

*For Immediate Release*

**A Rising Tide or a Shrinking Pie**

*New Report Examines the Economic Impact of Legalization vs. Deportation in Arizona*

**March 24, 2011**

**Washington, D.C.** - As Arizona approaches the one-year anniversary of the passage of SB 1070, the Immigration Policy Center and Center for American Progress release a new report, [\*A Rising Tide or a Shrinking Pie: The Economic Impact of Legalization Versus Deportation in Arizona\*](#), by Raúl Hinojosa-Ojeda and Marshall Fitz, which examines two very different futures for Arizona's economy.

In the first scenario, the proponents of SB 1070 achieve their stated goals and all current unauthorized immigrants leave the state-taking their labor, their spending power, and their tax dollars with them. In the second scenario, unauthorized immigrants are offered a pathway to legal status, thereby enabling them to earn higher wages, spend more, and pay more in taxes. The economic modeling shows that deporting all of Arizona's unauthorized workers, consumers, and taxpayers would eliminate 581,000 jobs and reduce state tax revenues by \$4.2 billion. Conversely, legalizing the state's unauthorized immigrants would create 261,000 jobs and increase tax revenues by \$1.7 billion.

**According to Raúl Hinojosa-Ojeda**, the report's author and founding director of the North American Integration and Development Center at UCLA: "The key issue is that bills like SB 1070 that seek to eliminate the undocumented population, if successful, would represent a severe shock to the Arizona economy and create a deep hole that the state would have to claw out of. The size of that hole is what this new report measures.

**According to Benjamin Johnson**, Executive Director of the American Immigration Council: "One of the byproducts of inaction to reform our deeply flawed immigration system is that the current unauthorized population in the U.S. has established deep roots which are intricately connected to our federal and state economies. More than 60% of the current unauthorized population has been in the United States for more than 10 years. As a result, proposals to deport them or drive them away will come with a huge cost. What today's report makes clear is that states can either impose a huge deportation tax on their economy in a quest to enforce their way out of our broken immigration system. Or they can harness the economic potential of immigration for the good of their states" said Benjamin Johnson, Executive Director of the American Immigration Council.."

**According to Nan Walden**, Arizona Businesswoman and Vice President and Counsel at Farmers Investment Co.: "This new report quantifies what we've been seeing on the ground for the past year. People are leaving, along with their tax and consumer dollars and visitors aren't coming because they are unsure of the climate. It is clear that SB 1070 is not good for Arizona business"

**To view the report in its entirety see:**

- [\*A Rising Tide or a Shrinking Pie: The Economic Impact of Legalization vs. Deportation in Arizona\*](#) (IPC/CAP Special Report, March 24, 2011)
- To listen to a recording of a briefing on the paper click [here](#) or visit <http://www.immigrationpolicy.org/special-reports/rising-tide-or-shrinking-pie>

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