State of Mind: The Case for State Based Visas

By "Coach Vance" Trefethen

***Resolved:* *The United States federal government should substantially reduce its restrictions on legal immigration to the United States.***

This plan enacts State Sponsored Visa Pilot Program Act of 2017. SSPPVA was proposed by Sen. Ron Johnson (R-Wisc.) in 2017 but never enacted. In the Status Quo, the federal government makes all decisions about quotas, quantities and qualifications of immigrants. The one size fits all approach doesn't work and creates controversy because some parts of the country want and need more immigrants (due to labor shortages), while others don't (areas of high unemployment or political opposition). Numerous states have asked the federal government to remove its restrictions on state participation in immigration, and SSPPVA is the answer. SSPPVA allocates visas to the states (some to all states and some based on population) that States can then choose to use to sponsor guest workers who can work and reside only in their state. States that don't want more immigrants will simply decline to use any visas, others may use some but not all of their visas, while some States will use their entire allocation. Labor shortages in affected states will be solved and economic growth will be promoted by directing immigrant labor to areas that need it most.

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State of Mind: The Case for State Based Visas

The federal government restricts legal immigration today by not allowing the States to play any role in the process. Some states don't want more immigrants but some states have jobs open that could be filled by legal immigrants and are asking for permission to admit them. Please join us as we affirm that: The United States federal government should substantially reduce its restrictions on legal immigration to the United States.

OBSERVATION 1. INHERENCY. Federal restrictions block State action

FACT 1. Millions of talented immigrants are blocked by federal restrictions on States

Brandon Fuller & Sean Rust 2014 (Fuller is a research scholar at New York University and deputy director of the Urbanization Project at the NYU Stern School of Business. Rust is a practicing attorney and a recent graduate of Temple University’s Beasley School of Law where he was a law and public policy scholar) 23 Apr 2014 "State-Based Visas" <https://object.cato.org/sites/cato.org/files/pubs/pdf/pa748_web.pdf>

There are millions of hard working and talented people throughout the world who would gladly move to the United States if given the chance. There are also many states within the United States that would be happy to welcome them but are currently prevented from doing so because of federal immigration restrictions.

FACT 2. States want the option to allow immigration at the state level

Alex Nowrasteh 2015 (immigration policy analyst at the Cato Institute's Center for Global Liberty and Prosperity) 7 Aug 2015 THE HILL "3 ideas to improve legal immigration" <http://thehill.com/blogs/pundits-blog/immigration/250493-3-ideas-to-improve-legal-immigration>

The second new idea is to allow states to create their own guest worker visa programs. A recent Cato Institute policy analysis by Brandon Fuller and Sean Rust shows how similar programs in Canada and Australia were huge successes. They could invite in entrepreneurs, investors or workers for any skill level or occupation, instead of relying upon an unresponsive one-size-fits-all federal program. American states test different policies like welfare reform, gun laws and tax policies on their own — it's time they do it with migration, too. In 2015, both Texas and California have considered asking the federal government for permission to experiment with their own migration programs. In previous years, at least 14 other states have considered setting up their own migration systems, asking the federal government for permission to do so, or lobbying for a special allotment. It's time the federal government allows states to do this.

OBSERVATION 2. The Plan, implemented by Congress and the President

Congress passes the State Sponsored Visa Pilot Program Act of 2017, also known as S.1040.

OBSERVATION 3. ADVANTAGES

ADVANTAGE 1. Solves labor shortages at the State level

A. The Link: Some states have local labor shortages in certain industries

Shikha Dalmia 2017 (senior analyst at Reason Foundation) 4 Aug 2017 USA TODAY "On immigration, let the states decide for themselves" <https://www.usatoday.com/story/opinion/2017/08/04/immigration-let-states-decide-themselves-shikha-dalmia-column/536049001/>

But Sen. Johnson understands that the problem for many states isn’t too many workers — but too few. Wisconsin’s dairy farming industry, for example, has been confronting [perennial worker shortages](https://www.usatoday.com/story/money/business/2017/03/06/dairy-farms-fear-trumps-immigration-policies/98700808/), unable to find Americans willing to do back-breaking farm work even at $13 an hour, the rough cutoff point before farms become unprofitable and fold. But the existing visa programs (H-2A for agricultural workers and H-2B for seasonal low-skilled workers) don’t meet their needs. Hence, about 80% of the labor in Wisconsin’s large dairy farms consists of immigrants — a large portion of them undocumented. And Wisconsin is hardly the only one facing a labor crunch, which is only going to get worse as the economy gathers steam and reaches full employment.

B. The Impact: We lose billions of dollars and thousands of jobs.  Agriculture labor shortages cause big economic harm

Vincent "Zippy" Duvall 2017 (poultry, cattle and hay producer from Greene County, Georgia, is the 12th president of the American Farm Bureau Federation) 16 Oct 2017 " Worker Shortage Threatens U.S. Ag Sustainability" <https://www.fb.org/viewpoints/worker-shortage-threatens-u.s.-ag-sustainability>

The farm labor shortage also takes a bite out of our national economy. A study by the group New American Economy estimated that the shortage cost $3.3 billion in GDP growth in 2012 alone. As I’ve said many a time, we’re coming to a point where America will have to decide if we’re going to import workers or import our food. Increasing food imports means losing thousands of American jobs that are supported by agriculture. That same NAE study shows there would have been more than 89,000 additional jobs in 2012 if farmers had not faced workforce challenges.

C. The Solution: SSVPPA allows States to write guest-worker programs following the successful Canadian model

Shikha Dalmia 2017 (senior analyst at Reason Foundation) 4 Aug 2017 USA TODAY "On immigration, let the states decide for themselves" <https://www.usatoday.com/story/opinion/2017/08/04/immigration-let-states-decide-themselves-shikha-dalmia-column/536049001/>

But if President Trump and Sen. Cotton really want to reform America’s system along Canadian lines – and live up to their own party’s alleged commitment to federalism — there is a viable alternative: Sen. Ron Johnson’s (R-Wis.) [State Sponsored Visa Act](https://www.congress.gov/bill/115th-congress/senate-bill/1040/text) of 2017. Introduced in the Senate last month, this bill is modeled after Canada’s [highly successful](https://www.bloomberg.com/view/articles/2012-11-28/canada-shows-how-u-s-states-can-fix-immigration) Provincial Nominee Program. And like that program, it would give states the option to write their own guest-worker programs.

ADVANTAGE 2. Largest possible economic benefit

A. Link: States that need immigrants can attract them to places where they will generate the largest benefits

Brandon Fuller & Sean Rust 2014 (Fuller is a research scholar at New York University and deputy director of the Urbanization Project at the NYU Stern School of Business. Rust is a practicing attorney and a recent graduate of Temple University’s Beasley School of Law where he was a law and public policy scholar) 23 Apr 2014 "State-Based Visas" <https://object.cato.org/sites/cato.org/files/pubs/pdf/pa748_web.pdf>

State-based visas would allow those states that want immigration to recruit the foreign workers that best meet their local economic needs. If a state does not want additional immigrants, it would simply choose not to issue any state based visas. If the migrants who enter on a state-based visa eventually earn lawful permanent residency (LPR) status then they would be able to move to other states, but not all workers would choose LPR status and they would likely move to areas with economic growth, which are also likely to be areas that support state-level guest-worker visas. In short, state-based visas would be good for the United States because they would funnel additional immigrants to parts of the country where they will generate the largest benefits.

B. Impact: 900,000 to 1.2 million new jobs for US workers

Jacqueline Varas 2017 (Director of Immigration & Trade Policy at American Action Forum) 1 June 2017 "The Economic Impact Of State-Sponsored Work Visas" <https://www.americanactionforum.org/research/economic-impact-state-sponsored-work-visas/#ixzz5G2zQq1zO>

 Senator Ron Johnson recently proposed the State Sponsored Visa Pilot Program, a plan which would give states authority over their own nonimmigrant worker programs.  The program would increase the number of temporary work visas by 495,000, allow temporary foreign workers to move between employers, and generate economic growth.  AAF finds that this would result in the creation of 900,000 to 1.2 million jobs for U.S. workers.

ADVANTAGE 3. Depressed regions improve

State-based programs meet local economic demands, and worked great in Canada and Australia to recover formerly depressed regions

Brandon Fuller & Sean Rust 2014 (Fuller is a research scholar at New York University and deputy director of the Urbanization Project at the NYU Stern School of Business. Rust is a practicing attorney and a recent graduate of Temple University’s Beasley School of Law where he was a law and public policy scholar) 23 Apr 2014 "State-Based Visas" <https://object.cato.org/sites/cato.org/files/pubs/pdf/pa748_web.pdf>

State-based visas would be temporary work visas that allow the visa holder to live and work anywhere within the sponsoring state. Law-abiding visa holders would be eligible for renewal and free to apply for permanent residency during their stay in the United States. Under the work permit, the migrant worker would be unable to work for an employer outside of the state, but if the migrant becomes a permanent resident, he or she would be able to travel freely around the United States. Although overseen by the federal government, the program would allow state governments to work with local governments and employers to tailor a state-based immigration strategy to meet their local economic demands. Successful regional visa programs in Canada and Australia have aided economic and population growth in formerly depressed regions.

ADVANTAGE 4. Better long-term national policies

State experimentation leads to better national immigration policies

Shikha Dalmia 2017 (senior analyst at Reason Foundation) 4 Aug 2017 USA TODAY "On immigration, let the states decide for themselves" <https://www.usatoday.com/story/opinion/2017/08/04/immigration-let-states-decide-themselves-shikha-dalmia-column/536049001/>

Sen. Cotton’s RAISE Act would foist a one-size-all approach on the American economy without regard to the diverse labor needs of states. Sen. Johnson’s, on the other hand, would let states field-test their own immigration hunches and serve as “laboratories of democracy.” States that believe immigration strains public services more than it boosts the economy can spurn them. Those that believe the opposite can welcome them. Over time, the more successful models will spread by example without Uncle Sam imposing its will on all, just as the Founding Fathers intended.

ADVANTAGE 5. Lower federal deficits

Link: State sponsored immigrants produce net increase in federal revenues. They pay more in taxes than they receive in benefits

David Bier 2017 (immigration policy analyst at the Cato Institute’s Center for Global Liberty and Prosperity) 11 May 2017 " State-Sponsored Visas" <https://object.cato.org/sites/cato.org/files/pubs/pdf/irpb-2_bwv5.pdf>

Using a simple model developed by Thomas V. Church at the Hoover Institution, a state-sponsored migrant who is similar to the average migrant worker today and who works for three years and then returns to his home country will pay $12,186 more in federal taxes than he and his family will receive in federal benefits.  If the worker stays for five years, then he will pay $20,577 more in federal taxes than he will receive in benefits under the same assumptions.  Over the first decade of the program, all new migrants who enter on the state-sponsored migration program and work for three years will pay $105.3 billion more in federal taxes than they will receive in federal benefits.

Impact: Economic benefits. Every increase in the deficit hurts the economy

Dr William Gale and Benjamin Harris 2011. (Gale - PhD in economics, Stanford Univ.; senior fellow at the Brookings Institution and co-director of the Urban-Brookings Tax Policy Center; former assistant professor in the Department of Economics at UCLA, and a senior economist for the Council of Economic Advisers under President George H.W. Bush; Harris - master’s degree in economics from Cornell University and a master’s degree in quantitative methods from Columbia University; senior research associate with the Economics Studies Program at the Brookings Institution) “A VAT for the United States: Part of the Solution” <http://www.taxhistory.org/www/freefiles.nsf/Files/VATReader.pdf/$file/VATReader.pdf>

But even in the absence of a crisis, sustained deficits have deleterious effects, as they translate into lower national savings, higher interest rates, and increased indebtedness to foreign investors, all of which serve to reduce future national income. Gale and Orszag (2004a) estimate that a 1 percent of GDP increase in the deficit will raise interest rates by 25 to 35 basis points and reduce national saving by 0.5 to 0.8 percentage points of GDP.