, the United States operates a Visa Lottery program, which randomly grants permanent resident status to 50,000 foreign nationals each year. This program should be eliminated, as it is inefficient and a threat to national security. A merit-based system would provide more opportunities to immigrants who can meet the needs of the American workforce and make positive contributions to the economy. These issues must be addressed if we are to have truly effective immigration reform.

Again, thank you for sharing your views about this important matter. Please check my website at http://shuler.house.gov/ for continued updates on my work, and do not hesitate to contact me again about those issues that are important to you.

It is an honor to serve you in the U.S. Congress.

Sincerely,

Rep. Heath Shuler MEMBER OF CONGRESS

HS/rf

TO:

Board of Commissioners, Henderson County, North Carolina

William Moyer, Chairman Charlie Messer, Vice Chairman

Larry Young Mark Williams Chuck McGrady

**FROM** 

Mike Scruggs, Marion DeLorenzo, Larry Ford, and Benny Corn Henderson County Blue Ribbon Committee on Illegal Immigration

SUBJECT:

Additional Comments and Information on Various Issues

DATE:

August 10, 2007

The Henderson County Blue Ribbon Commission on Illegal Immigration closed its final business meeting on April 6, 2007. Although there was mutual agreement on many of the final recommendations of the Committee (which we appreciate), there was contention on many others. Because the final report of the Committee did not resolve some issues that could prove injurious to the public good and costly to county taxpayers, we still have a number of serious concerns.

Consequently, we are submitting the attached supplemental comments, educational materials, and recommendations for your review and edification.

Many of the views reflected here may be a minority on the Committee, but we are confident that they are more representative of the citizens, taxpayers, and voters of Henderson County.

Respectfully submitted,

Mike Scruggs

Also signing per the direction of:

Marion DeLorenzo

Larry Ford Benny Corn

Copies:

✓ Connie Babcock

Steve Wyatt, County Manager

Bob Heltman

TO: Board of Commissioners, Henderson County, North Carolina

SUBJECT: Henderson County Blue Ribbon Committee on Illegal Immigration

Post Committee Minority Report submitted by:

Mike Scruggs, Marion DeLorenzo, Larry Ford, and Benny Corn

**DATE:** August 10, 2007

The Henderson County Blue Ribbon Commission on Illegal Immigration closed its final business meeting on August 7, 2007. Although there was mutual agreement on many of the final recommendations of the Committee (which we appreciate), there was contention on many others. Because the final report of the Committee did not resolve some issues that could prove injurious to the public good and costly to county taxpayers, we still have a number of serious concerns.

### **Summary of Concerns**

The overall Committee of eleven was not representative of Henderson County citizens and taxpayers. Commercial and ethnic advocacy interests with a vested stake in the continuation of weak internal enforcement of immigration laws were disproportionately represented. Holding the meetings during the workday also made it difficult for interested members of the taxpaying general public to attend. While we can sympathize with the plight of businesses that have become dependent on (or addicted to) illegal immigrant labor, the status quo—doing nothing to halt or reduce illegal immigration—is not acceptable. In addition, we regard many of the "findings" of the Committee to be questionable and unsubstantiated. Furthermore, the overall language of the majority report including its "preamble" and many of its findings—despite their claim of opposing illegal immigration—are slanted toward a view that illegal immigration is essential to the community and should be tolerated. Several proposals actually aimed at facilitating a climate of illegal immigrant sanctuary in violation of North Carolina and Federal laws. There is a grave danger that such accommodative language or actions would encourage more illegal immigration to the county, further burdening the county schools, healthcare facilities, and taxpayers with substantial fiscal costs and endangering public health and safety.

### **Summary of Conclusions**

We agree with the majority that that the work of the Committee was enormously hampered by Federal Law and Administrative Guidelines prohibiting inquiry into the legal status of any individual. This is also undoubtedly a severe disadvantage in enforcing immigration laws.

We estimate the illegal immigrant population of Henderson County to be about 11,000 or 11 percent of its 100,000 population. This figure is based on studies by the Pew Hispanic Center and local estimates. According to the Pew Hispanic Center the vast majority of immigrants to North Carolina since 2000 have been Latinos from Mexico and Central America of whom well over 80 percent are "undocumented." Our estimate of the illegal population is based on estimates of the Latino population and the percentage of those

here illegally. In the 2006-7 calendar year for Henderson County public school grades K-12, a mandated statistical profile identified 12.6 percent as Spanish-speaking. This has more than doubled since 1999 and is compounding at a rate slightly in excess of 13 percent annually. Furthermore, the number of Spanish-speaking students appears higher in the lower grades and is moving up through the grade ladder. In addition, Mike Scruggs did a survey at Wal-mart in August 2005 over a period of five days at different hours indicating 18.2 percent of a 500 person sample were Latino. This figure he evaluates as probably high due to Latino shopping preferences, the location of Wal-mart and the season. We estimate that the Latino population of the county is approximately 13 percent, but the range is probably between 8 and 18 percent. Our construction industry presenter offered what we thought was the most accurate estimate of the percentage of illegals among Latino workers in that industry. Judging from Social Security feedback on invalid social security numbers given for employment purposes, approximately 85 percent of Latinos in the county are here illegally. This could be higher. Using the 13 percent estimate for the Latino population and 85 percent as the percentage of illegals in a population of 100,000, we arrived at the estimate of 11,000 illegal immigrants in Henderson County.

The Bear Stearns report in the appendix explains why official government estimates tend to be much lower than reality. For one thing, illegal immigrants are reluctant to fill out government questionnaires. Less than one percent of registered voters in Henderson County are self-identified as Hispanic. This indicates an enormous and alarming increase in the illegal immigrant population over the last ten years.

Based on these figures we estimate the present annual fiscal cost of illegal immigration in the county at a net of slightly over \$11 million per year. The education costs, using only a 70 percent estimate for illegals among Spanish-speaking students in the school, run over \$7 million per year in county and state (it's our money) costs. This is based on 1126 students here as a result of illegal immigration times \$6,358 per student, of which \$1,353 is in the Henderson County budget. No allowance was made for any increased expenses for dual-language students. This may be a very conservative assumption. Public schools have no choice but to take any student. The only way to reduce the cost of illegal immigration to schools is to reduce the amount of illegal immigration to the county.

If the pace of illegal immigration to Henderson County is sustained, the state and county education costs alone could be nearly \$17 million annually by 2013.

Illegal immigrants impact healthcare costs for local governments in several ways. Because illegal immigrants frequently use emergency medical care as a benefit and do not pay, such costs are soaring in every community impacted by high levels of illegal immigration. According to EMTALA laws (See appendix) no one may be refused emergency medical care, even treating small children for colds, etc. Pregnant illegal immigrant females are also eligible for pre-natal care at clinics. This is paid for by Medicaid. The baby is then covered by Medicaid for one year. This is an attractive opportunity for illegal immigrants, but the costs to U.S. taxpayers is high. In addition, because of Federal Laws that make it difficult to enquire about legal status, many illegal

immigrants take advantage of other medical and welfare programs prohibited to them. The level of enforcement against these violations is very low. We estimate the annual cost of healthcare related to illegal immigration in the county is nearly \$3.7 million annually.

One danger to the community is that many local hospitals and emergency rooms in high immigration impact areas have had to close because of soaring emergency room costs. This would be a disaster for Henderson County, and we believe Pardee Hospital has a high exposure to this risk because of illegal immigration.

Another healthcare risk to Henderson County residents posed by the high level of illegal immigration is tuberculosis. Local clinics are finding TB among new immigrant arrivals to Henderson County. Since legal immigrants are tested for TB before entering the U.S., a positive TB test indicates a high probability of illegal status.

Law enforcement costs due to illegal immigration are estimated at nearly \$1.5 million. But law enforcement costs do not measure the cost of crime or serious or fatal accidents caused by illegal DUI drivers. The Henderson County Sheriff's Department has indicated that DUI and driving without a license violations are particularly common among younger illegal immigrants. An even more serious problem associated with illegal immigration in the county is drugs, especially a growing methamphetamine traffic rooted in Mexico. The potential cost of these crimes far exceed the law enforcement costs cited here.

It is also important to point out that illegal immigrants are not just guilty of violating our borders or visa permits. There is widespread identity theft and creation of fraudulent documents. These are serious crimes.

We believe that a sudden departure of all illegal immigrants from Henderson County is highly improbable, but it would cause a short to intermediate term financial crisis for their employers and would have further impact in the community as well. We do not believe, however, that illegal immigration should be tolerated. Employers and community leaders must work to reduce it. These employers must realize that county taxpayers are in effect subsidizing their use of cheap foreign labor by funding increases in education, healthcare, and law enforcement costs.

### RECOMMENDATIONS

Many of these recommendations are among those mutually agreed to by the entire Committee but are repeated here to emphasize the priority of enforcement actions.

1. The first priority is for the County to support Sheriff Davis in his efforts to implement the Federal 287g program allowing local officers to establish the immigration status of criminals and assist the Federal Government in enforcing pertinent U.S. immigration laws. This should be implemented as soon as possible.

- Delay might be the cause of loss of property, serious injury, or even loss of life due to crimes that could have been prevented by early implementation of 287g.
- 2. Henderson County should set the example for all employers in the county by taking what means are available to screen for illegal immigrant work applicants. All units of county government should begin using the free federal Employment Eligibility Verification Program (EEV also known as the Basic Pilot Program) as soon as possible. This should apply to all Henderson County agencies, Pardee Hospital, and its branches and clinics.
- 3. Encourage EEV Program use by all Henderson County employers as soon as possible.
- 4. Pardee Hospital should use the SAVE system to check the legal eligibility for those applying for Public Benefits. In addition, Pardee Hospital should be encouraged to keep a record of non-reimbursed Emergency Medical and clinic expenses more than 90 days overdue. These should be checked on the SAVE system for legal eligibility of Public Benefits and with Social Security to identify fraudulent or stolen social security numbers. Indications of social security card fraud or theft or illegal use of Public Benefits should be communicated to local law enforcement and proper national authorities.
- 5. Establish a long-range planning committee consisting of qualified County employees to determine the impact of immigration on Henderson County schools, infrastructure, budgets, and taxes.
- 6. It is very important for the County to send an unequivocal message to the public, employers, and the media that it does not welcome illegal immigration for any purpose, nor does it condone the employment of illegal immigrants for any purpose. It should be the duty of the County Commissioners to see that all activities to prevent illegal immigration and to lessen its risk and costs to the County are coordinated and reviewed quarterly by the County Manager. The County Manager should report a summary of all data and findings to the Commissioners at least once quarterly
- 7. Despite the burden on some sectors of the County economy and some employers, the County must seek to phase out the employment of illegal immigration within three to five years. As a Guideline for this strategy I would recommend reading the Center for Immigration Studies Backgrounder: *Downsizing Illegal Immigration—a Strategy of Attrition Through Enforcement*, by Mark Krikorian, Dated May 2005. This is included in the appendix.
- 8. It is important that County Commissioners make decisions on the issue of illegal Immigration based on an informed knowledge of the dynamics and economics of immigration in the United States. The best understanding may be gained by two books in particular:

George J. Borjas; *Heaven's Door: Immigration Policy and the American Economy*, Harvard University Press 1999. A collection of several pages of Borjas quotes is included in the appendix.

Peter Brimelow; *Alien Nation: Common Sense about America's Immigration Disaster*, Random House, 1996.

9. Any future committees on illegal immigration or immigration reform appointed by the Board of Commissioners should consist only of U.S. citizens registered to vote in Henderson County.

The attached appendices contain further documentation, discussion, and useful information on the issues addressed here.

Mike Scruggs Marion DeLorenzo Larry Ford Benny Corn

### **APPENDICES**

- Immigration Issues Discussion:
  - Job Displacement—Unemployment/Employment Measurements Wage Impact—national and local
  - Economic Cost/Benefits—Valid and Invalid Analytical Techniques
- Understanding America's Immigration Crisis
- Why Reports on Illegal Immigration Differ
- Article: UNC Study Misleads Public on Impact of Illegal Immigration
- Henderson County Public Schools Statistical Profile
- Henderson County, NC Estimated Fiscal Costs of Illegal Immigration
- Henderson County, NC, Net cost and benefits of illegal immigration
- Educational Overview of Issues—Selected quotations by George J. Borjas
- Bear Stearns Report 2005
- Problems with Guest-worker Programs
- Center for Immigration Studies: Job Data Should Give Pause to Immigration Advocates.
- Center for Immigration Studies: Job Data, Dropping Out
- Center for Immigration Studies: Impact of Immigration on Young Native-born Workers.
- Rubenstein, American Worker Displacement August 2007
- Rubenstein, National Data, February 2006
- Crime and the Illegal Alien-Excerpts, Sanctuary Impact, Heather MacDonald, 2004
- EMTALA—Healthcare Giveaway to Immigrants, Rubenstein.
- Healthcare, Federation for American Immigration Reform, February 2004
- Pew Hispanic Center: The Latino South—Executive Summary
- Oklahoma Immigration Reform Bill—passed August 7, 2007.

### **ISSUES**

### 1. American and Legal Immigrant Job Displacement Due to Illegal

**Immigration**. Numerous studies by the Center for Immigration Studies and other research organizations show that American workers and legal immigrants are being displaced by illegal workers. For example, according to a CIS report issued in February 2005, about 2.3 million workers had been displaced during the years from 2000 and 2004. More recent reports indicate this displacement is continuing, despite an official unemployment rate of 4.6 percent.

It would seem to most people unfamiliar with employment statistics that a 4.6 percent unemployment rate would indicate that few if any Americans were being displaced by excess immigration, but that would be a precarious assumption.

The percentage employed of the total work force is a better measurement of the labor market. Unfortunately, this statistic indicates considerable job displacement of American workers due to excess, especially illegal, immigration.

In addition, the unemployment rate only measures those people who are actively seeking a job and have signed up with government employment agencies. The potential labor pool is far larger than the government reports because many people are not recorded as being in the job market for the following reasons:

- They were laid off and have run out of unemployment benefits.
- They failed to find a job for so long that they gave up.
- They are disabled and find it very difficult to find a suitable job.
- They stopped work because of illness, injury, or pregnancy and lack incentive to return to the job market.
- Many middle class workers consider being on unemployment a social stigma.
- Many of those formerly employed have dropped to only part-time or casual work due to lack of opportunities for pay levels corresponding to their former position.

Another more accurate indication of the labor market than the unemployment rate is whether wages are rising or falling. Although the advocates of more immigration are constantly crying that there is a labor shortage, falling real wages in the U.S. belie that claim. According to a recent article by Paul Craig Roberts, former Reagan Assistant Treasury Secretary, real (after inflation) wages for the Average American have declined in the last five years.

Labor supply and demand are always related to wages. Falling wages do not indicate a labor shortage! During the Committee hearings we frequently heard claims of a labor shortage, but this is meaningless unless it is related to wage levels.

Many on the Committee were certain that Henderson County's relatively low unemployment rate proved that there are no employment problems in the county, only a labor shortage. There are two things wrong with that assumption: First, Henderson County is not an island. The relevant unemployment rate encompasses the surrounding counties. Second, there may be serious unemployment in some job categories in an area that are masked by a better overall picture. National studies indicate high levels of unemployment in many job categories among American workers living in regions heavily impacted by illegal immigrants competing in those job categories.

Anecdotal evidence indicates that numerous construction sub-contractors in Henderson County are being harmed by having to compete with a low-wage illegal immigrant workforce: bricklaying, framing, concreting, dry-walling, roofing, etc. This has not been fully investigated. Such changes take place over a period of several years rather than suddenly.

The majority members of the committee are making a precarious assumption in stating that illegal immigration has not had a negative impact on Henderson County employment.

2. Impact of Illegal Immigration on Henderson County Wages. National studies by Harvard Economist George J. Borjas indicated that excess, especially illegal immigration, has depressed American wages about 5 percent from 1980 to 2000. This amounts to \$1700 per year per American worker. A 2005 study by the Bear Stearns investment firm confirmed this. In fact, the Bear Stearns study implies considerably more depression in American wages from 2000 to 2005. I have attached as appendices several pages of quotes from Borjas' book, *Heaven's Door: Immigration Policy and the American Economy* and the introductory pages of the now famous 2005 Bear Stearns study.

The committee majority are incredulous that the wages of American workers in Henderson County are being impacted by illegal immigration, but they offer only anecdotal opinions to refute it. Again, Henderson County is not an island, and the wages of Henderson County workers are probably being impacted. Determining this would take further study.

It does appear that agricultural wages for illegal immigrants are going up because the immigrants are leaving agriculture and taking up construction jobs in the county. The committee received an excellent report from the local construction industry indicating that there were about 2000 immigrants in that industry in Henderson County. Judging from social security number rejects, about 85 percent of them are illegal.

3. The Net Benefits of Illegal Immigration to Henderson County. The committee majority has tried very hard to prove that illegal immigration is beneficial to the county, or at least that losing its illegal immigrants would be a catastrophe. There

is no doubt that a sudden departure of all the illegal immigrants would have a negative impact on agri-business and some other industries. Although such an event is very unlikely to happen suddenly, they have tried to justify the illegal workforce as if such a sudden loss were the correct measure of their value to the community. The reality is that the illegal workforce displaced American workers in the jobs in question. Thus they do not qualify as new jobs having a multiplier effect on the economy. National multipliers are not appropriate in any case. Even if they were new jobs, only a fraction of the impact would be in Henderson County. The majority is stretching for blue sky in trying to present the illegal immigrants in the county as an economic benefit. Not only is their analytic method severely flawed, it seems inappropriate to justify the displacement of American workers by illegal immigrants. It is clear, however, that illegal immigrants result in a net fiscal cost of well over \$11 million dollars per year. The met fiscal deficit to the county budget is the issue that the County Commission must face. That negative fiscal impact is growing. To ignore it would be irresponsible.

## UNDERSTANDING AMERICA'S IMMIGRATION CRISIS

October 7, 2006 Mike Scruggs

- There are an estimated 12 million illegal immigrants residing in the U. S. Bear Stearns investment company estimates the number may be as high as 20 million.
- For the last ten years the net increase in illegal immigrants has been 500 to 800 thousand each year. In 2005 it may have been as high as one million.
- In addition to illegal immigration, more than 380 thousand babies are born in the U.S. every year to illegal immigrant parents. Under the present interpretation of the 14<sup>th</sup> Amendment they are granted automatic citizenship. This effectively grants many social welfare benefits to their parents.
- The Southeastern states of North Carolina, Georgia, and Tennessee are experiencing the largest percentage increases in illegal immigration.
- Illegal immigrants do not just take "jobs Americans don't want." They are displacing non-immigrant and even legal immigrant American workers at a rate of at least 64 American and legal immigrant workers for every 100 new immigrant (mostly illegal) workers.
- According to numerous studies, competition from cheap illegal immigrant labor has significantly depressed American wage levels. The 2005 report by Bear Stearns estimated that wages for American and legal immigrant workers have been depressed by 4-6% since 2000. According to my calculations using Bureau of Labor Statistics this amounts to \$1600 per year per worker. The least educated and less skilled American workers are hurt the most, suffering wage losses of more than 8% during that time, but middle class, experienced workers are also being impacted.
- Total direct costs of illegal immigration for federal, state, and local governments are estimated to between \$70 billion and \$108 billion dollars after net economic benefits and taxes from illegal immigrants.
- The annual cost of educating the 3.5 million children of illegal immigrants is over \$28 billion. That cost in North Carolina is \$771 million per year.
- Billions of dollars in healthcare for illegal immigrants are largely paid for by U. S. taxpayers. This was approximately \$299 million in North Carolina alone in 2004 and continues to grow.
- The U. S. and especially Southeastern states are experiencing increased crime levels and law enforcement costs because of illegal immigration. Estimated crime rates of illegal immigrants is at least three times the national average. It is nearly six times the national average in drug crimes. In 2003 there were over 267 thousand illegal aliens in U.S. prisons and jails. Illegal immigration also imposes health risks on Americans and legal immigrants.
- Many political leaders are calling for increased taxes to cover these enormous costs, yet the public is not aware that illegal immigration is the underlying cause.
- National Security is endangered by illegal immigration.
- "Cheap" labor is not really so cheap. Businesses that hire illegal immigrants are essentially enjoying an indirect subsidy at the expense of taxpayers, especially at the state and local level.

- A large part of the illegal immigration problem would disappear if federal, state, and local governments simply enforced already existing immigration, labor, and welfare laws.
- THE COLOSSAL DANGER OF AMNESTY SOLUTIONS. The U.S. has granted seven immigration amnesties since 1986. Amnesties, by whatever euphemism or gimmick, beget more amnesties and encourage even greater levels of illegal immigration. Senator Sessions (R, AL), a member of the Senate Judiciary Committee, speaking in opposition to the Kennedy-McCain "immigration reform" bill, estimated that the amnesty provisions (for 12 million illegal immigrants) contained in that bill would bring another 30 million immigrants in a ten year period. The so-called compromise bill (a transparent ruse to everyone but the mainstream media) would have the same impact, only a bit delayed. Of course, if the Bear Stearns estimate is closer to the truth, the number could be as high as 50 million. As a general rule of thumb amnesties have drawn two to three additional illegal immigrants for each individual amnesty. These numbers could have near nation destroying economic, social, fiscal, political, and environmental impacts.
- **GUEST-WORKER PROGRAMS.** The 1997 Commission on Immigration Reform recommended strongly against guest-worker programs as a solution to illegal immigration. Studying past experience with such temporary worker programs, the Commission found that they actually created more illegal immigrations and were rife with fraud and corruption. They displaced American workers and depressed their wage levels, especially the poor and less educated. and created significant tax burdens on impacted communities. They were essentially a taxpayer paid subsidy to employers. They also found them difficult to control or stop. (Who ever heard of a government program that was difficult to control or end!) A recent report by the Government Accountability Office (GAO) indicated that the Homeland Security agencies that would be responsible for a guest-worker program are not presently capable of administering such a program effectively. The Department of Homeland Security will not have an anti-fraud program in place until 2011. There is currently some danger of a guest-worker program being used as a ruse for amnesty or a legalized means of supplying businesses with an endless and unquestioned flow of cheap foreign labor.
- Border security is an important priority but would be no more than eye-wash
  unless sanctions against employers hiring illegal aliens are enforced. The sad fact
  is that such enforcement has declined dramatically in the last five years.
- Nearly 45% of illegal aliens come to the U.S. on legal visas and disappear into the American population, violating the terms their visa and failing to return to their home. This is just one reason shy guest-worker programs generate substantial illegal immigration.
- Illegal Mexican immigrants send \$45 billion dollars per year back to Mexico.
- The magnet that is drawing illegal immigration is jobs. Seven amnesties and failure to enforce our immigration laws, especially at the employer level, have combined to create the enormous tidal wave of immigration the U.S. has experienced in the last ten years, and especially the last five years.

- The choice between amnesty and mass deportation is a false dilemma. Enforcing sanctions against employers hiring illegal immigrants will dry up the vast majority of new illegal immigrants and cause the illegal immigrants now here to go home at their own expense. This strategy of gradual attrition would avoid the enormous dangers of amnesty and give both employers and illegal immigrants some time to adjust. In any case, since we are not presently prepared to enforce immigration laws at the employer level, implementation must be gradual. That should be mercy enough for corporate law-breakers and the vast majority of illegal immigrants.
- Crossing the border illegally or violating the terms of temporary visas are not the only infractions of U.S. Immigration Law by illegal immigrants. Forgery and false documentation of drivers' licenses and social security numbers are involved as well as massive tax evasion. Bear Stearns estimates that 4.5 million illegal immigrant workers report no income and pay no taxes.
- The level of immigration the U.S. is now experiencing, especially illegal immigration, is a serious national crisis. We are already a nation of 297 million people. We cannot take new immigrants just because they want a better job. Giving millions amnesty on the basis of anecdotal hardship cases would be irresponsible in the extreme, especially considering that it would magnify the pain already inflicted on a far greater number of Americans and legal immigrants. A nation of 297million cannot base its immigration policies on sentimental slogans. It may be true that we are a nation of immigrants, but that truth is not a responsible immigration policy for 2006. Immigration is dangerously out of control, and it must be fixed. Any large amnesty, direct or slight of hand, would make it unfixable. Anything more than a small, experimental guest-worker program would most likely continue all the problems of illegal immigration and create huge new problems.
- Congress needs to reduce legal immigration to a level that does not harm American workers and American communities and does create a Pandora's Box of assimilation problems. It must eliminate illegal immigration.

These statistics and estimates are based on data and studies from the Center for Immigration Studies, the Federation of Americans for Immigration Reform, ESR Economics Research Consultants, the Northeastern University Department of Labor Economics, the Pew Hispanic Center, and the investment firm of Bear Stearns,

#### The Best Internet Website on Immigration

Center for Immigration Studies

www.cis.org

#### WHY REPORTS ON ILLEGAL IMMIGRATION DIFFER

Mike Scruggs

The BRC on illegal immigration has noted the differing results on the benefits and costs of immigration and illegal immigration.

First of all, there is a great deal of difference between legal immigrants as a group and illegal immigrants as a group. Legal immigrants are group that at least to some extent has been selectively screened for good citizenship. They are also self-selected for positive motivations and their attitude toward law. Illegal immigrants are, however, self-selected law-breakers. They have determined not only to violate U.S. immigration laws, but are usually involved in fraudulent documentations.

Net-net, legal immigrants are much better bets to be good citizens than illegal immigrants.

Studies on illegal immigrants are faced with a serious obstacle. Federal laws make it difficult to identify illegal immigrants, and illegal immigrants do not volunteer to fill out paperwork that might expose them as illegal immigrants. Hence it is rare to have a study that can directly establish the net benefits and costs of illegal immigration.

Various studies use some substitute population for studying the impact of illegal immigration.

One frequent substitute that gives very skewed results is to use U.S. census records that distinguish foreign born residents from native born residents. This makes illegal immigrants look much better than the actual case. Also the data may consist of relatively few illegal immigrants.

Another substitute is to use Hispanics, since they are the largest group of illegal immigrants. This, too, is less than satisfactory, because it usually consists mostly of legal Hispanics. Thus it makes the illegal immigrants look better than they are. It also makes legal Hispanics looks worse by including illegals in the sample.

Another substitute is to use citizens and legal immigrants who fall into the same economic demographics as the illegal population. For example, since illegal immigrants tend to be less educated, a sample of Americans with similarly low education is used. This is by no means perfect, but it gives data that is probably not outrageously distorted. The recent Heritage Foundation Report evaluating the fiscal costs of illegal immigration used this technique.

Selecting the costs to be measured has an important impact. A frequent serious error is to omit important cost and benefit factors. Also, the benefit factors are hard to measure and much less reliable than just analyzing fiscal costs. Analytical techniques and errors also impact results—sometimes tremendously.

oughly a year ago, the Frank Hawkins Kenan Institute of Private Enterprise, part of the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill, released a study on "The Economic Impact of

\$102 number was so bogus that UNC needs to do what it did in 2003 when it was determined that a "UNC scientist falsified data for journals," they need to tell the authors to issue a retraction or retitle the study.

A more accurate title for the study would be: "The Economic Impact of Hispanic Immigration on Three Items in the State Budget That Don't Begin to Capture the Cost to North Carolina Tax-

# UNC Study MISLEADS PUBLIC On Impact Of Illegal Immigrants

The UNC study
was suggested by
the Consulate of
Mexico in Raleigh
and the Chairman of
the North Carolina
Hispanic Chamber
of Commerce, and
funded by the North
Carolina Bankers
Association.

the Hispanic Population on the State of North Carolina." Since that time, the study has been widely quoted, usually in a misleading manner.

Of course, the very first news release from UNC carried the headline: "North Carolina's Hispanic immigrants contribute more than \$9 billion to economy, cost state budget net \$102 per Hispanic resident, new study shows." While that statement is completely untrue, the misrepresentation was soon exaggerated even further.

The reference to the state budget quickly disappeared, and Dr. James H. Johnson, Jr., one of the study's authors, characterized the study as showing "... the Hispanic population in 2004 had an economic impact of about \$9.3 billion on our economy and when we look at the cost to the state it is about \$61 million or about \$102 per Hispanic resident in the state. When you factor in the \$9.3 billion in economic impact based on their consumer spending, we found that the Hispanics contribute far more to the state's economy than they cost us."

The message of a net cost to the state of "about \$102 per Hispanic resident" and an overall positive benefit was repeated again and again by the proponents of illegal immigration. The payers of Hispanic Immigration Offset By Imaginary Numbers, Including An Arbitrary Multiplier Effect and Local Taxes That Are Not Available for Offset Because They Pay for Expenses that are Not Included," but that might not be as useful for misleading the public.

Occasionally the North Carolina Bankers Association has been named as the source of funding for the study, but the study document admits that the idea for the study and the selection of the people to do the study did not come from the Bankers Association. When Dr. Johnson said, "we think and we found that the Hispanics contribute far more to the state's economy than they cost us," it sounds like he had an opinion before he conducted the study, and he found what the people who picked him to do the study wanted to find.

Since the Consulate of Mexico in Raleigh and the Chairman of the North Carolina Hispanic Chamber of Commerce picked the study's authors before they approached the Bankers Association to ask for funding, some might think the study results are hardly surprising. Clearly, the Mexican Consul and the Hispanic Chamber of Commerce would have a vested interest in persuading the public and business community at-large of the importance of the Hispanic community and minimizing the cost of illegal Hispanic immigrants.

When Nolo Martinez, who served as an advisor to former Governor Jim Hunt on immigration issues and serves as a senior policy advisor to El Pueblo (a non-profit statewide advocacy and policy group dedicated to strengthening the Latino community), told the Montgomery County Commissioners: "The latest research from 2004 showed that immigrants in North Carolina contributed over \$755.5 million in taxes ... (and) the net cost to the state was over \$61 million annually, or about \$102 per immigrant," he was making an untrue statement. When he predicted that North

Fern Shubert Former N.C. State Senator

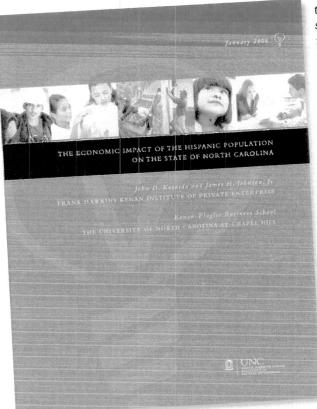
Carolina may "become the Hispanic capital of the eastern United States," he could be right. Clearly, by using the study to minimize the true costs of illegal immigration, he is helping achieve that goal.

Few would question the positive contributions that legal Hispanic immigrants are having on our state and country. But, by failing to distinguish between legal and illegal immigrants, the study uses the positive benefits of legal immigration to offset the astounding cost of illegal immigration. Unfortunately, the only way the authors could even come close to showing a positive net benefit from Hispanic immigration when illegal immigrants were included was to ignore certain basic facts and mix apples and oranges.

If the Bankers Association paid for a serious academic study on "The Economic Impact of the Hispanic Population on the State of North Carolina," they should demand a refund.

That may sound harsh, but the study's authors were made aware of the following deficiencies shortly after the study was released. It is hard to imagine they were unaware of them before the study was released. Even if we accept their decision to ignore any cost/benefit differences between legal and illegal Hispanic immigrants, the study is still fatally flawed. The most obvious flaw is that no matter how you define "State of North Carolina," the study does not accomplish what it claims to accomplish.

Most people think the study measures the economic impact of Hispanic immigration on the people of North Carolina, but it does not. Some may think it measures the impact in terms of the cost to North Carolina taxpayers, but it does not. Some



If the Bankers Association paid for a serious academic study on "The Economic Impact of the Historic Population on the State of North Carolina," they should ask for a refund.

think it measures the cost to the state budget, but it does not. If you read the study, it claims to determine the "net cost" while limiting cost to only three items in the state budget, but it doesn't even do that.

#### Education

As a former chairman of the House Education Committee, I was shocked by the education cost numbers in the study. Since the study shows that Hispanic enrollment was 101,380 in 2004, I knew there was no way the cost of educating Hispanic students could be just \$466,847,000, the cost used in the study, or less than \$5,000 per student, when the average per pupil cost per public school student in North Carolina in 2004 was more than \$7,000, excluding construction costs.

The study stated that Hispanics "are not nearly as well educated as non-Hispanics"

and "poverty rates are much higher among Hispanics." These two factors, alone, indicate that Hispanic students would cost more to educate than the state average cost, even ignoring language barriers. Yet the study simply used the percent of Hispanic students in the total K-12 student population applied to what it called the total cost. without recognizing that such an approach clearly understated the cost.

The study also found that "Hispanic students accounted for 57 percent of the total growth in the North Carolina Public Schools," yet, there is no way the study's cost numbers could possibly include construction costs, which were close to \$1 billion in 2004.

In frustration, I contacted the study's authors and asked where they found their cost numbers. They directed me to the Post-Legislative Budget Summary 2004-2005, published by the Office of State Budget and Management. Checking the summary revealed that the authors intentionally ignored costs paid by North Carolina taxpayers through federal and local taxes, even though those numbers were readily available in the same chart.

The study did not include state educational costs attributable to Hispanic students that were not directly reflected in the K-12 budget, such as costs to the community colleges and universities, and the amazing impact of the influx of non-English speaking students who require more resources than

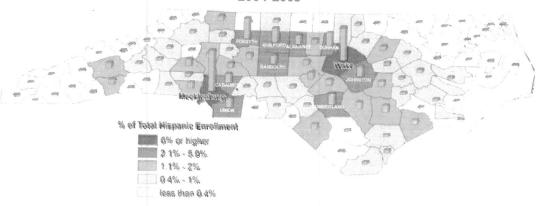
English speaking students. Those costs were clearly economic impacts affecting the state and the state budget, yet, they were ignored. In other words, the education cost numbers are not even close to the true costs of providing educational services to Hispanic students, and no serious attempt was made to approximate the true cost of providing educational services to Hispanic students.

That revelation caused me to look more closely at the other two cost numbers, and I found they were just as incredibly understated. As with education, you can look at the state budget and find line items that can be used to arrive at the costs used in the UNC study. But credible researchers should know that a few random budget numbers do not represent the total cost to the state, or even to the state budget, on the impact illegal Hispanics have on the cost of health care and law enforcement.

#### Healthcare

The health care piece completely ignores the cost shifting that occurs because of the way our country funds health care. Local hospitals are required to treat patients who do not have insurance or the ability to pay, but the state budget does not capture the impact on taxpayers for the full cost of treating the uninsured. North Carolina even requires counties to pay a portion of Medicaid costs. Once again, the authors ignore the costs paid by North Carolina taxpayers that do not flow through one small part of the state budget, even though the budget item clearly understates "the economic impact of the Hispanic population" on health care costs paid by residents.

## HISPANIC SCHOOL ENROLLMENT BY COUNTY 2004-2005



Source NO Department of Public Instruction (2006).

2005 Kenan Inskule of Prvale Enterinse

#### Law Enforcement

The cost of law enforcement is also understated, since the report acknowledges that the authors simply applied the percentage of Hispanic prisoners in state prisons to the state budget cost for corrections. The percent of Hispanic prisoners in state prisons seriously understates the number of Hispanics who are breaking the law and burdening our courts and law enforcement system. The effect of deportation in reducing the number of criminals

## NORTH CAROLINA FACT SHEET U.S. Drug Enforcement Administration

"COCAINE ... shipments transported into North Carolina by Mexican organizations are used to supply crack cocaine distribution networks that further present an enormous social threat to North Carolina's inner city communities. ...

"METHAMPHETAMINE ... Most methamphetamine in North Carolina is imported in multi-pound quantities from Mexico through the Southwest Border states, but a significant amount also comes from Mexican sources of supply based in Northern Georgia ...

"MARIJUANA ... Mexican trafficking organizations control most of the wholesale market in foreign-grown marijuana throughout the state ..."

SOURCE: http://www.usdoj.gov/dea/pubs/states/northcarolina.html

who reach the state prisons is a factor, of course, but because of our legal system, it takes time for the rising tide of Hispanic crime to affect the state prisons. As Mecklenburg County Sheriff Jim Pendergraph said: "The average citizen has no idea how much illegal immigrants are costing them in the criminal justice system alone. My jail system is 20

percent illegal immigrants and rising quickly, and most of those illegal immigrants are Hispanic."

Furthermore, while the cost of incarceration is high, we build prisons because the cost of letting criminals roam freely is even higher. Most law enforcement in North Carolina is handled through police departments, sheriff departments and local jails. Once again, these costs are completely ignored by the study. The effect of Hispanic immigration on the drug trade (see www.dea.gov) and gang membership is also well known. but it wasn't even mentioned in the study, nor are the traffic accidents and deaths attributable to illegal Hispanic DUI offenders, even though all of these impose negative economic impacts on the state.

#### Local Taxes

Even if some people might think it is acceptable to ignore most of the burdens imposed on North Carolina taxpayers in determining "economic impact," the study does one thing that is clearly unacceptable in an academic study. While excluding the costs of education, health care and law enforcement paid by the federal government (funded by North Carolina tax-

payers) or local governments, the study includes all local taxes paid (directly or indirectly) by Hispanic residents as an offset to state budget costs.

In other words, even though Mecklenburg County may spend more on education, health care and law enforcement for Hispanics than they produce in local taxes, every dime Hispanics pay in local taxes is assumed to be an offset to the costs identified in the state budget.

Is logic taught at UNC? The study is guilty of double counting. It is hard to imagine that the study's authors would make such an obvious error. Ignoring obvious and easily obtainable costs is questionable; double counting is completely unacceptable.

#### Conclusion

If there is any question of intent, the inclusion of the motor vehicle use tax without incluNorth Carolina citizens rate

"controlling immigration" as the
third most important issue that

"needs attention from state
government." Lower health care
costs ranks number one, followed
by improving public education
in second place.

March DecisionMaker Poll

sion in the study of any transportation costs from the state budget drives the point home.

The UNC study was clearly designed to encourage support for Hispanic illegal immigration by ignoring costs and/or overstating benefits.

Imagine the public's reaction if, after being repeatedly encouraged to support lifting the moratorium on new hog lagoons based on a study of "The Environmental Impact of Pork Production on the State of North Carolina" by two N.C. State University professors that was funded by the N.C. Bankers Association, the citizens learned that the

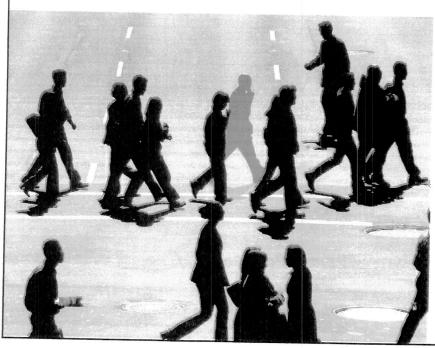
Pork Producers Council had picked the professors to conduct the "study" and that the "study" had omitted little details like water pollution. Would there be an outcry from the public, politicians and the news media on the veracity of the study? Do you think that study would be receiving the attention and accolades the UNC study is receiving?

The study that claims to measure "The Economic Impact of the Hispanic Population on the State of North Carolina" does nothing of the sort. Producing such a study cheapens the reputation of the UNC System and damaged the full disclosure of the real impact illegal immigrants are having on North Carolina taxpayers and all levels of government.

An honest study would have been helpful, but instead, we got a total misrepresentation of the facts.

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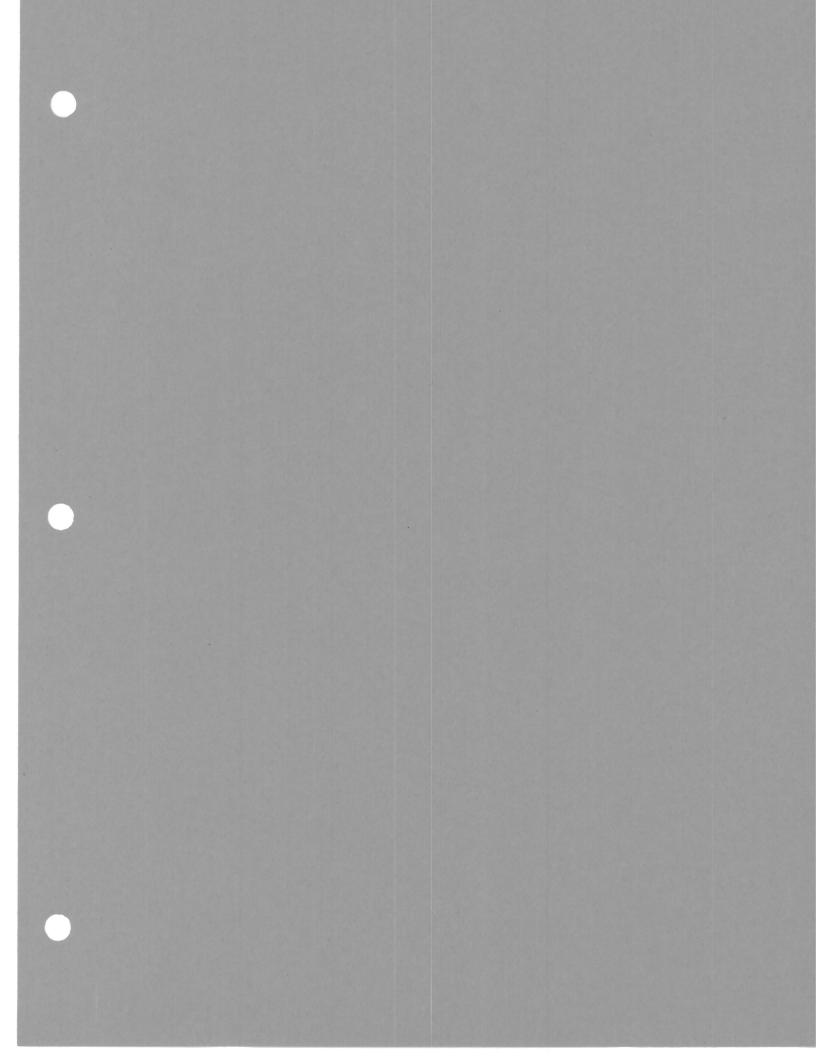
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North Carolina Public Schools Statistical Profile (Annual 1999 - 2006)

www.ncpublicschools.org/fbs/resources/data Pupils in Membership by Race and Sex Table 12 (99-02), Table 10 (03-06) nderson County

Total	White Membership	11440	1487	11621	11894	11987	12246	10	12801	136			Membershin	1037608	1253701	1268422	1286931	1304325	1325707	34717		)	140698
Total	White	9959	9876	9854	9887	9882	9862	9970	10022	)			2										
	White Fem	4778	4714	4732	4737	4728	4737	4774	4801				Percent	62.7	62.0	61.2	60.2	59.4	58.5	57.5		,	
	White Male \	5181	5162	5122	5150	5154	5125	5196	5221			Total	White	27	777400	776251	775108	774635	775079	775383	780676		4149
Total	Black	702	715	762	812	819	901	917	992	290													
	Black Fem	323	333	349	372	392	432	452	471				Percent	31.0	31.0	31.0	27.7	31.2	31.4	31.3	31.4		
	12.5	379	382	413	440	427	469	465	521			Total			388778	393712	400492	407550	416264	422993	432587		49300
Total	63	629	761	878	1047	1138	1300	1458	1609	950													
	Hisp Fem	317	373	438	508	554	637	702	787				Percent	6.0	3.7	4.4	5.3	5.9	9.9	7.5	8.4		
	43	342	388	440	539	584	663	756	822	2006-1999	olina	Total	Hispanic	38319	46164	56232	21919	77485	88355	101380	116021	7	77702
	Year	1999	2000	2001	2002	2003	2004	2005	2006	ference	rth Carolina		Year	6661	2000	2001	2002	2003	2007	2005	2006	ference	

# HENDERSON COUNTY, NORTH CAROLINA ESTIMATED FISCAL COSTS OF ILLEGAL IMMIGRTION

Mike Scruggs—July 21, 2007

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2014	lucation	

County (\$1353 per student)
State (\$5005 per student—
It's our money)

Total (\$6358 per student)

\$7,159,000

(Estimated number of students who are children of illegal Immigrants: 1609 X 70% of Hispanic enrollment in 2006 =1126 students.)

#### **Healthcare**

Unreimbursed Medical Expenses (UME) \$2,700,000
(Estimated by Dick Baird, Oct. 2006.
Pardee Hospital incurred approx.
\$4.0 million losses from UME in 2004)

Social welfare-Medicaid, etc. \$ 980,000 (prenatal care and delivery for pregnancies)

Total Healthcare \$3,680,000

<u>Law Enforcement</u> (not counting cost of crime) \$1,447,000 (2006 Dick Baird estimate)

Total for education, healthcare, law enforcement \$12,276,000

Estimated Tax Revenue from illegal immigrants (\$1,122,000) (Dick Baird 2006 estimate)

Net Annual cost to Henderson Co \$11,154,000 For education, healthcare, and law enforcement—but not crime.

#### **FUTURE PROJECTIONS**

The Hispanic population of K-12 has increased from 659 (5.8%) in 1999 to 1609 (12.6% in 2006), compounding at a rate of slightly over 13% per year. The projected costs of educating the children of illegal immigrants alone will thus be \$8.1 million in 2007; \$9.1 million in 2008; \$10.3 million in 2009; \$11.7 million in 2010; \$13.2 million in 2011, \$14.9 million in 2012; and \$16.8 million in 2013.

#### Henderson County Illegal Immigration Net Cost/Benefit

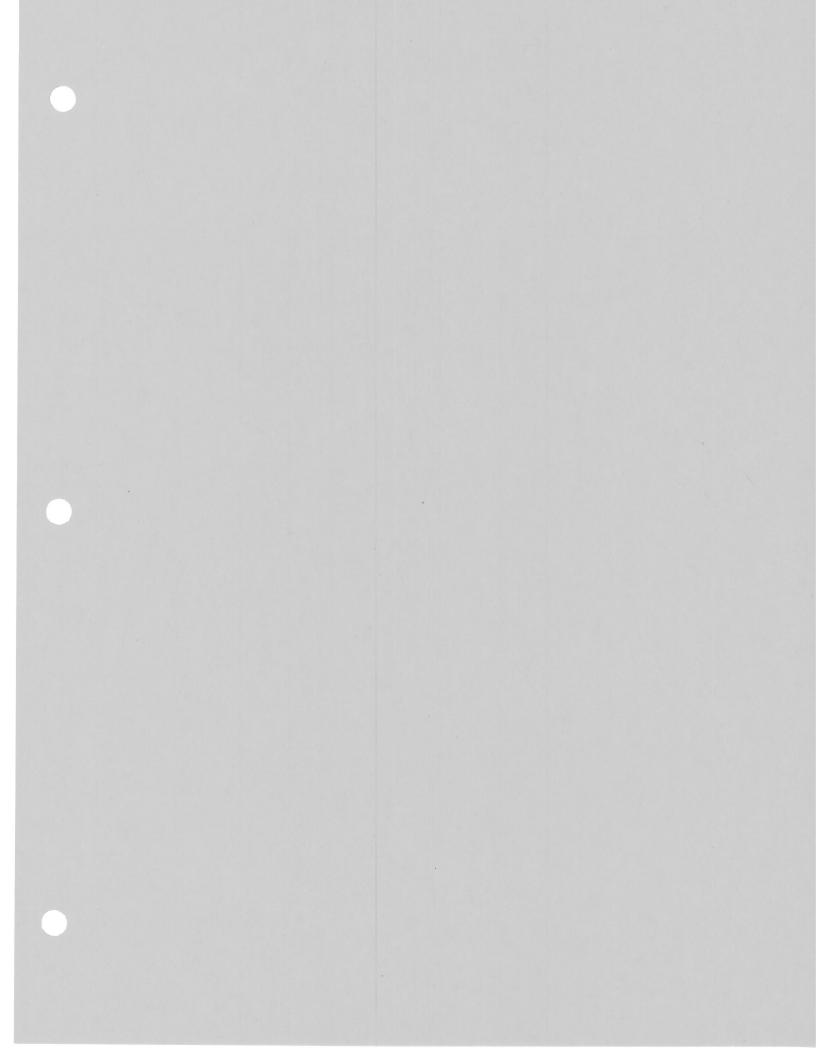
(Based on Estimated 11,000 illegal Immigrants) Mike Scruggs—Updated August 7, 2007

Average annual income of illegal Mexican immigrants (Center for Immigration Studies)	\$18,000
Average household income (Based on 6600 illegal workers in 4800 households)	\$24,750
Mexican transfer per household \$45 billion nationally	(\$ 9,900)
Contribution to economy per household (Spending, US savings, and taxes paid.)	\$14,850*
Federal, State and local costs per household (Heritage Foundation 5-21-07))	(\$30,160)
Net U.S. burden per household	(\$15,310)

<sup>\*</sup>Note that this generously counts every dollar earned as a benefit and equivalent to a tax dollar paid!

In summary, if there are approximately 11,000 illegal immigrants in Henderson county, that amounts to 6600 employees in 4800 households. Their average household income is estimated at \$24,750, but approximately \$9900 of that is wired to Mexico or Central America. Their net contribution to the county before any federal, state, or local costs is approximately \$14,850 per household, assuming every dollar is used constructively for purchasing, savings, and taxes. According to the Heritage Foundation, however, the combined federal, state, and local tax burden incurred is \$30,160. Thus, federal, state, and local taxpayers incur a net burden of \$15,310 per illegal immigrant household.

It is also important to point out that the county's fiscal costs related to illegal immigration are escalating at a rapid rate. The easiest to estimate are those related to public education grades K-12. Estimating conservatively\* that 70% of the 1609 Hispanic students (12.6% of the total of 12,801) enrolled in Henderson County Public Schools in 2006 came from illegal households, then the county is bearing a burden of approximately 1126 students from illegal immigrant households. The resulting annual costs to North Carolina and Henderson County at \$6358 per student in 2006 was approximately \$7.2 million per year. The number of Hispanic students more than doubled from 2000 to 2006 and this should probably double again by 2012. That would also slightly more than double the costs to \$14.9 million per year. \*Note: Best estimates are that about 85% of the Hispanic population in Henderson County is here as a result of illegal immigration.



#### An Educational Summary of Quotations From Geroge J. Borjas in *Heaven's Door* On the Cost/Benefits of American Immigration Policy

Compiled by Mike Scruggs July 24, 2007

I strongly recommend that members of the BR Committee read George J. Borjas's 1999 book, Heaven's Door: Immigration Policy and the American Economy. Harvard Professor and Economist Borjas is himself a Cuban immigrant and one of the most respected resources on immigration and labor economics.

However, I know full well that few people will have the time to read this book. Therefore, I have lifted some quotes from the book that best reflect his analysis of America's growing immigration problems. Keep in mind that this book was written in 1999. While the same principles apply, the amount of immigration, especially illegal immigration, has escalated considerably since then. Note also that his studies are on immigrants in general—although some national origin figures are given in various tables. Also note that he has not distinguished between legal and illegal immigrants.

From Chapter 6—The Economic Benefits from Immigration

#### Page 86.

"On net, therefore, the country benefits from immigration...The net benefit is small, however—probably around \$10 billion annually. This quantity, however, does not account for the impact of immigration on the costs of providing assistance and other social programs. This fiscal impact will be documented in the next chapter (6). Moreover, the \$10 billion net benefit masks a substantial redistribution of wealth induced by immigration, from workers who compete with immigrants to persons who use or consume immigrant services. In other words, while immigration might increase the size of the economic pie slightly, it also changes the way the pie is split."

"The debate is not over whether the country as a whole is better off—the net gain seems to be much too small to justify such a grand social experiment. The debate is really over the fact that some people gain substantially, while others lose."

#### Page 90

"Immigration, therefore, has two distinct consequences and these consequences propel the immigration debate. The nation, as a whole, gains from immigration...Immigration also redistributes income—from native workers who compete with immigrants to those who hire and use immigrant services. Immigration changes the way the economic pie is split between workers and firms."

"This perspective also shows that the benefits from immigration arise because immigrants reduce the wage that native workers get paid...Ironically, even though the immigration debate views the possibility that immigrants lower the wage of native

workers as a very harmful consequence, the economic benefits from immigration might not exist otherwise."

#### Page 91

"If immigration reduces native wages by 3 percent, the share of the GDP accruing to native workers falls by 1.9 percentage points....In an \$8 trillion dollar economy, native earnings would drop by about \$152 billion."

"These lost earnings do not vanish into thin air...In short, the small immigration surplus...hides a sizable redistribution of wealth from workers to the users of immigrant labor."

#### Page 92

"The large gains accrue mainly to a relatively small number of persons and firms, so this minority can be expected to be vocal and aggressive in its defense of an open border. At the same time, even though many native workers may be affected adversely by immigration, the workers are much less homogeneous and not well organized."

"Because the immigration surplus is probably around \$10 billion annually, the net economic benefits from immigration (*taking* into account the fiscal impact of immigration) are very small, and there could conceivably be a net loss."

#### Page 101

"A simulation of the U.S. economy suggests that the per capita income of natives would rise substantially if the country switched from the current immigration policy, which admits a mix of skilled and unskilled workers, to one that admitted only skilled workers."

#### Page 103

"The economic impact of immigration is essentially a distributional impact...The debate over immigration policy, therefore, is not a debate over whether the entire country is made better off by immigration...And, as the next chapter (6) shows, these gains could even be outweighed by the cost of providing social services to immigrants."

"The immigration debate is best viewed as a political struggle between those who win and those who lose. Simply put, immigration changes the way the economic pie is split—an undeniable fact that goes a long way toward explaining why some segments of society favor the entry of large numbers of immigrants, while other segments want to curtail or cut off the immigrant flow."

Chapter 6—Immigration and the Welfare State

#### Page 105

"We should be concerned over the link between immigration and welfare for two reasons. First, the relatively generous safety net provided by the welfare state may attract a different—and less skilled—type of immigrant. Put differently, generous welfare programs can create a magnet that influences the migration decisions of persons in the

source countries, changing the type of person who wishes to migrate to the United States and increasing the cost of maintaining the welfare state."

"The potential magnetic effects of welfare raise fundamental questions about both the political legitimacy and economic viability of the welfare state. Who is entitled to the safety net that American taxpayers pay for? And can the United States afford to extend that safety net to the world?"

"Second, the empirical link between immigration and welfare is indisputable. Immigrant participation in welfare programs rose steadily after 1965. By the 1990's, immigrants received a disproportionately large share of the welfare benefit s distributed, and had a severe fiscal impact on some immigrant receiving states, particularly California."

"In 1996, Congress responded to the clamor by enacting welfare reform legislation that denied many types of means-tested assistance to noncitizens. However, the most draconian provisions of this legislation...were never enforced. If nothing else, this episode suggests that it is difficult to address problems raised by immigrant use of welfare by reforming welfare policy. In the end, the problems raised by the potential link between immigration and welfare may have to be addressed by going to the source, and reforming immigration policy."

#### Page 107

"Overall, the Census data paint a disturbing picture of the long run trends in immigrant use of cash benefits...The available evidence indicates that immigrants are more likely to participate in almost every single one of the major means-tested programs (see table 6-1)."

(Table 6-1 on page 109 gives Participation in Public Assistance Programs in 1998. The total of all types of assistance for native households was 15.4% versus 22.4% for immigrant households.)

#### Page 109

Why are Immigrants More Likely to Receive Welfare?

"Immigrants are typically less educated, they typically have larger households, and their households typically contain a larger number of younger persons and older persons—the very groups that are particularly prone to need and use welfare. It turns out that much of the welfare gap between immigrants and natives can be attributed to differences in these observable socioeconomic characteristics between the two groups."

#### Page 126

"The cost benefit approach clearly suggests that issues other than the sign of the bottom line will determine the direction of the immigration debate...Some of these issues may be economic, such as the large redistribution of wealth induced by immigration. Some may be political, such as the redistribution of political power that immigration can bring

about. And some may be social and cultural, such as the impact of immigration on ethnic diversity and on the cultural cohesion of American society."

\*\*\*\*\*\*\*

My own conclusion is that because illegal immigration has more than doubled since 1999, and is now between 500,000 and 1,000,000 per year as compared to 800,000 legal immigrants per year, the fiscal costs of immigration are now far outstripping the small net economic benefits. Various studies, such as the Recent Heritage Foundation report, indicate that the U.S. fiscal deficit from illegal immigration is around \$70 billion net of tax receipts from illegal immigrants per year. In addition, the resulting depression in native wages is also increasing. A Bear Stearns study indicated a 5 percent gap since 2000 alone. As both Bear Stearns and Dr. Borjas have pointed out, the greatest negative impact is on the poorest American families.

While the U.S. has benefited in the past from more reasonable levels of legal immigration, it is becoming more evident that the net economic and fiscal impact of illegal immigration is substantially negative and is also associated with serious public safety and public health problems—Mike Scruggs.

#### Introductory Pages 1-3 of 10

#### **BEAR STEARNS**

**Asset Management** 

# The Underground Labor Force Is Rising To The Surface

Robert Justich and Betty Ng, CFA January 3, 2005

Illegal immigrants constitute a large and growing force in the political, economic, and investment spheres in The United States. The size of this extra-legal segment of the population is significantly understated because the official U.S.Census does not capture the total number of illegal immigrants. In turn, the growth of the underground work force is increasingly concealing the economic impact of this below-market labor supply. Our research has identified significant evidence that the census estimates of undocumented immigrants may be capturing as little as half of the total undocumented population. This gross undercounting is a serious accounting issue, which could ultimately lead to government policy errors in the future.

Though we cannot conduct an independent census of the United States population, as investors, we need not accept the accuracy of the official census immigration statistics, which are widely recognized as incomplete. There are many ancillary sources of data that provide evidence that the rate of growth in the immigrant population is much greater than the Census Bureau statistics. School enrollments, foreign remittances, border crossings, and housing permits are some of the statistics that point to a far greater rate of change in the immigrant population than the census numbers. At the risk of appearing dogmatic or taking a leap of faith, we have applied the rate of growth from these other areas and have drawn several conclusions about the current immigration population:

- 1. The number of illegal immigrants in the United States may be as high as 20 million people, more than double the official 9 million people estimated by the Census Bureau.
- 2. The total number of legalized immigrants entering The United States since 1990 has averaged 962,000 per year. Several credible studies indicate that the number of illegal entries has recently crept up to 3 million per year, triple the authorized figure.
- 3. Undocumented immigrants are gaining a larger share of the job market, and hold approximately 12 to 15 million jobs in the United States (8% of the employed)
- 4. Four to six million jobs have shifted to the underground market, as small

businesses take advantage of the vulnerability of illegal residents.

- 5. In addition to circumventing the Immigration Reform and Control Act of 1986, many employers of illegal workers have taken to using unrecorded revenue receipts. Employer enforcement has succumbed to political pressure.
- 6. Cell phones, internet and low-cost travel have allowed immigrants easier illegal access to the United States and increased their ability to find employment and circumvent immigration laws.

We believe that immigration is becoming one of the most significant economic themes of this decade. The investment implications for 2005 and 2006 will hinge on the forthcoming government policy decisions in amnesty, employer enforcement, and monitoring systems, as well as the effective enforcement of the laws. Over the coming year, we intend to monitor and analyze the benefits and costs of assimilating a demographic group the size of New York State into the financial and legal mainstream. Though this challenge is not quite the magnitude of, say, German reunification, we believe most investors are underestimating the magnitude and significance of this theme. The growing extralegal system in the United States has distorted economic statistics and government budget projections. The stealth labor force has enhanced many of the economic releases that investors follow closely. Payroll numbers understate true job growth and inflation has been artificially dampened by this seemingly endless supply of low-wage workers. The large infusion of the imported labor supply has reduced average annual earnings by approximately 4 to 6 percent. Real estate prices have been boosted by the foreign population infusion. The productivity miracle may be exaggerated because the government is incorporating the output of millions of illegal immigrants but not counting their full labor input. Long-term budget projections are probably overstating the potential growth of the U.S. economy because productivity is inflated. Or, stated differently, are long-term growth projections dependent on a steady flow of illegal immigration that no one is taking into account?

As census procedures improve and the immigration numbers are revised closer to reality, many of these questions will be answered, and public perceptions will change. Many government forecasts, policies and procedures will be modified to compensate for the undercounting. The public sector will incur significant costs in assimilating a reclassified population. An abrupt increase in employer enforcement could have a negative impact on GDP. In the short-term, an adjustment to immigration policies could squeeze small business profits and increase the budget deficits. Longer-term, we believe the effects will be more balanced as this invisible work force provides aid to the demographic problems of social security. Increased enforcement of legal employment procedures should also boost tax revenues.

The implications of these massive inflows of workers are enormous. Although there are economic benefits to cheap, illegal labor, there are significant costs associated with circumventing the labor laws. The social expenses of health care, retirement funding, education and law enforcement are potentially accruing at \$30 billion per year. Many of

these costs lag and will not be realized until the next economic downturn and beyond as new immigrants require a safety net.

On the revenue side, the United States may be foregoing \$35 billion a year in income tax collections because of the number of jobs that are now off the books. Illegal aliens offer below market labor costs and many employers circumvent regulations to take advantage of the laissez faire government enforcement process. We estimate that approximately 5 million illegal workers are collecting wages on a cash basis and are avoiding income taxes.

The United States is simply hooked on cheap, illegal workers and deferring the costs of providing public services to these quasi-Americans. Illegal immigration has been America's way of competing with the low-wage forces of Asia and Latin America, and deserves more credit for the steroid-enhanced effect it has had on productivity, low inflation, housing starts, and retail sales.

From a personal standpoint, our research does not take sides with any of the emotional arguments of the *Crossfire* mindset. We are grateful to have had the opportunity to speak with immigrants, local business owners, realtors, and police officers. This project afforded us the opportunity to see into the past and look into the future of the United States.

#### End of page 3 of 10.

**Remarks by Mike Scruggs**: One thing Bear Stearns fails to mention is that depressing the wages of American workers by 5 percent is \$1700 per worker per year. This costs the economy over \$220 billion dollars per year. The stock market is finally catching on as of July 26-7, 2007.

The Center for Immigration Studies has indicated that the much vaunted Social Security contributions of illegal immigrants or amnestied illegal immigrants would do little in the short term to offset Social Security liabilities and in the long run could over burden the system. This is principally because the low earnings of illegal immigrants cannot offset payments to higher earning retirees. As these illegal immigrants or amnestied illegal immigrants begin to draw on the system themselves, the liability gap would widen.

#### The Problems with Guest-worker Programs

Mike Scruggs Revised August 3, 2007

In 1997 after several years of thorough study, the Commission on Immigration Reform, headed by the late Congresswoman Barbara Jordan, identified illegal immigration as a pressing national problem. After intensive study that commission adamantly rejected guest-worker programs as a solution. Past guest-worker programs exacerbated rather than relieved immigration problems. The Commission specifically stated that a guest-worker program would be "a grievous mistake" and gave powerful reasons for rejecting such programs.

- 1. Guest-worker programs have depressed the wages of American workers.
- 2. Those most adversely affected were the unskilled and thus poorest segment of the labor force.
- 3. Foreign guest-workers are often more exploitable than U.S. workers. They are less likely to complain of exploitive pay practices or unsafe working conditions.
- 4. The presence of large numbers of guest-workers in particular localities presents substantial costs in housing, healthcare, social services, education, and basic infrastructure that are borne by the broader community and even the federal government rather than by the employers who benefit from cheap labor.
- 5. Guest-worker programs also fail to reduce illegal immigration. In fact, they tend to encourage more illegal immigration.
- 6. Guest-workers themselves often become illegal immigrants by remaining in the country in violation of the conditions of their admission. (Almost 50% of illegal immigrants come into the United States on temporary visas rather than trying to sneak over the border.)

In the joint hearings before the U.S. Senate and House committees on immigration, a distinguished member of the Commission, Rev. Theodore Hesburgh, President Emeritus of the University of Notre Dame, carefully explained that:

"The idea of a large, temporary work program is tremendously attractive. Perhaps a better word though, would be 'seductive.' There is a superficial plausibility to this argument, and the Commission gave it serious consideration for more than a year and a half....In the end, we were persuaded after much study, that it would be a mistake to launch such a program."

He went on to point out some serious problems regarding effective control of temporary worker programs and enumerated some serious failings of past temporary worker programs.

- 7. Temporary worker programs need some limits, which would require serious attention to effective enforcement.
- 8. It is difficult to turn off such programs once started.
- 9. A large program would build a dependency on foreign labor in certain sectors of the economy.
- 10. Certain jobs would be" identified with foreigners," which would effectively stigmatize such jobs.
- 11. Without strict enforcement of employer sanctions against hiring illegal immigrants, a temporary worker program would stimulate new migration pressures in the long run, exacerbating rather than curtailing illegal immigration. (Especially with the very lenient family reunification provisions of the 1965 immigration act, which has been a catalyst for mass migration, and over 300,000 birth-right citizenship babies per year.)

Rev. Hesburgh summarized his remarks to the joint committees with this conclusion:

"We do not think it wise to propose a program with potentially harmful consequences to the United States as a whole."

I must add that national security and the potential displacement of American workers are also important factors.

#### **CENTER FOR IMMIGRATION STUDIES**

#### JOB DATA SHOULD GIVE PAUSE TO IMMIGRATION ADVOCATES

By Steven A. Camarota

Minneapolis Star Tribune February 20, 2005

The recovery from the recession of 2001 is often described as "jobless." But this is not entirely correct. My analysis of Census Bureau data shows that between March 2000 and 2004, the number of adults working in United States actually increased.

What's interesting, however, is that all the net growth in jobs went to immigrant workers. In fact, while the number of unemployed adult native-born workers increased by 2.3 million over this time, the number of employed immigrants rose by 2.3 million.

Significantly, about half the growth in immigrant employment was from illegal immigration.

It would be a mistake to assume that each job taken by an immigrant is a job lost by a native. Still, such statistics should give pause to those who want to legalize illegal aliens and increase immigration still further.

Our analysis also shows that of the 900,000 net increase in jobs between March 2003 and 2004, two-thirds went to immigrant workers, even though they account for only 15 percent of all adult workers. At the same time, 1.2 million working-age natives left the labor force. Thus while native unemployment and withdrawal from the labor force increased, immigrants were making significant employment gains.

Our analysis also shows little evidence that immigrants only take jobs Americans don't want. It is true that immigration has its biggest impact at the bottom end of the labor market in relatively low-paying occupations done by less-educated workers.

Nonetheless such occupations still employ tens of millions of native-born workers.

In job categories such as construction labor, building maintenance and food preparation, where immigrant growth is the most pronounced, native unemployment also tends to be the highest. Immigration added 1.1 million workers to just these three occupations in the last four years, but there were nearly 2 million unemployed native-born Americans in these same occupations in 2004.

Unfortunately, both presidential candidates chose to ignore these facts during the

recent election campaign. To the extent they even addressed the immigration question, both advocated legalizing illegal aliens and increasing legal immigration still further. President Bush continues to advocate such policies.

While public opinion polls generally show most Americans, including Hispanics, want less immigration, legal and illegal, those in positions of authority in this country generally sing the praises of mass immigration. One reason elites like immigration so much is that they do not face the job competition that lower-income Americans face. Only about 5 percent of lawyers and 6 percent of journalists are immigrants, compared with one-fourth of construction laborers and one-third of janitors. When more educated and affluent people say, "Immigrants only take jobs Americans don't want," what they really mean is that immigrants only take jobs they don't want.

When businesses say, "Immigrants only take jobs Americans don't want," what they really mean is that given what they would like to pay, and how they would like to treat their workers, they cannot find enough Americans. Therefore, employers want the government to continually increase the supply of labor by nonenforcement of immigration laws and keeping legal immigration levels as high as possible. This in turn holds down wages and benefits, especially at the bottom end of the labor market, as well as allowing them to put off investment that would increase productivity.

The idea that America is desperately short of less-skilled workers is absurd on its face. There are 70 million native-born Americans and legal immigrants already here between the ages of 18 and 64 who have only a high school education. This is an enormous pool of labor that if properly paid and treated could satisfy all the labor demands of American employers.

If we did enforce immigration laws and lowered the level of immigration, the reduction in the supply of labor would force employers to increase wages and to improve benefits and working conditions, especially for the lowest paid American workers -- native-born and legal immigrants. It would also force employers to invest in labor-saving devices and techniques.

Improving job opportunities for the poorest American workers and increasing the productivity of the economy are both sound public policy goals.

Reducing the level of legal and illegal immigration, now running at 1.5 million a year, would do both.

Steven A. Camarota is Director of Research at the Center for Immigration Studies.

#### **CENTER FOR IMMIGRATION STUDIES**

#### **Dropping Out**

Steven A.Camarota May 2006

#### Introduction

Advocates of legalizing illegal aliens and increasing legal immigration argue that there are no Americans to fill low-wage jobs that require relatively little education. However, data collected by the Census Bureau show that, even prior to Hurricane Katrina, there were almost four million unemployed adult natives (age 18 to 64) with just a high school degree or less, and another 19 million not in the labor force. Perhaps most troubling, the share of these less-educated adult natives in the labor force has declined steadily since 2000.

- Looking first at all workers shows that between March 2000 and March 2005 only 9 percent of the net increase in jobs for adults (18 to 64) went to natives. This is striking because natives accounted for 61 percent of the net increase in the overall size of the 18 to 64 year old population.
- As for the less-educated, between March of 2000 and 2005 the number of adult immigrants (legal and illegal) with only a high school degree or less in the labor force increased by 1.6 million.
- At the same time, unemployment among less-educated adult natives increased by nearly one million, and the number of natives who left the labor force altogether increased by 1.5 million. Persons not in the labor force are neither working nor looking for work.
- In total, there are 11.6 million less-educated adult immigrants in the labor force, nearly half of whom are estimated to be illegal aliens.
- Of perhaps greatest concern, the percentage of adult natives without a high school degree who are in the labor force fell from 59 to 56 percent between March 2000 and 2005, and for adult natives with only a high school degree participation in the labor force fell from 78 to 75 percent.
- Had labor force participation remained the same, there would have been an additional 450,000 adult native dropouts and 1.4 million adult natives with only a high school degree in the labor force.
- Data collected since Hurricane Katrina, in January 2006, show no improvement in labor force participation for less-educated natives. It shows a modest improvement in unemployment only for adult native dropouts, but not for natives with only a high school degree.

- The decline in less-educated adult natives (18 to 64) in the labor market does not seem to be the result of more parents staying home with young children, increased college enrollment, or early retirement.
- There is some direct evidence that immigration has harmed less-educated natives; states with the largest increase in immigrants also saw larger declines in natives working; and in occupational categories that received the most new immigrants, native unemployment averages 10 percent.
- While most natives are more educated, and don't face competition from less-educated immigrants, detailed analysis of 473 separate occupations shows that 17 million less-educated adult natives work in occupations with a high concentrations of immigrants.
- Some of the occupations most impacted by immigration include maids, construction laborers, dishwashers, janitors, painters, cabbies, grounds keepers, and meat/poultry workers. The overwhelming majority of workers in these occupations are native-born.
- The workers themselves are not the only thing to consider; nearly half of American children (under 18) are dependent on a less-educated worker, and 71 percent of children of the native-born working poor depend on a worker with a high school degree or less.
- Native-born teenagers (15 to 17) also saw their labor force participation fall from 30 percent in 2000 to 24 percent in 2005.
- Wage data show little evidence of a labor shortage. Wage growth for lesseducated natives has generally lagged behind wage increases for more educated workers.

A national unemployment rate of 5 percent is irrelevant to the current debate over illegal immigration because illegals are overwhelmingly employed in only a few occupations, done mostly by workers with only a high school degree or less. In these high-illegal occupations, native unemployment averages 10 percent — twice the national average. Moreover, the unemployment rate does not consider the growing percentage of less-educated workers who are not even looking for work and have left the labor market altogether. It would be an oversimplification to assume that each job taken by an immigrant is a job lost by a native. What is clear is that the last five years have seen a record level of immigration. At the same time, the unemployment rate of less-educated natives has remained high and the share that have left the labor force altogether has grown significantly. Wage growth has also generally been weak. Thus it is very hard to see any evidence of a labor shortage that could justify allowing illegal aliens to stay or to admit more as guestworkers. Rather, the available evidence suggests that immigration may be adversely impacting less-educated natives. The

statistical findings of this study are consistent with other research that has looked at the pattern of immigrant job gains and native loses in recent years. ¹

#### END OF INTRODUCTION

For complete article see <a href="http://www.cis.org/articles/2006/back206.html">http://www.cis.org/articles/2006/back206.html</a>

<sup>&</sup>lt;sup>1</sup> See for example Andrew Sum et al. from Northeastern University, at <a href="https://www.nupr.neu.edu/7-04/immigrant\_04.pdf">www.nupr.neu.edu/7-04/immigrant\_04.pdf</a> .

#### CENTER FOR IMMIGRATION STUDIES

#### The Impact of Immigration on Young Native-born Workers, 2000-2005

Andrew Sum, Paul Harrington, and Ishwar Katawanda September 2006

#### **Summary and Introduction**

Over the 2000-2005 period, immigration levels remained very high and roughly half of new immigrant workers were illegal. This report finds that the arrival of new immigrants (legal and illegal) in a state results in a decline in employment among young native-born workers in that state. Our findings indicate that young native-born workers are being displaced in the labor market by the arrival of new immigrants.

- Between 2000 and 2005, 4.1 million immigrant workers arrived from abroad, accounting for 86 percent of the net increase in the total number of employed persons (16 and older), the highest share ever recorded in the United States.
- Of the 4.1 million new immigrant workers, between 1.4 and 2.7 million are estimated to be illegal immigrants. This means that illegal immigrants accounted for up to 56 percent of the net increase in civilian employment in the United States over the past five years.
- Between 2000 and 2005, the number of young (16 to 34) native-born men who were employed declined by 1.7 million; at the same time, the number of new male immigrant workers increased by 1.9 million.
- Multivariate statistical analyses show that the probability of teens and young adults (20-24) being employed was negatively affected by the number of new immigrant workers (legal and illegal) in their state.
- The negative impacts tended to be larger for younger workers, for in-school youth compared to out-of-school youth, and for native-born black and Hispanic males compared to their white counterparts.
- It appears that employers are substituting new immigrant workers for young native-born workers. The estimated sizes of these displacement effects were frequently quite large.
- The increased hiring of new immigrant workers also has been accompanied by important changes in the structure of labor markets and employer-employee relationships. Fewer new workers, especially private-sector wage and salary workers, are ending up on the formal payrolls of employers, where they would be covered by unemployment insurance, health insurance, and worker protections.

#### Introduction

During the last five years, new immigrants have accounted for an overwhelming share of the growth in the number of employed persons in the United States. Nativeborn adults and established immigrants have been unable to capture much of the new employment opportunities that have been created in the nation since 2000. The number of employed persons in the civilian working-age (16 and over) population

rose by 4.835 million between 2000 and 2005. During 2005, a total of 4.134 million new immigrants were working in the United States. New immigrants who entered the United States since 2000 and were still residing here during 2005 accounted for 86 percent of the total increase in employment in the nation over the 2000 to 2005 period. Native-born and established immigrants accounted for less than one-sixth of the total rise in civilian employment that occurred in the nation over the past five years. These findings differ by gender. Among men, new immigrants accounted for all of the rise in employment, as the total number of employed men in the nation increased by only 2.665 million while the number of employed new immigrant males was 2.767 million during 2005. For the first time since the end of World War II, there has been no gain in employment among native-born men over a five-year period.

#### **End of Summary and Introduction**

For full report go to http://www.cis.org/articles/2006/back806.html

## July Jobs: American Worker Displacement Resumes

Posted By Edwin S. Rubenstein On 3 August 2007 @ 10:16 pm In General | Comments Disabled

Nonfarm payrolls grew by a lower-than-expected 92,000 in July, the least seen since February. And the nation's unemployment rate rose to 4.6%, up from 4.5% in June and the highest reading since January, the Labor Department reported.

The hint of recession did not help an already beleaguered stock market.

It's a good thing Wall Street doesn't focus on the "other" employment survey. The [1] Household Survey found that employment declined in July, with [2] non-Hispanics bearing the entire loss—and then some. Here are the details:

- Total employment fell by 30,000, or by 0.02 percent
- Hispanic employment rose by 140,000, or by 0.7 percent
- Non-Hispanic employment fell by 170,000, or by 0.1 percent

Not since December has Hispanic job growth been as robust. In fact, during May and June Hispanic employment growth lagged that of non-Hispanics—a trend undoubtedly related to the [3] construction industry's depression.

Obviously Hispanic workers are finding jobs outside of construction. Where, we don't know: the Household survey identifies race and ethnicity, but not the employment sector of respondents. Illegal alien workers are more likely to be counted in the Household Survey, which is why we believe it's a more accurate measure of overall job creation than the payroll survey.

July's Hispanic job pop pushed VDARE.COM's American Worker Displacement Index (VDAWDI) up to the record 122.0 first reached in April. In June VDAWDI was 121.0

## National Data, By Edwin S. Rubenstein

# If the economy is so good, why do we feel so bad?—the immigration dimension

Despite four consecutive years of economic expansion, 4.6 million new jobs since May 2003, low unemployment and inflation, Americans are in an economic funk. A <u>Gallup Poll taken in January</u> found that 55 percent of us rate the current state of the economy as only "fair" or "poor." And 52 percent expect it to get worse.

Why the disconnect between data and perceptions? We present the conventional explanations, as per the Economic Policy Institute, a liberal DC-based think tank, [Issue Brief #219 Why People Are So Dissatisfied With Today's Economy]—and the "the rest of the story", as per VDARE.COM, which adds the immigration dimension that EPI studiously ignores.

• Job growth seems robust: 2 million last year on top of 2.2 million in 2004

EPI: "Last year's 2 million new jobs represented a gain of 1.5%, a sluggish rate by historical standards.... In fact, it is less than half the average growth rate of 3.5% for the same stage of previous business cycles that lasted as long."

**VDARE.COM:** And...immigrants took the job growth cream. White non-Hispanics, a group accounting for 70 percent of the U.S. labor force, experienced a mere one percent employment growth last year. (Table 1.) By contrast, Hispanics (a proxy for immigration because up to half are foreign-born) had a 4.7 percent employment growth. (Federal government statistics on immigration are lousy, but we know Central and South Americans enjoyed a 7.1 percent growth rate). <u>Black non-Hispanics</u> experienced a 2.6 percent employment growth rate. Asian-non-Hispanics enjoyed a 3.9 percent growth rate.

These job growth differentials reflect not just different underlying rates of immigration, but also natural population increase. Even after adjusting for their sluggish population growth, however, whites are falling behind. In December 2005 65.8 percent of non-Hispanic whites were in the labor force versus 68.5 percent of Hispanics. In the past 12 months, labor force participation rates have risen by 0.7 percentage points for Hispanics and 0.3 percentage points for white non-Hispanics. Conclusion: Americans, especially whites, are being crowded out.

• Unemployment: At 4.9 percent, is below the average rate of the 1970s, 1980s, and 1990s. Doesn't that mean we have a tight labor market?

EPI: "Unfortunately, no, because the unemployment rate under today's circumstances is misleading as a gauge of tightness in the labor market.....However, the employment

rate (i.e., the ratio of employed workers to the country's working-age population) provides a better gauge of tightness in the labor market for the 227 million people now of working age. The employment rate has declined from 64.3% in March 2001 to 62.8% in December 2005. If the employment rate had recovered to its March 2001 level, an additional 3.4 million people would be employed today."

**VDARE.COM:** And...this "employment rate" measure shows that Americans have it worse than immigrants. In December 2005, the employment rate for Hispanics was 64.4 percent, compared to 63.4 percent for white non-Hispanics, and 57.7 percent for Black non-Hispanics. Employment rates have declined for all races and ethnicities since March 2001. But Black non-Hispanics have suffered by far the largest declines—a result attributable primarily to their <u>displacement</u> by illegal and legal Hispanic immigrants with whom they are direct competition. Had American employment rates remained at March 2001 levels, an additional 2.2 million whites and 742,000 Blacks would be working today.

■ Wage growth: In December Treasury Secretary John Snow noted that real wages rose 1.1 percent since March 2001, in contrast to the 2.1 percent wage decline over a comparable period in the 1990s. So incomes are rising, right?

EPI: "In fact, real wages fell by 0.5% over the last 12 months after falling 0.7% the previous 12 months." [Issue Brief #219] "For low- and middle-wage workers, as well as those with a high school degree, real wages fell last year by 1%-2%." [Economy Up, Wages Down]

EPI's explanations include "slack in the labor market" (a tautology), and accelerating inflation. And... "other factors contributing to the decline in real wages are those that reduce the bargaining leverage of many in the workforce, including: the erosion of union power, the fall in the real value of the minimum wage, the growing imbalance in international trade, and the offshoring of white-collar jobs." [Economy Up, Wages Down]

**VDARE.COM:** And...in 2004, the latest year of Bureau of Labor Statistics employment data by nativity) 14.5 percent of U.S. workers were foreign-born. Each one percent rise in the U.S. labor force due to immigration reduces native wages by about 0.35 percent, according to Harvard economist George Borjas. [NBER Working Paper 9755] So immigrant workers must have reduced native wages by approximately 5 percent [14.5 times 0.35 percent]. Unskilled natives, who compete directly with the foreign-born, suffer even larger wage declines—as much as 7.4 percent, according to Borjas.

Such wage declines will grow over time, and not merely because more immigrants are constantly coming in. A 2003 study [PDF] by economists at the Atlanta Federal Reserve Bank found that immigrants who are in the country longer and who <u>upgrade their legal status</u>—getting a green card or similar documentation—have more of a negative impact on low-skilled native workers than do newly arrived immigrants.

This suggests that, even if immigration were stopped, George Bush's guest worker proposal would greatly accelerate the fall in native living standards.

EPI acknowledges that it supported by <u>labor unions</u>. An earlier generation of labor leaders had no trouble recognizing immigration's impact on their members—<u>Samuel Gompers</u> was a <u>leading advocate</u> of the <u>1920s cutoff</u>.

What is EPI's problem?

Ask them

Edwin S. Rubenstein ( $\underline{email}$  him) is President of  $\underline{ESR}$  Research Economic Consultants in Indianapolis.

Excerpts from: Crime and the Illegal Alien by Heather MacDonald, published by the Center for Immigration Studies, June 2004.

The following material contains only the sections entitled: A Safe Haven; The Impact of Sanctuary Policies; and the Conclusion.

Read the entire article at: http://www.cis.org/articles/2004/back704.html

#### A Safe Haven

The ordinarily tough-as-nails former LAPD Chief Daryl Gates enacted Special Order 40 in 1979 — in response to the city's burgeoning population of illegal aliens — showing that even the most unapologetic law-and-order cop is no match for immigration demographics. The order prohibits officers from "initiating police action where the objective is to discover the alien status of a person." In practice, this means that the police may not even ask someone they have arrested about his immigration status until after criminal charges have been entered. They may not arrest someone for immigration violations. Officers certainly may not check a suspect's immigration status prior to arrest, nor may they notify ICE about an illegal alien picked up for minor violations. Only if an illegal alien has already been booked for a felony or multiple misdemeanors may they inquire into his status or report him to immigration authorities. The bottom line: a *cordon sanitaire* between local law enforcement and federal immigration authorities that creates a safe haven for illegal criminals.

Los Angeles' sanctuary law, and all others like it, contradicts everything that has been learned about public safety in the 1990s. A key policing discovery of the last decade was the "great chain of being" in criminal behavior. Pick up a law-violator for a "minor" crime, and you'll likely prevent a major crime. Enforcing graffiti and turnstile-jumping laws nabs you murderers and robbers. Enforcing known immigration violations, such as reentry following deportation, against known felons would be even more productive. LAPD officers recognize illegal deported gang members all the time — flashing gang signs at court hearings for rival gangbangers, hanging out on the corner, or casing a target. These illegal returnees are, simply by being in the country after deportation, committing a felony. "But if I see a deportee from the Mara Salvatrucha [Salvadoran prison] gang crossing the street, I know I can't touch him," laments a Los Angeles gang officer. Only if the deported felon has given the officer some other reason to stop him — such as an observed narcotics sale — can the officer accost him, and only for that non-immigration-related reason. The officer cannot arrest him for the immigration felony.

Such a policy is extraordinarily inefficient and puts the community at risk for as long as these vicious immigration-law-breakers remain free. The department's top brass brush off such concerns. No big deal if you're seeing deported gangbangers back on the streets, they say. Just put them under surveillance for "real" crimes and arrest them for those. But surveillance is very manpower-intensive. Where there is an

immediate ground for arresting a violent felon, it is absurd to demand that the woefully understaffed LAPD ignore it.

#### The Impact of Sanctuary Policies

The stated reason for sanctuary policies is to encourage illegal alien crime victims and witnesses to cooperate with the police without fear of deportation and to encourage all illegal aliens to take advantage of city services like health care and education (to whose maintenance illegals contribute little). There has never been any empirical verification whether sanctuary laws actually increase cooperation with the police or other city agencies. And no one has ever suggested not enforcing drug laws, say, for fear of intimidating drug-using crime victims. But in any case, the official rationale for sanctuary rules could be honored by limiting police utilization of immigration laws to some subset of immigration violators: deported felons, say, or repeat criminal offenders whose immigration status is already known to the police.

The real reason why cities prohibit their police officers and other employees from immigration reporting and enforcement is, like nearly everything else in immigration policy, the numbers. The population of illegal aliens and their legal brethren has grown so large that public officials are terrified of alienating them, even at the expense of annulling the law and tolerating avoidable violence. In 1996, a breathtaking *Los Angeles Times* expose on the 18th Street Gang, which included descriptions of innocent bystanders being murdered by laughing *cholos* [gang members], disclosed for the first time the rate of illegal alien membership in the gang. In response to the public outcry, the Los Angeles City Council ordered the police to reexamine Special Order 40. You would have thought they had suggested violating some shocking social taboo. A police commander warned the council: "This is going to open a significant, heated debate." City councilwoman Laura Chick put on a brave front: "We mustn't be afraid," she said firmly.

But immigrant pandering, of course, trumped public safety. Law-abiding residents of gang-infested neighborhoods may live in terror of the tattooed gangbangers dealing drugs, spraying graffiti, and shooting up rivals outside their homes, but such distress cannot compare to a politician's fear of offending Hispanics. At the start of the reexamination process, LAPD Deputy Chief John White had argued that allowing the department to work more closely with the INS would give officers another means to get gang members off the streets. Trying to build a case for homicide, say, against an illegal gang member is often futile, he explained, since witnesses fear deadly retaliation if they cooperate with the police. Enforcing an immigration violation would allow the cops to lock up the murderer right now, without putting a witness' life at risk.

Six months later Deputy Chief White had changed his tune: "Any broadening of the policy gets us into the immigration business. It's a federal law enforcement issue, not a local law enforcement issue." Interim Police Chief Bayan Lewis told the Los Angeles Police Commission: "It is not the time. It is not the day to look at Special Order 40."

Nor will it ever be the time to reexamine sanctuary policies, as long as immigration numbers continue to grow. After the brief window of opportunity in 1996 to strengthen the department's weapons against gangs, Los Angeles politicians have only grown more adamant in their defense of Special Order 40. After learning that police officers in the scandal-plagued Rampart Division had cooperated with the INS to try to remove murderous gangbangers from the community, local politicians threw a fit. They criticized district commanders for even allowing INS agents into their station houses. The offending officers were seriously disciplined by the department.

Immigration politics have had the same deleterious effect in New York. Former New York Mayor Rudolph Giuliani sued all the way up to the Supreme Court to defend the city's sanctuary policy against Congressional override. A 1996 federal law declared that cities could not prohibit their employees from cooperating with the INS. Oh yeah? said Giuliani; just watch me. He sued to declare the 1996 federal ban on sanctuary policies unconstitutional, and though he lost in court, he remained defiant to the end. On September 5, 2001, his hand-picked charter revision committee ruled that New York may still require that its employees keep immigration information confidential to preserve trust between immigrants and government. Six days later, several former visa-overstayers conducted the most devastating attack on the city and the country in history.

The 1996 federal ban on sanctuary laws was conveniently forgotten in New York until a gang of five Mexicans — four of them illegal — abducted and brutally raped a 42-year-old mother of two near some railroad tracks in Queens. Three of the illegal aliens had already been arrested numerous times by the NYPD for such crimes as assault, attempted robbery in the second degree, criminal trespass, illegal gun possession, and drug offenses. The department had never notified the INS.

Unfortunately, big city police chiefs are by now just as determined to defend sanctuary policies as the politicians who appoint them. They repudiate any interest in access to immigration law, even though doing so contradicts the universally respected theory of broken windows policing. (Sentiment is quite otherwise among the rank-and-file, who see daily the benefit that an immigration tool would bring.)

#### Conclusion

The most striking political constant in the last four decades of immigration policy is the overwhelming popular desire to rein in immigration, and the utter pulverization of that desire by special interests. No poll has ever shown that Americans want ever-more open borders, yet that is exactly what the elites deliver year after year. If the idea of giving voting rights to non-citizen majorities catches on — and don't be surprised if it does — Americans could be faced with the ultimate absurdity of people outside the social compact making rules for those inside it.

But the push to annul the laws of immigration does not even help its purported beneficiaries. Sanctuary policies contribute to the terrorization of immigrant communities. By stripping the police of what on occasion may be their only immediate tool to remove a psychopathic

gangster from the streets, sanctuary policies leave law-abiding immigrants defenseless against the social and financial devastation of crime and handicapped in the march up the economic ladder. Anyone who cares about their future success should want every possible law enforcement means deployed to protect them. And immigration optimists, who argue that assimilation into American ideals is proceeding just fine and dandily, should take another look: In many immigrant communities, assimilation into gangs seems to be outstripping assimilation into civic culture. Toddlers are being taught to flash gang signals and to hate the police, reports the *Los Angeles Times*. In New York City, "every high school has its Mexican gang," and most 12 to 14-year-olds have already joined, claims Ernesto Vega, an illegal 18-year-old Mexican who works at a New York association for Mexican empowerment. Such pathologies are only exacerbated when the first lesson of American law learned by immigrants is that Americans don't bother to enforce it. "Institutionalizing illegal immigration creates a mindset in people that anything goes in the U.S.," observes Patrick Ortega, the News and Public Affairs Director of "Radio Nueva Vida" in Southern California. "It creates a new subculture, with a sequelae of social ills."

Taking immigration law seriously may make a start in combating these worrisome trends. The police should be given the option of reporting and acting on immigration violations, where doing so would contribute to public safety. The decision about when to use immigration rules will be a matter of discretion, but discretion is at the heart of all wise policing. The CLEAR Act, now before Congress, would help by clarifying the authority of local law enforcement to cooperate with immigration authorities. The police should have access to federal databases of immigration violators, an idea that the administration is slowly acting upon, against great opposition from the usual suspects.

And then the successor agencies of the INS should be given the resources they need. More detention space should be built, or contracted through private providers, so that deportable aliens are not released back to the streets. The missing link in workforce law — a fraud-proof work ID — must be created, and then employers must be held responsible for demanding it.

Advocates for amnesty argue that it is the only solution to the illegal alien crisis, because enforcement clearly has not worked. They are wrong in their key assumption: Enforcement has never been tried. Amnesty, however, has been tried — in both an industrial-strength version in 1986, and in more limited doses ever since — and it was a clear failure. Before we proceed again to the ultimate suspension of the nation's self-definition, it is long past time to make immigration law a reality, not a charade.

Heather Mac Donald is a John M. Olin fellow at the Manhattan Institute and a contributing editor to City Journal. This Backgrounder is adapted from Ms. Mac Donald's article, "The Illegal-Alien Crime Wave" in the Winter 2004 edition of City Journal.

## National Data, By Edwin S. Rubenstein

### EMTALA—Health Care Giveaway To Immigrants

Increase law enforcement efforts—and the influx of immigrants will increase.

Say what?

No, that wasn't a misprint – not when the law in question is the <u>Emergency Medical Treatment and Active Labor Act of 1985.</u>

EMTALA requires that every emergency room in the country <u>treat the uninsured for free</u>. And, naturally, that includes immigrants and illegal aliens.

An "emergency," as defined by this statute, is any complaint brought to the ER, from hangovers to hangnails, from gunshot wounds to AIDS.

The hottest ER diagnosis, according to medical lawyer <u>Madeleine Cosman</u>, is **"permanent disability"** – a vaguely defined condition that covers mental, social, and personality disorders. [Source: Madeleine Pelner Cosman, "Illegal Aliens and American Medicine," <u>Journal of American Physicians and Surgeons</u>, Spring 2005.]

Drug addiction and alcoholism (DA&A) are among the fastest growing "disabilities"

- In 1983 only 3,000 ER cases were classified as DA&A
- In 1994 DA&A cases exploded to 101,000
- In 2003 about 325,000 such cases were reported

And immigrants (legal and illegal) get more than medical treatment. A "disability" diagnosis automatically qualifies them for <u>Supplemental Security Income</u>, a federally funded <u>cash transfer payment</u>.

The numbers are staggering:

- 127,900 immigrants on SSI in 1982 (3.2 percent of recipients)
- 601,430 immigrants in 1992 (10.9 percent of recipients)
- 2 million in 2003 (about 25 percent of SSI recipients)

Unlike the other laws affecting illegal aliens, <u>EMTALA</u> is vigorously enforced. Hospital ERs must have physicians available to them at all times from every department and specialty covered by the hospital. The Feds impose <u>fines of up to \$50,000</u> on any physician or hospital refusing to treat an ER patient—even when the attending physician

examines and declares the patient's illness or injury to be a non-emergency. Lawyers and special interest groups are granted more authority than doctors in these matters.

But even EMTALA can't stop <u>ERs from closing their doors completely</u>, however. Uncompensated medical costs forced 84 California hospitals to close over the past decade.

EMTALA is not just for immigrants, of course. Uninsured U.S. natives receive the same ER privleges. Immigrants and <u>their children</u>, however, account for one-quarter of all uninsured—and more than half (59 percent) of the growth in the uninsured caseload. [Table 1: Who Are The Uninsured?]

Even Mexicans in Mexico <u>regard EMTALA</u> as their <u>entitlement</u>: Ambulances drive <u>from Mexico to U.S. border hospitals</u>, drop off <u>indigent patients</u>, and leave secure in the knowledge that their fares will be admitted.

The drivers apparently know that EMTALA requires <u>hospitals</u> to accept anyone who is within 250 yards of a <u>hospital</u>—no matter how they got there.

The moral: "It's just obvious that you can't have free immigration and a welfare state."—Milton Friedman, quoted in Forbes, December 27, 1997.

Edwin S. Rubenstein (<u>email</u> him) is President of <u>ESR Research Economic Consultants</u> in Indianapolis.

# The Sinking Lifeboat: Uncontrolled Immigration and the U.S. Healthcare System - Executive Summary-from FAIR\* February 2004

#### \*FEDERATION FOR AMERICAN IMMIGRATION REFORM

#### **Executive Summary**

America's health care system is in crisis: Costs and insurance premiums are skyrocketing, the number of the uninsured is rising rapidly, providers are reducing staffing and services and increasing rates, and hospitals are closing or facing bankruptcy.

As states cut their health care budgets to try to make ends meet, high rates of immigration are straining the health care system to the breaking point.

- · One out of every four uninsured people in the United States is an immigrant.
- When the 3.5 million immigrants receiving insurance through publicly funded Medicaid are factored in, almost half of immigrants have either no insurance or have it provided to them at taxpayers' expense.
- In some hospitals, as much as two-thirds of total operating costs are for uncompensated care for illegal aliens.
- Although a national total of annual unreimbursed medical expenses for illegal aliens is not available, it is clear that those costs are more than one billion dollars, given estimates for Texas (\$393 million), Los Angeles (\$350 million), Florida (\$40 million), and U.S.-Mexico border counties (\$300 million).
- The problem is on the rise: Immigrants (legal and illegal) who arrived between 1994 and 1998 and their children accounted for 59 percent of the growth in the size of the uninsured population in the last ten years.

Federal laws requiring hospitals to treat anyone who enters an emergency room regardless of ability to pay have created an unfunded mandate for states and localities to fund health care for non-U.S. citizens and illegal aliens. Yet at the same time, lack of enforcement of federal laws against illegal immigration has led to a pool of nine to eleven million illegal aliens in the U.S.—and state and local taxpayers are being forced to foot the bill. Although immigration law enforcement is a federal responsibility, most hospitals receive little or no reimbursement for the care to immigrants that the federal government mandates that they provide.

- Lack of insurance leads many immigrants to use hospital emergency departments—the
  most expensive source of health care—as their primary care provider. Emergency room
  visits increased by 20 percent in the last decade. The problem has become so out of
  control that some Mexican ambulance companies are now instructing their drivers to
  drive uninsured patients across the border to the United States, where they will receive
  free treatment.
- The increase in uncompensated care for immigrants has forced some hospitals to reduce staff, increase rates, cut back services, and close maternity wards and trauma centers.

The escalating burden incurred by hospitals and other health facilities for the uncompensated treatment of aliens is driven by both rampant illegal immigration and a legal immigration system that allows large numbers of people to gain permanent residence despite the fact that they are unlikely to be working in jobs with health care coverage or have personal resources sufficient to pay for health services.

At the same time that Washington is neglecting to pick up the tab for aliens whom it has failed to prevent from settling here illegally, the problem is exacerbated by state and local policies that grant costly benefits to people who violate immigration law.

Reversing the escalating burden of uncompensated health care for immigrants and illegal aliens will necessitate enforcing laws against illegal immigration; reimbursing states and localities for the costs of failures in federal immigration policy but denying reimbursement to communities that work against federal efforts to combat illegal immigration; identifying foreign users of publicly funded medical treatment (and their immigration status); establishing guarantees of medical bill payment prior to admission to the country; clarifying existing federal emergency service laws regarding the termination of a hospital's obligation for continuing care after the provision of emergency treatment to stabilize the patient.

It will also require a change in public officials' mindset: Instead of shifting the burden to local taxpayers (often to those least able to pay when confronted with rising insurance premiums and medical bills), lawmakers must squarely face the consequences of immigration policy decisions. Our immigration system must be made consistent with U.S. national needs and priorities.

Yet quite the opposite is occurring. At a time when the country is struggling to provide affordable care to millions of uninsured residents, President Bush's immigration proposal would bring in hundreds of thousands more uninsured—and officially sanction a massive illegal population already here and already draining health care funds from struggling communities.

February 2004



### REPORT

July 26, 2005

# The New Latino South: The Context and Consequences of Rapid Population Growth

This report was prepared by Rakesh Kochhar, Roberto Suro and Sonya Tafoya of the Pew Hispanic Center for presentation at "Immigration to New Settlement Areas," a conference held at the Pew Research Center on July 26, 2005

> Pew Hispanic Center A Pew Research Center Project www.pewhispanic.org

#### **Executive Summary**

The Hispanic population is growing faster in much of the South than anywhere else in the United States. Across a broad swath of the region stretching westward from North Carolina on the Atlantic seaboard to Arkansas across the Mississippi River and south to Alabama on the Gulf of Mexico, sizeable Hispanic populations have emerged suddenly in communities where Latinos were a sparse presence just a decade or two ago. Examined both individually and collectively, these communities display attributes that set them apart from the nation as a whole and from areas of the country where Latinos have traditionally settled.<sup>1</sup>

In the South, the white and black populations are also increasing and the local economies are growing robustly, even as some undergo dramatic restructuring. Such conditions have acted as a magnet to young, male, foreign-born Latinos migrating in search of economic opportunities. While these trends are not unique to the South, they are playing out in that region with a greater intensity and across a larger variety of communities—rural, small towns, suburbs and big cities—than in any other part of the country. Understanding the interplay of Hispanic population growth and the conditions that attended it helps illuminate a broad process of demographic and economic change in the South and in other new settlement areas as well. To varying degrees, communities scattered from New England to the Pacific Northwest are also seeing surging Hispanic populations. The South, different in so many ways for so much of its history, now offers lessons to the rest of the country.

Most of the Latinos added to the population of the new settlement areas of the South are foreign born, and their migration is the product of a great many different policies and circumstances in the United States and their home countries. But there is a local context as well, and it is different in the new settlement areas of the South than it is in states such as California and New York, where migrants join large, well-established Latino communities. Given its distinctive character, Hispanic population growth in these parts of the South will also have distinctive impacts on public policy, and those impacts have only just begun to be felt.

This report focuses on six Southern states—Arkansas, Alabama, Georgia, North Carolina, South Carolina and Tennessee—that registered very fast rates of Hispanic population growth between the censuses of 1990 and 2000 and continue to outpace the national average in the most recent census estimates. In order to examine the diversity of demographic and economic experiences at the local level, this report also examines 36 counties in the South that are experiencing especially rapid Hispanic growth. Some of these counties contain metropolitan areas such as Atlanta, Ga., Birmingham, Ala., and Charlotte, N.C., that registered huge increases in their Hispanic populations— for example, Mecklenburg County, N.C., which includes Charlotte, was up 500 percent. But other counties are predominately rural or contain smaller cities. Their total population in 2000 ranged from fewer than 37,000 (Murray County, a carpetmanufacturing community in northwest Georgia) to almost 900,000 (Shelby County, Tenn., home to Memphis). Thirty-six of these counties, all with an increase in their Hispanic population of 200 percent or more, had enough statistical information available to be studied in detail for this report. And in every case, the Hispanic population was relatively small before it

<sup>&</sup>lt;sup>1</sup> The terms "Hispanic" and "Latino" are used interchangeably throughout this report. The terms "white" and "black" refer to non-Hispanics in those racial categories.

surged. Fewer than 7,000 Hispanics were counted in Mecklenburg in 1990, but by 2000 there were nearly 45,000. Gordon County, Ga. had just 200 Latinos in 1990 and saw its Hispanic population soar to more than 3,200 by the 2000 census.

Underlying the growth of the Latino population in the new settlement areas of the South between 1990 and 2000 was an unusually robust economy. The Southeast was one of the fastest-growing regions in the country during the 1990s, and economic progress was spread across a variety of industries. Some counties bucked the national trend and added manufacturing jobs; others shed manufacturing jobs but saw other sectors such as services emerge as a leading source of income and employment. A third group of counties, many of them part of, or centered near, large metropolitan areas, enjoyed a diverse economic base that held up well during the decade.

It is important to note that the region added jobs for both Hispanic and non-Hispanic workers at rates well in excess of the national average. In this respect, the economic context to the growth of the new settlement areas of the South mirrors the demographic context, since Hispanic population growth in the six-state region was accompanied by continued growth in the black and white populations. By contrast, in some states where Hispanics had traditionally settled, such as New York and California, the non-Hispanic white population actually declined.

The prospect of work has attracted large numbers of young Hispanics, often unmarried and mobile enough to pick up and move where the jobs are. Because the Hispanic population in the new settlement areas of the South had been so small prior to the recent surge, the region has seen less immigration due to family reunification than is common in areas of long-established Hispanic settlement. As a result, Latinos in the new settlements of the South are much more likely than those in areas of traditional settlement to have been born abroad, to have arrived recently (particularly from Mexico), to be male, to be unmarried, and to be young. Most have relatively little education, and many do not speak English well.

Because the large growth in the Hispanic region is so recent, much of the impact of the new wave of immigration is only beginning to make itself felt on the infrastructure of the host communities. But it is already clear that the impact will be dramatic, particularly on the schools. For now, employers in the region are happy to have a dependable source of low-cost labor available to them. As the new immigrants grow older and utilize more health services, and as more wives join their husbands, evening out the current gender imbalance and leading to more children, the demands they make on public services will increase but so too may their contributions to the tax bases supporting those services.

This report looks at the demographic characteristics of the new settlement areas of the South on both state and county levels, examining the economic factors that have led to the increase in Hispanic migration to the area and some of the policy implications for the region.

Some of the major findings in this report include:

 North Carolina (394%), Arkansas (337%), Georgia (300%), Tennessee (278%), South Carolina (211%) and Alabama (208%) registered the highest rate of increase in their Hispanic populations of any states in the U.S. between 1990 and 2000, except for Nevada (217%).

- The rapid growth in the Hispanic population occurred not in isolation but in the context of strong population growth among blacks (21%) and whites (11%) in the new South states.
- The same basic trends have remained in place since 2000 with the growth of both the Hispanic population and the population overall outpacing the national average, according to the most recent Census Bureau estimates.
- The growth in the Latino population was even more dramatic at the county level, exceeding 1,000% in some counties and 500% in many others. The dramatic increases occurred across a range of county types, from small, non-metro manufacturing counties throughout North Carolina and north of Atlanta to counties in the heart of large metropolitan areas such as Nashville, Tenn.
- Hispanics in the new settlement areas of the South states are predominantly foreign-born (57%). The immigrants are mostly men (63%) and young (median age 27). Most of these immigrants (62%) lack even a high school diploma, and 57% do not speak English well or do not speak it at all. More than half of these immigrants entered the U.S. between 1995 and 2000, and most lack legal status.
- Rapid and widespread growth in income and employment in the region provided the economic incentives for Hispanics to migrate to new settlement states in the 1990s. Unemployment rates in the new South states and key metropolitan areas within those states were consistently lower than the nationwide rate between 1990 and 2000.
- Economic growth in the new settlement states created jobs for an additional 410,000 Hispanic workers and 1.9 million non-Hispanic workers in the 1990s.
- Several counties in the new settlement areas not only retained a manufacturing base but added manufacturing jobs in the 1990s. Hispanic workers in these counties accounted for 41% of the total increase in employment. Moreover, 57% of Latino workers in these counties were employed in manufacturing in 2000.
- Another group of counties in the new settlement areas retained strong ties to manufacturing but also made transitions into other sectors during the 1990s. Nearly 43% of Hispanic workers in those counties were engaged in manufacturing in 2000.
- Larger counties with more diverse economic bases provided fewer job opportunities in manufacturing but 30 percent of Hispanic workers found employment in the construction industry alone.
- The median annual income of Hispanic workers in the new South was about \$16,000. In manufacturing counties this was about 60% of the earnings of white workers. However, in

the larger counties with diverse economies the earnings of Latino workers were only 47% of the earnings of white workers.

- The Hispanic school-age population (ages 5 through 17) in the new settlement areas of the South grew by 322% between 1990 and 2000. Over the same period, the corresponding white population grew by just 10% and the black population by 18%.
- The Hispanic population of preschool age (4 or younger) increased by 382 percent between 1990 and 2000, and the number of Hispanics added was far larger than the number of whites (110,000 vs. 43,000).
- By the 2001-2002 school year, Hispanics accounted for 4 percent of school enrollment, but by 2007-2008 the Western Interstate Commission for Higher Education projects they will make up 10 percent of the primary and secondary school students in the six new settlement states of the South.
- The number of Spanish-speaking children in the region with limited proficiency in English in 1990 was 18,000. By 2000 that number had increased to 64,000.
- The poverty rate among Latinos in the six Southern new settlement states jumped from 19.7% to 25.5% between 1990 and 2000—a 30% increase compared with a 4% drop for Latinos nationwide. Meanwhile the overall poverty rate in these states dropped by 7% over the decade.
- In the six Southern states, 65% of Latinos are renters compared with 52 percent of Latinos nationwide and 21% of whites and 44% of blacks in the new settlement states.
- The impact of an influx of Latino immigrants on the region's housing is notable because Latinos have more children on average than non-Hispanics and Latino households frequently include members of an extended family or nonrelatives. The average number of people in Hispanic households in the South (3.8) was significantly larger than in either white (2.4) or black (2.7) households in the region.

### Oklahoma's Governor Brad Henry has signed a sweeping immigration Reform bill

(Source: Editor of Asheville Tribune) August 7, 2007

House Bill 1804 that its sponsor believes will go a long way in dealing with the illegal alien problem in the state.

House Bill 1804 was passed by overwhelming majorities in both the House and Senate of the Oklahoma Legislature. The measure's sponsor, State Representative Randy Terrill, says the bill has four main topical areas: it deals with identity theft; it terminates public assistance benefits to illegal; it empowers state and local police to enforce federal immigration laws; and it punishes employers who knowingly hire illegal aliens.

Oklahoma is no longer "O.K." for illegal aliens, Terrill observes. "When you put everything together in context," he contends, "the bottom line is illegal aliens will not come here if there are no jobs waiting for them, they will not stay here if there is no government subsidy, and they certainly won't stay here if they know that if they ever encounter our state and local law enforcement officers, they will be physically detained until they're deported. And that's exactly what House Bill 1804 does."

The Oklahoma legislator is pleased the bill he sponsored into law was signed by Governor Henry and believes it will go a long way to curb the illegal immigration problem in the state. "I would remind people that states are separate sovereigns in our federal system," Terrill points out. "Anyone who doesn't understand that needs to go back and take an American federal government class in college," he says.

As a result of that sovereignty, the Oklahoma lawmaker insists, "we have as much right - in fact, I would argue, a responsibility - to protect our tax payers against that sort of egregious waste, fraud and abuse as the federal government should have a responsibility to protect that international border, but doesn't do that."

Terrill says as long as the federal government refuses to do its job of protecting the international borders of the United States, states like Oklahoma must take action to deal with the problem that is costing taxpayers in the state \$200 million a year in public benefits, law enforcement costs, and other resources.

### Commission on Illegal Immigration Report

October 17, 2007

#### **Presenters**

- Henderson County Health Department and Henderson County Department of Social Services – April 30, 2007
- Pardee Hospital and Park Ridge Hospital May 7, 2007
- Henderson County Schools May 14, 2007
- Blue Ridge Community College and Western Carolina Community Action

   May 21, 2007
- Henderson County Sheriff and Henderson County Clerk of Court May 30, 2007
- North Carolina Cooperative Extension Service and North Carolina Employment Security Commission – June 4, 2007
- North Carolina Farm Bureau, citizens and La Vos, a Spanish Language Newspaper – June 11, 2007
- Henderson County Inspections Department and citizens June 18, 2007
- Henderson County Chamber of Commerce July 30, 2007

## Mutually Agreed Recommendations

- The BOC should obey and support Federal and State immigration laws. In particular we attach a two-page document from the county Sheriff, entitled "Immigrations and Customs Enforcement (ICE) 287(g) Program." The first responsibility of any government is protection of its citizens and we ask the HC BOC to take every possible step to move this program forward as rapidly as possible, and to fully fund the Sheriff's department.
- Collect and evaluate immigration data from county departments, particularly Health, Social Services, Schools, and Law Enforcement, especially as new immigration laws are enacted and/or old laws are enforced.
- 3. Consider creating a follow-on citizens committee, such as this one, to again examine the immigration issue.

#### Recommendations

- 4. Henderson County government should set the example for all employers in the County by taking whatever means are available to screen for illegal immigrant work applicants. All units of county government should begin using the free federal Employment Eligibility Verification Program (EEV also known as the Basic Pilot Program) as soon as possible. This should apply to all Henderson County agencies and Pardee Hospital and its branches and clinics.
- 5. Encourage Pardee Hospital to keep a record of non-reimbursed Emergency Medical and Clinic expenses more than 90 days overdue. These should be checked on the Systematic Alien Verification for Entitlements (SAVE) system for legal eligibility for Public Benefits and with Social Security to identify fraudulent or stolen social security numbers. Indications of social security card fraud or theft should be turned over to the proper authorities.

#### Recommendations

- 6. The County should strongly endorse and support all recommendations made by Sheriff Rick Davis regarding illegal immigration and illegal immigrant crime. It is especially important to reduce and preferably eliminate illegal drug traffic in Henderson County and to prevent the individual and gang violence associated with it.
- 7. It is very important for the County to send an unequivocal message to the public, employers, and the media that it does not welcome illegal immigration for any purpose, nor does it condone the employment of illegal immigrants for any purpose. It should be the duty of the County Commissioners to see that all activities to prevent illegal immigration and to lessen its risk and costs to the County are coordinated and reviewed quarterly by the County Manager. The County Manager should report a summary of all data and findings to the Commissioners at least once quarterly.

#### Recommendations

- Discourage substandard or overly intensive habitation of housing by a combination of appropriate housing code measures and enforcement of same.
- 9. Do whatever possible within the political means and ways of the BOC to support the businesses in Henderson county in their efforts to get Congress to reform our immigration laws to a workable system in order to ensure a balanced and legal supply of able and willing labor force for our county without negative complications that come with the illegal immigration.
- 10. Recognize the economic contributions of our Hispanic labor force to our county's economy.

#### **Enforcement**

- 1. Encourage the Employment Eligibility Verification Program (EEV) use by all Henderson County employers as soon as possible.
- 2. The Sheriff's department should investigate the employment record of anyone identified as an illegal alien. The identity of the employer should be noted and reported to the County Commissioners or the City of Hendersonville for appropriate action. The Sheriff's department should also collect and report data on illegal alien arrests to the County Commissioners at least quarterly. This information should be made available to the public and all local news media at the same time.
- Tax and Budget Planning: Establish a long-range planning committee consisting of qualified County employees to determine the impact of immigration on Henderson County schools, infrastructure, budgets, and taxes.
- 4. Despite the burden on some sectors of the County economy and some employers, the County must seek to phase out the employment of illegal immigration within three to five years.

#### Integration

- Encourage ESL (English as a Second Language) and US citizenship courses. Recognize individuals who tutor, perhaps provide added classroom or other meeting space, and promote education of issues concerning illegal immigration.
- Encourage Driver Education for legal immigrants. Again, provide moral support and recognition when these efforts are already being taken by non-government organizations, churches, etc.. and provide space, equipment etc. as possible. This should include instruction about insurance, legal rights and responsibilities, etc.
- 3. Note that Arizona, Oklahoma, and Georgia have passed strict enforcement laws. Before instituting similar action here to the detriment of our business community, (and anticipating little to no significant action by the federal government in the meantime) the BOC should follow up in three and six months on the effect of those laws on the agriculture, construction, healthcare and hospitality industries in those states.

#### Integration

- 4. The BOC should, by way of a written document, encourage the Sheriff's Department to be very clear and open about what violations trigger 278(g) interventions, to act consistently with their public statements to the Latino community on the subject and to ensure that the program is used to remove serious threats to public safety rather than allow it to become an indiscriminate threat to all immigrants.
- 5. Consider issuing ID cards to and registering those undocumented immigrants with no criminal records, who have a paying job and pay taxes (via the W-2 process). Consider extending public transportation routes to better serve the origin/destination needs of the immigrant community as a whole. Encourage carpooling with a centralized informational structure that makes if feasible.

#### Integration

- Using volunteer organizations, implement bi-directional cultural awareness training in order to dispel misconceptions and provide nondiscriminatory service to all residents. Encourage that issues of cultural diversity are included at all levels of the public schools' curriculum.
- 7. Refrain from adopting resolutions or measures that will place the blame and the burden of the faulty immigration system and the lack of enforcement thereof on the business community of Henderson County, which in turn would seriously hurt the business climate in the county.
- 8. Assist the business community in its efforts to obtain legal immigration status for individuals that have been employed for 1 year or longer by the same employer, under the verified assumption that all normal required payroll and other tax withholdings have been made over the same time span and no criminal history outside of the immigration related issues exists.

## Minority Report Recommendations

- 1. The first priority is for the County to support Sheriff Davis in his efforts to implement the Federal 287g program allowing local officers to establish the immigration status of criminals and assist the Federal Government in enforcing pertinent U.S. immigration laws. This should be implemented as soon as possible. Delay might be the cause of loss of property, serious injury, or even loss of life due to crimes that could have been prevented by early implementation of 287g.
- 2. Henderson County should set the example for all employers in the county by taking what means are available to screen for illegal immigrant work applicants. All units of county government should begin using the free federal Employment Eligibility Verification Program (EEV also known as the Basic Pilot Program) as soon as possible. This should apply to all Henderson County agencies, Pardee Hospital, and its branches and clinics.
- 3. Encourage EEV Program use by all Henderson County employers as soon as possible.

# Minority Report Recommendations

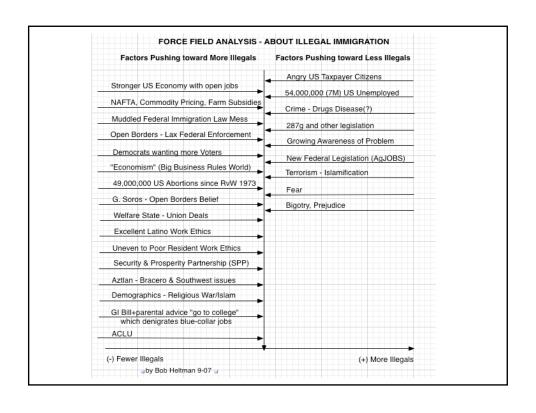
- 4. Pardee Hospital should use the SAVE system to check the legal eligibility for those applying for Public Benefits. In addition, Pardee Hospital should be encouraged to keep a record of non-reimbursed Emergency Medical and clinic expenses more than 90 days overdue. These should be checked on the SAVE system for legal eligibility of Public Benefits and with Social Security to identify fraudulent or stolen social security numbers. Indications of social security card fraud or theft or illegal use of Public Benefits should be communicated to local law enforcement and proper national authorities.
- Establish a long-range planning committee consisting of qualified County employees to determine the impact of immigration on Henderson County schools, infrastructure, budgets, and taxes.

### Minority Report Recommendations

- 6. It is very important for the County to send an unequivocal message to the public, employers, and the media that it does not welcome illegal immigration for any purpose, nor does it condone the employment of illegal immigrants for any purpose. It should be the duty of the County Commissioners to see that all activities to prevent illegal immigration and to lessen its risk and costs to the County are coordinated and reviewed quarterly by the County Manager. The County Manager should report a summary of all data and findings to the Commissioners at least once quarterly.
- 7. Despite the burden on some sectors of the County economy and some employers, the County must seek to phase out the employment of illegal immigration within three to five years. As a Guideline for this strategy I would recommend reading the Center for Immigration Studies Backgrounder: Downsizing Illegal Immigration-a Strategy of Attrition Through Enforcement, by Mark Krikorian, Dated May 2005. This is included in the appendix.

## Minority Report Recommendations

- 8. It is important that County Commissioners make decisions on the issue of illegal Immigration based on an informed knowledge of the dynamics and economics of immigration in the United States. The best understanding may be gained by two books in particular:
  - George J. Borjas; *Heaven's Door: Immigration Policy and the American Economy*, Harvard University Press 1999. A collection of several pages of Borjas quotes is included in the appendix.
  - Peter Brimelow; Alien Nation: Common Sense about America's Immigration Disaster, Random House, 1996.
- Any future committees on illegal immigration or immigration reform appointed by the Board of Commissioners should consist only of U.S. citizens registered to vote in Henderson County.



					n Estimate - Low Skilled	Only		
		(NOTE:	I his ty	be analysis applies	to ALL low-skilled jobs)			
# Illegals	\$ Pay/Hour		Hours/week		Weeks/Yr.	Total Y\$/Yr		
7 200	7,200 < total illegal workers 25/75% split lines 6 & 7							
1,800	\$	10.00		35	50	\$	31,500,000	Hourly
5,400	\$	15.00		60	34	\$	165,240,000	Piece work
Total income from all workers >:						\$	196,740,000	
Decimal % sent to	in America:			0.5	\$	98,370,000		
Balance of income	enderson County	area:			\$	98,370,000		
Indirect Jobs Supported			Av	g. \$ Salary	X # Illegals		Total Y\$/Yr	
1.7			\$	30,000.00	7,200	\$	367,200,000	
(NOTE: Some %\$ e	effect of inc	lirect iobs occurs	outside	our county.)				
Total Contribution of Jobs Filled by Illegals (E10+E14):				- '		\$	465,570,000	
(NOTE: 1.7 is the jo	b muliplier	guessed at. No	induced	jobs are included b	out should be)			
COSTs of Illegals								
Illegals Net Cost per Illegal (or any low skilled worker)								
7,200	\$	18,000.00			Total Cost->	\$	129,600,000	
(NOTE: Most local)	llegals are	young males, the	us \$18K	vs. full \$19.5K)				
Total Contribution of jobs filled by Illegals=						\$	335,970,000	
(NOTE: \$129,600,0	00 value s	ame if jobs were	filled by	egals)				
NOTE: N	let Cost \$1	9,588/family from	n Heritag	e Foundation Stud	y of 5-21-07			