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POLICY BRIEF

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A Study in Distortion: FAIR Targets Immigrant Children

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In a somewhat meandering August report, *Breaking the Piggy Bank: How Illegal Immigration is Sending Schools Into the Red*, the Federation for American Immigration Reform (FAIR) attempts to make the argument that the cost of educating undocumented immigrant students in public elementary and high schools is a major cause of the budget deficits currently facing most states and precipitating cuts in school funding. However, the report's own statistics do not support this claim. Even if the report is correct in its assertion that the cost to states was \$7.4 billion in 1999-2000, this represents only 1.9 percent of the \$381.8 billion spent nationwide on public elementary and secondary education¹ and a miniscule fraction of the roughly \$1 trillion in total spending by state governments.² Moreover, the report neglects to mention that the estimated 1.1 million undocumented K-12 students in 2000 comprised a mere 2 percent of the total student population³ and that many state governments – including California's – were running budget surpluses at that time. It is no more plausible to claim that undocumented students are somehow largely to blame for current budget deficits than it is to claim they deserve most of the credit for the budget surpluses of three years ago.

While the FAIR report does not suggest that federal immigration authorities start raiding elementary schools in order to improve state budget forecasts, it does argue that "communities' limited tax dollars are being diverted to accommodate mass illegal immigration." This conveniently ignores the fact that immigrants are part of the taxpaying community. The report attempts to get around the issue by saying that while it "is reasonable to ask whether the costs of educating illegal alien students is offset by the taxes paid by their parents...study after study shows that immigrants cost taxpayers more in public services use than they pay in to the system via taxes." However, this simply is not true. In the most authoritative study to date on the economic costs and benefits of immigration, 1997's *The New Americans*, the National Academy of Sciences estimated that "the average immigrant pays nearly \$1,800 more in taxes than he or she costs in benefits" and that immigrants make a net contribution of "as much as \$10 billion a year" to the U.S. economy. It also is worth noting that *The New Americans* emphasizes a key fact overlooked in any analysis, such as FAIR's, which tries to estimate the net "costs" of immigration by taking a single-year snapshot of the economy: "Children who consume services and pay no taxes today become contributing taxpayers tomorrow."⁴

In a similar vein, FAIR's report fails to mention that undocumented students would be far more costly in the long run if they were NOT in school. A 2001 RAND Corporation study notes that "higher levels of education translate into lower public expenditures over an individual's

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lifetime” in the form of “revenues saved in public welfare, health, and law enforcement programs” and “revenues earned from increased taxes and contributions to Medicare and Social Security.” In other words, a better educated populace earns more, pays more taxes and has less need for public benefits. The RAND study estimated that doubling the number of Hispanics who earn a bachelor’s degree in the United States would require an added investment in public education of \$6.5 billion, but “would yield about \$13 billion” in benefits, consisting of “\$5.4 billion in reduced public spending for social and health programs and \$7.6 billion in increased tax contributions.”⁵

The budget crises currently afflicting most state governments did not originate in the public school classroom. Nor is the solution to these crises likely to be found in the classroom. FAIR’s attempt to scapegoat immigrant children for the fiscal consequences of the present economic downturn is not only empirically baseless, but comes across as a cynical attempt to cast blame upon one of the most vulnerable groups in the United States.

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Endnotes

¹ “Table 160, Summary of expenditures for public elementary and secondary education, by purpose: 1919-20 to 1999-2000,” *Digest of Education Statistics 2002*, National Center for Education Statistics, U.S. Department of Education.

² National Association of State Budget Officers, *State Expenditure Report*, 2001.

³ Michael Fix & Jeffrey S. Passel, “U.S. Immigration—Trends and Implications for Schools,” Immigration Studies Program, Urban Institute, January 2003.

⁴ James P. Smith & Barry Edmonston, Eds, *The New Americans: Economic, Demographic, and Fiscal Effects of Immigration*. Washington, DC: National Research Council, National Academy of Sciences Press, 1997.

⁵ Georges Vernez & Lee Mizell, *Goal: To Double the Rate of Hispanics Earning a Bachelor’s Degree*. RAND Education, 2001.