

The Economic Benefits of Expanding the Dream: DAPA and DACA Impacts on Hudson County, Essex County, the City of Newark and the State of New Jersey

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1. Executive Summary

New Jersey has close economic, social and demographic ties with the states that surround it. The state's population is concentrated in the northeast and southwest where the states borders are within the metropolitan areas of New York City and Philadelphia respectively. The immigrant settlement patterns in these corners of the state in many ways mirror those of the neighboring cities. Nevertheless, New Jersey is home to a considerable number of immigrants, and these immigrants, like their counterparts in New York and Pennsylvania, are an essential part of their state's economic and social fabric. Unfortunately, as is also the case across the state lines, many of these immigrants are undocumented. These undocumented immigrants make significant contributions to the state and local economies.

Hudson County, a county facing Manhattan from the western bank of the Hudson River, has the state's largest undocumented immigrant population. These immigrants, because of the county's proximity to New York City, also contribute to the economies of that city and of New York State in general. Bordering Hudson County to the west is Essex County, which has the second largest undocumented population in the state, and is home to Newark: the state's largest city. Despite the economic contributions of undocumented immigrants in these counties and in the state as a whole, these immigrants legal status prevents them from claiming the true value of their labor. In addition, their social and economic marginalization constrains future economic growth in the City of Newark, Essex and Hudson Counties, as well as the State of New Jersey as a whole. President Obama's administrative actions have and will continue to bring undocumented

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immigrants into the formal economy, while simultaneously encouraging economic growth in New Jersey's state and local economies.

In anticipation of the Deferred Action for Parental Accountability (DAPA) program's rollout, the UCLA NAID Center has projected the combined economic impact of DAPA, and its predecessor Deferred Action for Childhood Arrivals (DACA), in Hudson County, and in the State of New Jersey. These projections are partially based upon two surveys of DACA beneficiaries conducted by the UCLA NAID Center. One of these surveys was conducted in partnership with the Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA), while the other was conducted completely in-house. The key findings of our analyses are as follows:

1. 204,000 undocumented immigrants will be eligible for either DACA or DAPA in the State of New Jersey, while 26,000 will be eligible in Hudson County, 24,000 in Essex County,² and 9,300 in the City of Newark.³
2. At full enrollment, the collective wages of these immigrants would grow by \$91.1 million in Hudson County, \$84.1 million in Essex County, \$32.6 million in Newark, and by \$714.6 million statewide. Legalizing the work these immigrants do would formalize the value they already add to the economy: more than \$1.3 billion in GDP in Hudson County, \$1.2 billion in Essex County, \$492 million in Newark, and 1\$0.7 billion in the State of New Jersey.
3. The wage growth of undocumented DACA and DAPA beneficiaries in New Jersey will generate more than \$490.2 million in total new tax revenue (personal, sales and business). In Hudson County, DACA and DAPA related wage growth will generate more than \$62.5 million in new tax revenue (personal, sales and business), in Essex County it will generate \$57.7 million, and in Newark it will generate \$22.4 million.
4. This wage growth jobs in New Jersey would support the creation of more than 16,700 jobs (including direct, indirect and induced employment). This wage growth in Hudson County would support the creation of 2,140 new jobs, wage growth in Essex County would support the creation of more than 1,970 jobs, while wage growth in Newark would support the creation of 760 jobs.

This report is the sixth in a series of reports whose releases are timed to coincide with the White House's "States in the DACA/DAPA Spotlight" campaign, which will continue over the next four months in key states across the country.⁴ The UCLA NAID Center is releasing reports on all these key states in order to better inform local leaders and the general public on the significant

² Migration Policy Institute (MPI) Data Hub, "Unauthorized Immigrant Population Profiles," accessed January 19, 2015, <http://www.migrationpolicy.org/programs/us-immigration-policy-program-data-hub/unauthorized-immigrant-population-profiles>.

³ Analysis by the UCLA NAID Center based on, United States Census Bureau / American FactFinder, "B05006 : Place of Birth for the Foreign Born Population in the US: Foreign Born Population Excluding Population Born at Sea." *2009-2013 American Community Survey 5-Year Estimates*. Web. Accessed March 3, 2015. As well as MPI, "Population Profiles."

⁴ Read the rest of the reports here: <http://www.naid.ucla.edu/publications>

economic benefits of fully implementing Presidents Obama's DAPA/DACA Executive Actions. These reports will also combat the ill-informed legal and policy challenges to these much needed initiatives through the provision of solid economic evidence.

2. The Economic Impact of DAPA and DACA

On November 20th, 2014, the Obama Administration took executive action on immigration reform and initiated the DAPA program. The administration's bold action ignited a firestorm of partisan sniping. Republican's in congress have proposed repealing the temporary legal status offered by DACA and DAPA, and have threatened to withhold the Department of Homeland Security's funding.⁵ Meanwhile, a coalition of Republican governors, led by the governor-elect of Texas and current state Attorney General, Greg Abbot filed a lawsuit seeking to block the implementation of DAPA. Abbott claimed that DAPA's predecessor; DACA, has harmed the State of Texas' economy, and that this provides his suit with legal standing.⁶ In Texas, these claims are demonstrably false at the state and local level.⁷ As our weekly reports show, these claims are equally false in other states and at the national level.

⁵ Ed O'Keefe, "House votes to block Obama's immigration actions – but exposes new GOP Divisions" *The Washington Post: Post Politics blog*, January 14th, 2015, accessed January 19th, 2015, <http://www.washingtonpost.com/blogs/post-politics/wp/2015/01/14/house-votes-to-block-obamas-immigration-actions-but-exposes-new-gop-divisions/>

⁶ Meet the Press, "Meet the Press Transcript – December 7th, 2014" *NBC News*, Accessed January 19th, 2015, <http://www.nbcnews.com/meet-the-press/meet-press-transcript-december-7-2014-n263416>

⁷ The core "evidence" that gives Texas standing in the state's legal challenge of DAPA/DACA is that: "Under current Texas law, applicants pay \$24.00 to obtain a driver's license, leaving any remaining costs to be absorbed by the state. See Tex. Transp. Code Ann. § 521.421. If the majority of DAPA beneficiaries currently residing in Texas apply for a driver's license, it will cost the state \$198.73 to process and issue each license, for a net loss of \$174.73 per license." (For a total of \$65 million if a majority applied for a three year license) The state is arguing that this cost constitutes "irreparable" harm, and that this harm is sufficient to provide their suit with legal standing.

UCLA NAID Center research reveals that this "cost" is very small compared to the taxes that potential DACA and DAPA beneficiaries pay now, and will continue to pay under the expanded executive action. If all 743,000 potential DACA and DAPA beneficiaries were to enroll in the programs, Texas' sales tax revenue alone would grow by \$600 million per year on top of the \$6 billion these beneficiaries already generate annually. Total tax revenue generated by potential DACA/DAPA beneficiaries in Texas would grow \$1.7 billion per year, on top of \$17 billion in total taxes already generated by their employment.

See earlier NAID Center Report on DACA and DAPA in Texas:
http://www.naid.ucla.edu/uploads/4/2/1/9/4219226/tx_final_v1.pdf

Download the ruling of US District Judge Andrew Hanen in the case brought by the State of Texas:
http://www.txs.uscourts.gov/notablecases/1-14-cv-254_145X20977588_0.pdf

Table 1

Valued Added and Taxes Paid by and Labor Income of the Undocumented Population

	City of Newark	Essex County	Hudson County	State of New Jersey	United States
All Undocumented					
Population (Over 16 Years Old)	24,040	62,000	71,000	493,000	10,513,000
Value Added (Millions)	\$1,270	\$3,276	\$3,752	\$26,050	\$555,507
Taxes Paid (Millions)	\$231	\$595	\$681	\$4,732	\$100,901
Labor Income (Millions)	\$734	\$1,894	\$2,169	\$15,058	\$321,103
DAPA and DACA Combined					
Potentially Eligible Population	9,306	24,000	26,000	204,000	5,201,000
Value Added (Millions)	\$492	\$1,268	\$1,374	\$10,779	\$274,821
Taxes Paid (Millions)	\$89	\$230	\$250	\$1,958	\$49,918
Labor Income (Millions)	\$284	\$733	\$794	\$6,231	\$158,857

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles" and "US Census 2009-2013 American Community Survey 5-Year Estimates."

The work that undocumented immigrants do contributes significantly to the economies of their county, their state and the nation as a whole. Undocumented but employed immigrants in Hudson County contribute \$3.7 billion dollars to the GDP annually, while undocumented immigrants in Essex County contribute \$3.2 billion, of which undocumented immigrants in Newark contributed \$1.2 billion. Undocumented but employed immigrants in the State of New Jersey contribute \$26 billion, and nationwide undocumented but employed immigrants contribute more than \$555.5 billion.⁸

Despite their legal status, undocumented immigrants pay a significant amount of local, state and federal taxes. Working age but undocumented immigrants in Hudson County generate \$681 million in personal, sales and business taxes annually, while undocumented immigrants in Essex County generate \$595 million, of which undocumented immigrants in Newark generated \$231 million. In the State of New Jersey, undocumented immigrants generate nearly \$4.7 billion in taxes annually. Nationwide undocumented immigrants contribute \$100.9 billion in personal, business and sales taxes.⁹

Undocumented immigrants also have high rates of employment. Nationwide 65% of working-age undocumented immigrants are currently employed.¹⁰ In comparison, just 57.6% of the total working-age US population is currently employed.¹¹ Undocumented immigrants generally work

⁸ For more information on how GDP was calculated see: Raul Hinojosa-Ojeda with Maksim Wynn, *From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform* (Los Angeles, CA: North American Integration and Development Center, University of California Los Angeles, November 2014).

⁹ Calculations based on Raul Hinojosa-Ojeda and Marshall Fitz, "Revitalizing the Golden State: What Legalization over Deportation Could Mean to California and Los Angeles County" (Center for American Progress and Immigration Policy Center, 2011). They have been updated to reflect current population estimates.

¹⁰ MPI, "Population Profiles."

¹¹ United States Census Bureau / American FactFinder, "DP03: Selected Economic Characteristics." *2013 American Community Survey 5 Year Estimates*. Web. Accessed 16 February 2015, <http://factfinder2.census.gov>.

in low-skill positions, yet they still earn a significant amount of total labor income. In New Jersey, undocumented but employed immigrants earn more than \$15 billion dollars annual, and nationwide undocumented but employed immigrants earn more than \$321.1 billion.¹² Of these earnings, undocumented but employed immigrants in Hudson County earned \$2.1 billion dollars in wages each year, while those in Essex County and the City of Newark earned \$1.8 billion and \$734 million respectively.

Nationwide, more than 5.2 million undocumented immigrants are eligible for either DACA or DAPA. 204,000 of these potential beneficiaries live in New Jersey, of whom 26,000 live in Hudson County, 24,000 in Essex County and 9,300 in Newark.¹³ Nationally, immigrants who are eligible for either DACA or DAPA add more than \$274.8 billion dollars to the economy. More than \$10.7 billion of this comes from immigrants living in New Jersey, of which more than \$1.3 billion comes from DACA or DAPA eligible residents of Hudson County and \$1.2 billion from potential beneficiaries in Essex County. Of the value added by DACA or DAPA eligible Essex County residents, \$492 million comes from Newark's potential beneficiaries.

Nationwide, immigrants who are eligible for either DACA or DAPA pay more than \$49.9 billion dollars in personal, sales and business taxes a year. More than \$1.9 billion of this comes from immigrants living in New Jersey, of which \$250 million is generated by those residing in Hudson County and \$230 from those in Essex County. Of the taxes generated by DACA or DAPA eligible Essex County residents, \$89 million comes from Newark's potential beneficiaries.

In New Jersey, immigrants who are eligible for either DACA or DAPA collectively earn more than \$15 billion dollars of the \$158.8 billion earned each year by potential beneficiaries nationwide.¹⁴ Of these earnings, potential DACA or DAPA beneficiaries in Hudson County were paid \$794 million dollars in wages each year, while those in Essex County and the City of Newark earned \$733 million and \$284 million respectively.

¹² Calculations based on Hinojosa-Ojeda and Fitz, "Revitalizing the Golden State." Updated to reflect current population and employment estimates.

¹³ MPI, "Population Profiles."

¹⁴ Calculations based on Hinojosa-Ojeda and Fitz, "Revitalizing the Golden State." Updated to reflect current population and employment estimates.

Table 2

Economic Impact of DACA and DAPA

	State of New Jersey
Potentially Eligible Applicants	204,000
Labor Income Increase (Millions \$)	\$714.6
Total New Tax Revenue (Millions \$)	\$490.2
Personal Taxes	\$116.5
Business Taxes	\$208.4
Sales Taxes	\$165.3
Total Employment Growth (Thousands)	16.77
Direct Employment Gain	9.26
Indirect Employment Gain	3.40
Induced Employment Gain	4.11

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles."

Administrative action in New Jersey has had, and will continue to have, a positive affect on the state's economy. There are 493,000 undocumented immigrants in New Jersey, of which 204,000 will be eligible for either DACA or DAPA.¹⁵ At full enrollment these programs will impact the state economy in the following ways:

- DACA and DAPA beneficiaries will experience collective wage growth of more than \$714 million.
- This wage growth would bring in more than \$490.2 million dollars in new business, personal and sales tax revenue.
- These increased earnings would also directly generate almost 16,770 new jobs.
- The resulting increase in indirect employment---which is a change in employment in one industry being caused by a change in another, as a result of interaction between the two---would account for more than 9,260 new jobs.
- Induced employment---which is a change in employment based on changes in household spending---would increase by almost 3,400 jobs.
- In all we estimate that the increase in labor income would generate more than 16,770 new jobs.

¹⁵ MPI, "Population Profiles."

Table 3

Economic Impact of DACA and DAPA

	Hudson County
Potentially Eligible Applicants	26,000
Labor Income Increase (Millions \$)	\$91.1
Total New Tax Revenue (Millions \$)	\$62.5
Personal Taxes	\$14.8
Business Taxes	\$26.6
Sales Taxes	\$21.1
Total Employment Growth (Thousands)	2.14
Direct Employment Gain	1.18
Indirect Employment Gain	0.43
Induced Employment Gain	0.52

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles."

There are roughly 71,000 undocumented immigrants in Hudson County, of which 26,000 will be eligible for either DACA or DAPA.¹⁶ At full enrollment these programs will impact the county's economy in the following ways:

- DACA and DAPA beneficiaries will experience collective wage growth of more than \$91.1 million.
- This wage growth would bring in more than \$62.5 million dollars in new business, personal and sales tax revenue.
- These increased earnings would also directly generate almost 1,180 new jobs.
- It would also create more than 430 new indirect jobs.
- As well as 520 new induced jobs.
- In all we estimate that the increase in labor income would generate more than 2,140 new jobs.

¹⁶ MPI, "Population Profiles."

Table 4

Economic Impact of DACA and DAPA

	Essex County
Potentially Eligible Applicants	24,000
Labor Income Increase (Millions \$)	\$84.1
Total New Tax Revenue (Millions \$)	\$57.7
Personal Taxes	\$13.7
Business Taxes	\$24.5
Sales Taxes	\$19.4
Total Employment Growth (Thousands)	1.97
Direct Employment Gain	1.09
Indirect Employment Gain	0.40
Induced Employment Gain	0.48

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles."

There are roughly 62,000 undocumented immigrants in Essex County, of which 24,000 will be eligible for either DACA or DAPA.¹⁷ At full enrollment these programs will impact the county's economy in the following ways:

- DACA and DAPA beneficiaries will experience collective wage growth of more than \$84.1 million.
- This wage growth would bring in more than \$57.7 million dollars in new business, personal and sales tax revenue.
- These increased earnings would also directly generate almost 1,090 new jobs.
- It would also create more than 400 new indirect jobs.
- As well as 480 new induced jobs.
- In all we estimate that the increase in labor income would generate more than 1,970 new jobs.

¹⁷ MPI, "Population Profiles."

Table 5

Economic Impact of DACA and DAPA

	City of Newark
Potentially Eligible Applicants	9,306
Labor Income Increase (Millions \$)	\$32.6
Total New Tax Revenue (Millions \$)	\$22.4
Personal Taxes	\$5.3
Business Taxes	\$9.5
Sales Taxes	\$7.5
Total Employment Growth (Thousands)	0.76
Direct Employment Gain	0.42
Indirect Employment Gain	0.15
Induced Employment Gain	0.19

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles" and "US Census 2009-2013 American Community

Just over 24,000 of Essex County's 62,000 undocumented immigrants live in the City of Newark. Of these 24,000 immigrants, more than 9,300 will be eligible for either DACA or DAPA.¹⁸ At full enrollment these programs will impact the city's economy in the following ways:

- DACA and DAPA beneficiaries will experience collective wage growth of more than \$32.6 million.
- This wage growth would bring in more than \$22.4 million dollars in new business, personal and sales tax revenue.
- These increased earnings would also directly generate almost 420 new jobs.
- It would also create more than 150 new indirect jobs.
- As well as 190 new induced jobs.
- In all we estimate that the increase in labor income would generate more than 760 new jobs.

¹⁸ MPI, "Population Profiles."

Table 6

Economic Impact of DACA and DAPA Nationally

	United States
Potentially Eligible Applicants	5,201,000
Labor Income Increase (Millions \$)	\$18,219
Total New Tax Revenue (Millions \$)	\$12,497
Personal Taxes	\$2,970
Business Taxes	\$5,313
Sales Taxes	\$4,214
Total Employment Growth (Thousands)	427.6
Direct Employment Gain	236.1
Indirect Employment Gain	86.6
Induced Employment Gain	104.9

Source: Analysis by the UCLA NAID Center based on data from MPI’s “Unauthorized Immigrant Population Profiles.”

Nationally, the impacts of DACA and DAPA are striking. The 5.2 million potential applicants would experience a collective wage increase of over \$18.2 billion dollars, which would generate just under \$12.5 billion in new taxes and more than 427,000 new jobs.

3. The Economic Impact of DACA and DAPA by Country of Origin

The cohort of undocumented immigrants eligible for DACA and DAPA are not a monolith. They come from many different nations, each of which has a unique set of migratory patterns. This is particularly true in Hudson and Essex Counties, and to a lesser extent in the State of New Jersey as a whole. Unlike in most other major metropolitan areas, where undocumented immigrants of Mexican origin constitute a plurality, in Hudson County no single nationality constitutes a dominant share of the undocumented population. In Essex County, Mexicans constitute the third largest share with only 7% of the total undocumented population. The composition of New Jersey’s undocumented population more closely resembles that of the nation as a whole, but only relatively so. While the largest undocumented cohort in the state is that of Mexican immigrants, they constitute only 22% of the total. Nationally, Mexican undocumented immigrants are 58% of the total undocumented population. In New Jersey, the five largest national cohorts constitute only 50% of the state’s undocumented population.¹⁹ The diversity of New Jersey undocumented population is important to note since to adequately prepare for the challenges posed by the

¹⁹ MPI, “Population Profiles.”

DAPA rollout, and to predict the regional economic impact of DACA and DAPA, there must be accurate descriptions of the national origin of the potentially eligible population.

Table 7

Economic Impact of DACA and DAPA For Mexicans

	Hudson County	New Jersey	United States
Potentially Eligible Applicants	3,763	44,818	3,016,699
Labor Income Increase (Millions \$)	\$13.2	\$157.0	\$10,567
Total New Tax Revenue (Millions \$)	\$9.0	\$107.7	\$7,249
Personal Taxes	\$2.1	\$25.6	\$1,723
Business Taxes	\$3.8	\$45.8	\$3,082
Sales Taxes	\$3.0	\$36.3	\$2,444
Total Employment Growth (Thousands)	0.3	3.7	248.0
Direct Employment Gain	0.2	2.0	136.9
Indirect Employment Gain	0.1	0.7	50.2
Induced Employment Gain	0.1	0.9	60.8

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles."

Mexicans in Hudson County constitute the largest share of the undocumented population, but just barely. They account for 14% percent of the counties total undocumented population, while Ecuadorians---the second largest national sub-group in both the county and state---constitute a 13% share. There are 116,000 undocumented Mexican immigrants in the State of New Jersey but only 11,000 of them live in Hudson County. More than 3,700 of these undocumented Mexicans will be eligible for either DACA or DAPA in the county and more than 44,800 will be eligible statewide. In the US as a whole, more than 3,016,000 undocumented Mexicans will be eligible for one of the two programs.²⁰ At full enrollment, this population would:

- Experience a collective labor income increase of \$13.2 million in Hudson County, \$157 million in New Jersey and \$10.5 billion nationwide.
- This wage growth would bring in \$9 million in new personal, business and sales tax revenue in Hudson County, \$107.7 million in New Jersey and \$7.2 billion nationwide.
- This wage growth would also create 300 new direct, indirect and induced jobs in Hudson County, 3,700 jobs in New Jersey and 248,000 jobs nationwide.

²⁰ MPI, "Population Profiles."

Table 8

Economic Impact of DACA and DAPA for Ecuadorians

	Hudson County	New Jersey	United States
Potentially Eligible Applicants	3,421	17,386	77,538
Labor Income Increase (Millions \$)	\$12.0	\$60.9	\$272
Total New Tax Revenue (Millions \$)	\$8.2	\$41.8	\$186
Personal Taxes	\$2.0	\$9.9	\$44
Business Taxes	\$3.5	\$17.8	\$79
Sales Taxes	\$2.8	\$14.1	\$63
Total Employment Growth (Thousands)	0.28	1.43	6.40
Direct Employment Gain	0.16	0.79	3.50
Indirect Employment Gain	0.06	0.29	1.30
Induced Employment Gain	0.07	0.35	1.60

Source: Analysis by the UCLA NAID Center based on data from MPI’s “Unauthorized Immigrant Population Profiles” and MPI’s “Ecuador: From Mass Migration to Return Migration”

As mentioned above, Ecuadorians are the second-largest undocumented nationality in Hudson County and in the State of New Jersey. This is keeping with the demographic compositions of nearby New York City and State’s undocumented population. There too Ecuadorians have the second-largest share of the total undocumented population behind only the Mexican-born.²¹ Ecuadorians account for roughly 13% of Hudson County’s undocumented population and 9% of New Jersey’s. More than 3,400 undocumented Ecuadorians will be eligible for DACA or DAPA in Hudson County, while more than 23,000 will be eligible statewide and more than 77,500 nationally.²² If all eligible undocumented Ecuadorians were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of \$12 million in Hudson County, \$60.9 million in New Jersey, and \$272 million nationwide.
- This wage growth in Hudson County would bring in \$8.2 million in new personal, business and sales tax revenue, while it would bring in \$41.8 million in New Jersey and \$186 million nationwide.
- This wage growth would also create 280 new direct, indirect and induced jobs in Hudson County, more than 1,430 jobs statewide, and 6,400 jobs in the US as a whole.

²¹ See our report on the impact of DACA and DAPA in New York City and State:

²² MPI, “Population Profiles.”

Table 9

Economic Impact of DACA and DAPA for Indians

	Hudson County	New Jersey	United States
Potentially Eligible Applicants	2,053	14,295	49,928
Labor Income Increase (Millions \$)	\$7.2	\$50.1	\$174.9
Total New Tax Revenue (Millions \$)	\$4.9	\$34.3	\$120.0
Personal Taxes	\$1.2	\$8.2	\$28.5
Business Taxes	\$2.1	\$14.6	\$51.0
Sales Taxes	\$1.7	\$11.6	\$40.4
Total Employment Growth (Thousands)	0.17	1.18	4.10
Direct Employment Gain	0.09	0.65	2.27
Indirect Employment Gain	0.03	0.24	0.83
Induced Employment Gain	0.04	0.29	1.01

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles" and MPI's "Indian Immigrants in the United States"

Indian immigrants constitute the third-largest share of the undocumented population in Hudson County and the State of New Jersey. There are roughly 37,000 undocumented Indians in New Jersey and 6,000 of them live in Hudson County. More than 2,000 of the county's undocumented Indian immigrants will be eligible for either DACA or DAPA, while more than 14,200 will be eligible statewide.²³ If all eligible undocumented Indian immigrants were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of \$7.2 million in Hudson County, \$50.1 million in New Jersey and \$174.9 million nationwide.
- This wage growth would bring in \$4.9 million in new personal, business and sales tax revenue in Hudson County, \$34.3 million in New Jersey and \$120 million nationwide.
- This wage growth would also create 170 new direct, indirect and induced jobs in Hudson County, more than 1,180 jobs in New Jersey, and more than 4,100 jobs nationwide.

The demographic composition of Essex County's undocumented population represents a significant deviation from the national trend. This is reflected in the national-origins of the undocumented population in Newark. In Essex County and in Newark, Mexicans have the third-largest share of the total undocumented population, whereas they have the largest share of New Jersey's undocumented population and are the majority nationwide.

²³ MPI, "Population Profiles."

Table 10

Economic Impact of DACA and DAPA For Ecuadorians

	Newark	Essex County	New Jersey	United States
Potentially Eligible Applicants	3,485	5,419	17,386	77,538
Labor Income Increase (Millions \$)	\$13.2	\$19.0	\$60.9	\$272
Total New Tax Revenue (Millions \$)	\$9.1	\$13.0	\$41.8	\$186
Personal Taxes	\$2.2	\$3.1	\$9.9	\$44
Business Taxes	\$3.9	\$5.5	\$17.8	\$79
Sales Taxes	\$3.1	\$4.4	\$14.1	\$63
Total Employment Growth (Thousands)	0.31	0.45	1.43	6.40
Direct Employment Gain	0.17	0.25	0.79	3.50
Indirect Employment Gain	0.06	0.09	0.29	1.30
Induced Employment Gain	0.08	0.11	0.35	1.60

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles," MPI's "Ecuador: From Mass Migration to Return Migration," and "US Census' 2009-2013 American Community Survey 5-Year Estimates."

Ecuadorians constitute the largest share of the total undocumented population in both Essex County and Newark. There are 14,000 undocumented Ecuadorians in Essex County,²⁴ and more than 9,000 of them live in Newark. In Essex County, roughly 5,400 undocumented Ecuadorians will be eligible for DACA or DAPA, and more than 3,400 of these potential beneficiaries live in Newark. If all eligible undocumented Ecuadorians were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of \$19 million in Essex County, of which undocumented Ecuadorians in Newark would be earning \$13.2 million.
- This wage growth in Essex County would generate \$13 million in new personal, business and sales tax revenue; of which wage growth in Newark would be generating \$9.1 million.
- This wage growth in Essex County would also create 450 new direct, indirect and induced jobs, of which wage growth in Newark would be creating 310.

²⁴ MPI, "Population Profiles."

Table 11

Economic Impact of DACA and DAPA For Brazilians

	Newark	Essex County
Potentially Eligible Applicants	2,318	2,710
Labor Income Increase (Millions \$)	\$8.1	\$9.5
Total New Tax Revenue (Millions \$)	\$5.6	\$6.5
Personal Taxes	\$1.3	\$1.5
Business Taxes	\$2.4	\$2.8
Sales Taxes	\$1.9	\$2.2
Total Employment Growth (Thousands)	0.19	0.22
Direct Employment Gain	0.11	0.12
Indirect Employment Gain	0.04	0.05
Induced Employment Gain	0.05	0.05

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles" and "US Census' 2009-2013 American Community Survey 5-Year Estimates."

Brazilians constitute the second largest share of the total undocumented population in both Essex County and Newark. There are 7,000 undocumented Brazilians in Essex County,²⁵ and just fewer than 6,000 of them live in Newark. In Essex County, roughly 2,700 undocumented Brazilians will be eligible for DACA or DAPA, and more than 2,300 of these potential beneficiaries live in Newark. If all eligible undocumented Brazilians were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of \$9.5 million in Essex County, of which undocumented Brazilians in Newark would be earning \$8.1 million.
- This wage growth in Essex County would generate \$6.5 million in new personal, business and sales tax revenue; of which wage growth in Newark would be generating \$5.6 million.
- This wage growth in Essex County would also create 220 new direct, indirect and induced jobs, of which wage growth in Newark would be creating 190.

²⁵ MPI, "Population Profiles."

Table 12

Economic Impact of DACA and DAPA For Mexicans

	Newark	Essex County	New Jersey	United States
Potentially Eligible Applicants	1,077	1,548	44,818	3,016,699
Labor Income Increase (Millions \$)	\$3.8	\$5.4	\$157.0	\$10,567
Total New Tax Revenue (Millions \$)	\$2.6	\$3.7	\$107.7	\$7,249
Personal Taxes	\$0.6	\$0.9	\$25.6	\$1,723
Business Taxes	\$1.1	\$1.6	\$45.8	\$3,082
Sales Taxes	\$0.9	\$1.3	\$36.3	\$2,444
Total Employment Growth (Thousands)	0.09	0.13	3.68	248.0
Direct Employment Gain	0.05	0.07	2.03	136.9
Indirect Employment Gain	0.02	0.03	0.75	50.2
Induced Employment Gain	0.02	0.03	0.90	60.8

Source: Analysis by the UCLA NAID Center based on data from MPI's "Unauthorized Immigrant Population Profiles" and "US Census' 2009-2013 American Community Survey 5-Year Estimates."

Mexicans constitute the third largest share of the total undocumented population in both Essex County and Newark. There are 4,000 undocumented Mexicans in Essex County,²⁶ and more than 2,700 of them live in Newark. In Essex County, roughly 1,500 undocumented Mexicans will be eligible for DACA or DAPA, and more than 1,000 of these potential beneficiaries live in Newark. If all eligible undocumented Mexicans were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of \$5.4 million in Essex County, of which undocumented Mexicans in Newark would be earning \$3.8 million.
- This wage growth in Essex County would generate \$3.7 million in new personal, business and sales tax revenue; of which wage growth in Newark would be generating \$2.6 million.
- This wage growth in Essex County would also create 130 new direct, indirect and induced jobs, of which wage growth in Newark would be creating 90.

4. Methodology

Our projections for the economic impact of DACA and DAPA are based on a methodological tool known as input output modeling (IMPLAN).²⁷ IMPLAN allows us to analyze the short-term

²⁶ MPI, "Population Profiles."

²⁷ For more information on our methodology, specify as it relates to IMPLAN, see the NAID Center Report, *From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform*. Download it here:

http://www.naid.ucla.edu/uploads/4/2/1/9/4219226/ucla_naid_center_report_-_estimating_the_economic_impact_of_presidential_administrative_action_and_comprehensive_immigration_reform.pdf

impact of a labor market policy shift---such as the work permits granted by DACA and DAPA---within the current structure of the economy. It therefore allows us to quantify the labor income, tax contributions and productivity of undocumented immigrants and to illustrate the economic impact of formalizing their role in the economy. In addition, we can map the relationship between variables and observe how a change in one variable affects the others.

As new data has become available, this aspect of the IMPLAN model has allowed us to fluidly adjust our projections in a couple of important ways:

1. The Migration Policy Institute (MPI) has recently published a detailed county-by-county and state-by-state profile of the undocumented population in the US. Included in this data set are their estimates of the DACA and DAPA eligible population for each of these geographic units. We have revised our economic impact projections based on these new population estimates.
2. Two recent surveys of DACA beneficiaries conducted by the NAID Center--one of which was conducted in collaboration with CHIRLA using application data from their DACA clinic---have presented new data on the wage impact of DACA in Los Angeles County. Using IMPLAN modeling we were able to observe how changes in predicted wage growth has impacted projected tax revenue and job creation.

Researchers at the NAID Center conducted these two surveys using a unique methodology for each. One was conducted in partnership with CHIRLA and used data collected by their DACA clinic. Staff and volunteers at CHIRLA assisted DACA beneficiaries with the renewal process and collected data from the I-821 and I-765 forms that they submitted to USCIS; the agency tasked with processing DACA applications. This data included renewal applicants' income before and after becoming DACA beneficiaries. Because this clinic is located in LA County the vast majority of respondents also resided in the county.

The NAID Center analyzed the wage information provided by 308 respondents, dividing this cohort into those that had reported an income before applying to DACA and those who had not. We then independently calculated the wage growth of the total cohort, as well as those who had an income before and after being granted DACA.

The other survey conducted by the NAID center leveraged existing grassroots "DREAMER" networks in order to provide a nationwide snapshot of DACA beneficiaries. This survey was conducted online and quantified DACA's impact on respondents' finances, insurance coverage, employment, access to credit and education among other topics. In total, we polled 216 respondents. We again divided this cohort into those had employment before and after DACA, and those that did not, before calculating the wage growth of the total cohort as well as the cohort who were employed before and after becoming a DACA beneficiary.

The White House Council of Economic Advisors (CEA) has recently published their estimates for the economic effects of executive action on immigration.²⁸ Like the NAID Center’s report on the same topic,²⁹ the CEA believes DAPA will have a positive macro-economic impact, as well as a positive affect on the wages of both foreign-born and native-born workers.

Both the NAID Center and CEA relied on the work of Kossoudji and Cobb-Clark who, by studying the impact of IRCA on its beneficiaries, estimate that those affected experience a six to ten percent increase in wages on average. The NAID Center report then projected how this wage growth influenced tax revenue and job creation (for more info see: [From the Shadows to the Mainstream](#)). However, the surveys conducted by the NAID center suggest that DACA has had a much stronger impact on wages than Kossoudji and Cobb-Clark had observed in IRCA’s aftermath. This presents an important avenue for future research and suggests that both the CEA and NAID Center reports may have underestimated the potential economic impact of DACA and DAPA.

5. UCLA NAID Center Survey Results

The results of our surveys have revealed a number of interesting trends regarding the impact of DACA on the finances of its beneficiaries.

1. In both surveys, the average wage growth reported by the cohort that had an income before and after DACA was near 75%. This is roughly ten times the wage growth that Kossoudji and Cobb-Clark had observed.³⁰
2. In the CHIRLA/NAID survey, the cohort that had an income before and after DACA experienced almost the same average income growth as did the cohort comprised of all respondents: \$7,980 and \$7,949 respectively.
3. In the online NAID survey the wage growth of both cohorts was also just above 75%. The cohort with an income before and after DACA experienced an average wage growth of 76.6%, while all respondents experienced an average income increase of 82.6%.

²⁸ Executive Office of the President of the United States, Council of Economic Advisors, *The Economic Effects of Administrative Action on Immigration*. (Washington D.C.: 2014)
http://www.whitehouse.gov/sites/default/files/docs/cea_2014_economic_effects_of_immigration_executive_action.pdf (accessed January 19, 2013).

²⁹ Raul Hinojosa with Maksim Wynn, *From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform*, (Los Angeles, CA: North American Integration and Development Center, UCLA, November, 2014)
http://www.naid.ucla.edu/uploads/4/2/1/9/4219226/ucla_naid_center_report_-_estimating_the_economic_impact_of_presidential_administrative_action_and_comprehensive_immigration_reform.pdf

³⁰ Sherrie A. Kossoudji and Deborah A. Cobb-Clark, “Coming out of the Shadows: Learning about Legal Status and Wages from the Legalized Population,” *Journal of Labor Economics* 20, no. 3 (July 2002): 598–628, doi:10.1086/339611.

Table 13

The Impact of DACA on Beneficiaries' Income (NAID/CHIRLA)

	All Respondents	Only Respondents With Income Before and After DACA
Average Income Before DACA	\$4,493	\$10,561
Average Income After DACA	\$12,442	\$18,542
Average Income Increase	\$7,949	\$7,980
Percentage Increase in Income	176.9%	75.6%

Table 14

The Impact of DACA on Beneficiaries' Income (NAID)

	All Respondents	Only Respondents With Income Before and After DACA
Average Hourly Wage Before DACA	\$7.07	\$9.14
Average Hourly Wage After DACA	\$12.91	\$16.13
Average Hourly Wage Increase	\$5.84	\$7.00
Percentage Increase in Income	82.6%	76.6%

The results of these surveys suggest that earlier attempts at projecting the macro-economic impact of DACA may be understated. In our previous report we suggested that DACA's education requirement meant that the program would have a greater economic impact than DAPA, even though the latter affected more immigrants. However, the wage growth that we predicted in that report was nowhere near 75%. In light of these findings, it is very possible that DAPA may have a far stronger impact on wages than the 7% that has been used to project its impact in this report.³¹ As such, the estimated impacts described in this report should be considered a conservative lower bound.

³¹ For more info on the choice of a 7% wage boost refer to the methodology section in *From the Shadows to the Mainstream*.