



# Economic Benefits of Deferred Action for Childhood Arrivals (DACA)

### **REQUEST**

Pass a bill that provides permanent protections to immigrant youth, many of whom have Deferred Action for Childhood Arrivals Program (DACA) status.

# **BACKGROUND**

The DACA Program was established in 2012 by executive order under the Obama Administration. Through DACA, approximately 800,000 immigrants who came to the United States as children have been granted legal work status and temporary protection from deportation as well as work permits, driver's licenses, affordable higher education and professional licenses. In September 2018, the Trump Administration announced its decision to end the DACA program.

After this announcement, several lawsuits were filed against the Trump administration for terminating the program unlawfully. As a result, three nationwide injunctions issued by U.S. district courts — in California, New York, and the District of Columbia — have allowed people who have previously had DACA to renew their deferred action. These court injunctions also offer no relief to Dreamers who were eligible for DACA, or would have aged into DACA, but were locked out of the program when the Trump administration ended it. These injunctions offer temporary protection to current DACA recipients but could be reversed by the Supreme Court.

Terminating DACA is harmful to many young immigrants, and if these young people lose their legal status, it will also greatly hinder economic growth. The American economy will lose a talented entrepreneurial labor source and 800,000 young immigrants will have their educational and employment goals shattered.

There is a broad misconception that DACA recipients are hindering economic growth, and this could not be further from the truth. Many economists and industry leaders have produced evidence to the contrary, including the fact that rescinding DACA will reduce the gross domestic product by over \$400 billion over a decade, reduce tax revenue and result in the loss of a valuable entrepreneurial workforce. DACA recipients are ingrained in American society; this community is key to our country's growth.



When we make the argument for why we must preserve DACA, the valuable economic contributions that immigrants, Dreamers, and undocumented students bring to this country cannot be emphasized enough.

## **TALKING POINTS**

- As stated by the U.S. Chamber of Commerce, "Ending DACA would be a nightmare for Dreamers. A nightmare for businesses. A nightmare for America's economy." (Democrats of Committee on Small Business Report, Economic Impact of DACA: Spotlight on Small Business)
- DACA-enrolled and eligible immigrants contribute roughly \$2 billion each year in state and local taxes. (Democrats of Committee on Small Business Report, Economic Impact of DACA: Spotlight on Small Business)
- Deporting Dreamers could cost \$60 billion and reduce economic growth by \$280 billion. (Democrats of Committee on Small Business Report, Economic Impact of DACA: Spotlight on Small Business)
- In 26 states, DACA-eligible spending power is at least \$100 million. (Democrats
  of Committee on Small Business Report, Economic Impact of DACA: Spotlight on
  Small Business)
- According to the CATO Institute, in the next 10 years DACA recipients would add an extra \$350 billion to the economy and create an additional \$90 billion of tax revenue. (NBC News Report, *The Economic Impact of Losing DACA workers*)
- In California, DACA-eligible individuals contribute \$534,124,000 in annual tax revenue, representing 8.2% of the current effective tax rate. By removing DACAeligible workers, California will lose \$11,620,786,775 in annual GDP. (Democrats of Committee on Small Business Report, *Economic Impact of DACA: Spotlight on Small Business*)
- There is broad support for immigrants, including Dreamers, amongst business owners. A study by the Small Business Majority found that 84 percent believe immigration is good for America and 67 percent believe that immigration reform will be good for small businesses by establishing a qualified and stable workforce. (Democrats of Committee on Small Business Report, Economic Impact of DACA: Spotlight on Small Business)



#### **ATTACHMENTS**

https://www.americanprogress.org/issues/immigration/news/2018/08/15/454731/amid-legal-political-uncertainty-daca-remains-important-ever/.

https://www.nbcnews.com/business/velshi-ruhle/economic-impact-losing-daca-workers-n852751

https://www.americanprogress.org/issues/immigration/reports/2018/09/13/458008/dacarecipients-stand-lose-states-can/

http://iamerica.org/daca#update%201/22/19

https://smallbusinessmajority.org/opinion-poll-small-business-support-comprehensive-immigration-reform

https://smallbusiness.house.gov/sites/democrats.smallbusiness.house.gov/files/documents/economic%20impact%20of%20daca%20report.pdf