# NATIONAL FOUNDATION FOR AMERICAN POLICY NFAP POLICY BRIEF» FEBRUARY 2021

# AN ANALYSIS OF THE U.S. CITIZENSHIP ACT

#### **EXECUTIVE SUMMARY**

The annual number of legal immigrants admitted to the United States would rise to about 1.5 million starting in the first year under a new bill backed by the Biden administration, but during the 2020s the level would be higher at times as the family-sponsored and employment-based immigrant backlog is eliminated and people who are legalized under the bill are counted as lawful permanent residents, according to a new analysis by the National Foundation for American Policy (NFAP). The analysis finds that with FY 2016 as a baseline, the annual number of legal immigrants admitted will be an estimated 28% or 330,063 higher if the bill were to become law.

Increasing legal immigration by 28% a year would increase the average annual labor force growth in the United States by 23% over current U.S. projections, which would help economic growth and address a slower-growing U.S. workforce. The average annual labor force growth could be even more than 23% compared to a scenario of no immigration increases because the Bureau of Labor Statistics currently projects the U.S. labor force will grow by 800,000 a year, and that baseline growth may be lower after 2029 without the increase in immigration contained in the bill.

In contrast, if the United States continued the Trump administration's policies that administratively reduced legal immigration by approximately 49%, average annual labor force growth would be approximately 59% lower than compared to a policy of no immigration reductions, according to a NFAP <u>analysis</u>. Under policies that reduced legal immigration by half, in 40 years the United States would have only about 6 million more people in the labor force than it has today. Admitting fewer immigrants results in lower economic growth because labor force growth is an important element of economic growth and immigrants play a major part in both current and future labor force growth.

The U.S. Citizenship Act's provisions on legalization and backlog reduction in family and employment categories would provide a one-time increase in legal immigration of approximately 11.5 million between FY 2022 and FY 2031. In doing so, it addresses what many consider to be significant policy shortcomings in the current U.S. immigration system, including decades-long waits for many employment-based immigrants, long waits for family-sponsored immigrants and the lack of a legislative solution for Dreamers.

The projection on labor force growth does not include the one-time increase in legal immigration from backlog reduction and legalization. It also does not take into account future growth from the children of immigrants who would receive permanent residence under the bill.

If this analysis underestimates the amount the bill increases legal immigration, the positive impact of the legislation on average annual labor force growth and the U.S. economy could be greater.

# A NUMERICAL ANALYSIS

This numerical analysis of the U.S. Citizenship Act, a bill developed by the Biden administration and introduced in Congress in February 2021, is divided into two parts: 1) the long-term impact of the bill on legal immigration and 2) the legalization and backlog reduction that will take place within the first 10 years.1

#### **OVERALL NUMBERS**

Using FY 2016 as a baseline, the annual number of legal immigrants admitted will be an estimated 28% or 330,063 higher if the bill were to become law. The bill would increase legal immigration in its first year. Table 1 below uses FY 2032 for illustration purposes because that will be after backlog reduction and legalization occurs. At times, the level of legal immigration would be higher than a 28% increase, particularly during the 2020s, as the familysponsored and employment-based immigrant backlog is eliminated and people who are legalized under the bill are counted as lawful permanent residents. FY 2016 was used as a baseline under the assumption the Biden administration will undo the administrative and regulatory measures that resulted in lower levels of legal immigration under the Trump administration.

Table 1 Analysis of U.S. Citizenship Act

Persons Obtaining Lawful Permanent	FY 2016 (Actual)	FY 2032 (Projected Under U.S.
Residence		Citizenship Act)
Immediate Relatives	566,706	654,640
Refugees (including Cuban Adjustment	120,216	120,216
Act)		
Asylees	37,209	37,209
Family-Sponsored Preferences	238,087	138,066
Employment-Based Preferences	137,893	399,908
Exemption for STEM Doctorates	0	10,000
Diversity	49,865	120,000
Rest of Legal Immigration System	33,529	33,529
OVERALL LEVEL OF LEGAL	1,183,505	1,513,568
IMMIGRATION		

Source: National Foundation for American Policy, 2016 Yearbook of Immigration Statistics (Department of Homeland Security), Congressional Research Service. Note: Table 1 uses FY 2032 for illustration purposes because that will be after backlog reduction and legalization occurs. The bill will increase legal immigration in its first year but annual levels will be higher in some years, particularly during the 2020s, as people in backlogs and individuals legalized are counted as lawful permanent residents.

<sup>&</sup>lt;sup>1</sup> The text of the bill (H.R. 1177 in the House) can found at: https://lindasanchez.house.gov/sites/lindasanchez.house.gov/files/2021.02.18%20US%20Citizenship%20Act%20Bill%20Text %20-%20SIGNED.pdf.

# IMPACT ON POPULATION AND LABOR FORCE GROWTH

NFAP finds increasing legal immigration by 28% a year, as under the Biden administration's bill, would increase the average annual labor force growth in the United States by 23% over current U.S. projections.<sup>2</sup> Currently, the U.S. labor force will grow by about 800,000 a year between 2019 and 2029, according to the <u>Bureau of Labor Statistics</u> (BLS),<sup>3</sup> and since the bill would increase legal immigration almost immediately, the legislation would increase average annual labor force growth by about 185,000 or 23% each year during that period. After 2029, the increase in legal immigration will likely continue to result in average annual labor force growth rising by 23%. However, the average annual labor force growth could be even more than 23% compared to a scenario of no immigration increases because BLS currently projects the U.S. labor force will grow by 800,000 a year, and that baseline growth may be lower after 2029 without the increase in immigration contained in the bill.

The projection on labor force growth does not include the one-time increase in legal immigration from backlog reduction and legalization, although many of those individuals may be already in the United States and counted in the labor force. It also does not take into account future growth from the children of immigrants who would receive permanent residence under the bill.

If this analysis underestimates the amount the bill increases legal immigration, the positive impact of the legislation on average annual labor force growth could be greater. The increase in legal immigration under the U.S. Citizenship Act is a little more than half of the "high" immigration scenario in recent <u>U.S. Census Bureau estimates</u>.<sup>4</sup>

Immigration policies during the Trump administration harmed labor force growth. Legal immigration would have declined by 49% (or 581,845) from FY 2016 to FY 2021 or later due to Trump administration policies, and average annual labor force growth, a vital component of the nation's economic growth, would be approximately 59% lower as a result of the Trump administration's immigration policies if the policies continued, according to an <u>analysis</u> by the National Foundation for American Policy.<sup>5</sup>

A significant decline in the annual level of legal immigration would mean lower long-term economic growth. Admitting fewer immigrants results in lower economic growth because labor force growth is an important element of economic growth and immigrants play a major part in both current and future labor force growth.

<sup>3</sup> https://www.bls.gov/emp/tables/civilian-labor-force-summary.htm.

<sup>&</sup>lt;sup>2</sup> NFAP calculations.

<sup>&</sup>lt;sup>4</sup> Sandra Johnson, *A Changing Nation: Population Projections Under Alternative Immigration Scenarios*, Current Population Reports, P25-1146, U.S. Census Bureau, February 2020.

<sup>&</sup>lt;sup>5</sup> The analysis is in Stuart Anderson, *Immigrants and America's Comeback From the Covid-19 Crisis*, NFAP Policy Brief, National Foundation for American Policy, July 2020.

Economic growth is crucial to improving the standard of living, which means lower levels of legal immigration carry significant consequences for Americans. Without immigrants contributing to the quantity and quality of the labor supply, the majority of the economic growth gains America saw between 2011 and 2016 following the recession would have been eliminated, according to economists at Oxford University and Citi.<sup>6</sup>

There is a significant difference for the nation, its economy and its place in the world when comparing a 28% increase in legal immigration as envisioned under the U.S. Citizenship Act to an approximately 50% decline in the annual number of legal immigrants admitted to the United States.

A February 2020 report from the U.S. Census Bureau concluded, "Higher international immigration over the next four decades would produce a faster growing, more diverse, and younger population for the United States."

Growth in the labor force is vital to an economy. "In summary, slowing workforce growth is likely to be a continuing headwind for U.S. economic growth," according to Robert S. Kaplan, president and CEO of the Federal Reserve Bank of Dallas. "Finding ways to grow the workforce will be critical to improving GDP [Gross Domestic Product] growth prospects for the U.S."

"As baby boomers increasingly leave the workforce, U.S. labor force growth is slowing," writes Kaplan. "Slower labor force growth is critically important because GDP growth [economic growth] is made up of growth in the workforce plus growth in labor productivity. Unless slower workforce growth is offset by improved productivity growth, U.S. GDP growth will slow."9

"Labor force growth has been a key aspect of sustained U.S. growth over the past several decades," explains Kaplan. "Throughout our history, immigration of workers has also been a key aspect of U.S. labor force growth." <sup>10</sup>

According to the Conference Board: "The U.S. will not be able to maintain its current standard of living unless the U.S. government acts to significantly increase immigration, improve labor force participation, and, together with employers, raise labor productivity growth."<sup>11</sup>

<sup>&</sup>lt;sup>6</sup> https://www.citivelocity.com/citigps/migration-and-the-economy/.

<sup>&</sup>lt;sup>7</sup> Johnson, U.S. Census Bureau.

<sup>&</sup>lt;sup>8</sup> Robert S. Kaplan, "Economic Conditions and the Key Structural Drivers Impacting the Economic Outlook," Federal Reserve Bank of Dallas, October 10, 2019.

<sup>&</sup>lt;sup>9</sup> Ibid. Emphasis added.

<sup>&</sup>lt;sup>10</sup> Ibid. See also Pia Orrenius and Chloe Smith, "Without Immigration, U.S. Economy Will Struggle to Grow," Federal Reserve Bank of Dallas, April 9, 2020.

<sup>&</sup>lt;sup>11</sup> Gad Levanon, Elizabeth Crofoot, Frank Steemers and Robin Erickson, *U.S. Labor Shortages: Challenges and Solutions*, The Conference Board, February 2020.

Michael R. Strain, an economist at the American Enterprise Institute, said, "There are two ways to fuel economic growth: a larger workforce and workers who are more productive. Immigration accelerates the former, and can accelerate the latter. In the United States, immigrants have been responsible for important innovations, along with relatively high rates of entrepreneurship."12

Increasing immigration will help the U.S. economy, particularly in rural communities. "Analysis of U.S. Census Bureau data finds international migration was the only source of population growth in rural areas as a whole during most of the 2010s," concluded a study by economist Madeline Zavodny, a former research economist at the Federal Reserve Bank of Atlanta. "International migration is strongly related to employment growth in both rural and metro counties. Each additional international migrant is associated with an additional 1.2 jobs in rural counties over 2010 to 2018. The estimate for rural areas suggests that international migration adds to total employment well beyond the jobs filled by international migrants. International migrants may have a larger impact on employment because of the jobs they fill. International migrants may work in jobs that otherwise would go unfilled by local residents and thereby enable businesses to expand."13

"In the past decade, population growth, including immigration, has accounted for roughly half of the potential economic growth rate in the United States," concluded Morgan Stanley's chief global strategist Ruchir Sharma. "Virtually no nation has ever sustained rapid economic growth without strong population growth." 14

#### ANALYZING THE BILL

Below is a look at the bill and its impact on different parts of the immigration system.

#### IMMEDIATE RELATIVES OF U.S. CITIZENS

The Immediate Relatives category includes the spouses, children and parents of U.S. citizens. The bill increases the number of people in the Immediate Relatives category by 87,934 by moving the category for the spouses and children of lawful permanent residents, which is now in the second (F2A) family preference, to the Immediate Relatives category—where immigrants are admitted without numerical limitation. (87,934 is the current statutory limit on the F2A category.) It is possible due to other changes in the bill, the Immediate Relatives category will increase in the future (i.e., more U.S. citizens would become eligible to sponsor a spouse, child or parent). That is an area where the numerical analysis may underestimate the increase in legal immigration under the bill.

<sup>&</sup>lt;sup>12</sup> Stuart Anderson, "Populism Threatens the American Dream Warns Economist," Forbes, May 11, 2020.

<sup>&</sup>lt;sup>13</sup> Madeline Zavodny, *Immigration's Contribution to Population Growth and Economic Vitality*, NFAP Policy Brief, National Foundation for American Policy, February 2021.

<sup>&</sup>lt;sup>14</sup> Ruchir Sharma, "To Be Great Again, America Needs Immigrants," *The New York Times*, May 6, 2017.

# FAMILY-SPONSORED PREFERENCE CATEGORIES

The State Department reported a waiting list in the family-sponsored preferences of 3,762,891 as of November 1, 2020.15 The bill contains several provisions that should eliminate that entire backlog in 10 years or earlier. (See below.)

There is evidence that demand in the family preference categories matches the annual limits under current law, which would be 138,066 using the current statutory total for those categories after accounting for the other changes to U.S. immigration law under the bill. That inference is drawn from the following: The number of family-sponsored immigrants declined in each of the four family preference categories between November 2010 and November 2020. It is possible demand was suppressed due to long wait times, but for this analysis we will assume demand would roughly match the current level allowed under U.S. immigration law. Greater demand could increase the annual admission of immigrants but would likely be well below the new annual ceiling established for family-sponsored preference categories.

The bill makes several significant changes to the family preference categories:

- 1) the annual limit remains 480,000 but is, in practice, increased by eliminating a formula that subtracts the number of Immediate Relatives from the 480,000-limit. Current law sets a floor of 226,000 for the family preferences, which normally serves as the ceiling since the number of Immediate Relatives has even exceeded 480,000 in some years.
- 2) Dependents (spouses and children (under 21 years old) of the principal) are exempted from being counted against the annual limit. (This also applies to employment-based immigrants.)
- 3) The bill also raises the per-country limit to 20% of a single state rather than the current 7%.
- 4) Another provision would grant permanent residence without a quota to anyone who has waited at least 10 years after an approved immigrant petition. (This also applies to employment-based immigrants.) NFAP recommended such a reform in 2020. In the past, members of Congress have argued that immigrants should "wait in line" and come to America the "right way." Ensuring an individual will wait no more than 10 years for a green card would reward those who have been in line for a long time.

<sup>&</sup>lt;sup>15</sup> Annual Report of Immigrant Visa Applicants in the Family-sponsored and Employment-based preferences Registered at the National Visa Center as of November 1, 2020, U.S. Department of State, November 2020.

The distribution among family-sponsored preference categories has changed.

- 1st Preference Unmarried Sons and Daughters of U.S. Citizens (children 21 or older) will be 26.5% of the annual limit rather than the current 23,400.
- 2nd Preference Spouses and Children (under 21 years old) of Permanent Residents has been moved to the Immediate Relatives category. The Unmarried Sons and Daughters of Permanent Residents remains in the 2<sup>nd</sup> preference and is allocated 16.8% of the annual limit rather than 26,266.
- 3rd Preference Married Sons and Daughters (21 or older) of U.S. Citizens changes from 16.8% of the annual limit from 23,400 a year.
- 4th Preference Brothers and Sisters of U.S. Citizens changes to 39.9% of the annual limit rather than 65,000 a year.

# **EMPLOYMENT-BASED PREFERENCE CATEGORIES**

The current backlog in the employment-based 1st, 2nd and 3rd preferences is 915,497 as of March 2020, according to the Congressional Research Service (CRS). 16 As with the family preferences, the bill contains several provisions that should eliminate that entire backlog in 10 years or earlier.

To illustrate the need for the reforms in the bill, note that absent changes that increase the total number of employment-based green cards, more than 2 million high-skilled foreign nationals sponsored by their employers will be waiting years for permanent residence, according to the Congressional Research Service.

"The total backlog for all three categories would increase from an estimated 915,497 individuals currently to an estimated 2,195,795 individuals by FY 2030," concludes CRS.<sup>17</sup>

Based on petitions approved at U.S. Citizenship and Immigration Services, CRS estimates the annual demand for employment-based green cards in these three preference categories is 262,376 (including dependents). As CRS notes, such a large backlog has developed because there is a "current limit of 120,120 green cards for the three employment-based immigration categories."

<sup>&</sup>lt;sup>16</sup> The Employment-Based Immigration Backlog, Congressional Research Service, R46291, March 26, 2020.

<sup>&</sup>lt;sup>17</sup> Ibid.

The per-country limit of 7% for each nation puts the burden of the wait times primarily on potential immigrants from India, with China and the Philippines also affected.

In the employment-based second preference (EB-2): "Under current law, and owing to a limited number of green card issuances, the current backlog of 568,414 Indian nationals would require an estimated 195 years to disappear," according to CRS. "By FY 2030, this estimated wait time would more than double. Under S. 386, the estimated wait time for newly approved EB-2 petition holders would shrink to 17 years, and in FY 2030, the wait time would be 37 years, the same as for all other foreign nationals." 18 S. 386 was a bill in the last Congress that would have eliminated the per-country limit for employment-based immigrants. It passed the House but did not became law. Although it finally passed the Senate after being blocked for several months the House did not agree with Senate changes to the bill.

In the employment-based third preference (EB-3): "Currently, new Indian beneficiaries entering the EB3 backlog can expect to wait 27 years before receiving a green card." 19

Other significant changes that affect the analysis and the level of legal immigration include no longer counting dependents toward the annual limits and using numbers from the family categories. The much higher annual limit for family-sponsored immigrants is unlikely to be filled once the family preference backlog is eliminated.

The 399,908 estimate for the number of annual employment-based immigrants under the new bill (in FY 2032 and later) is based on the assumption 1) the employment-based backlog is cleared, 2) family immigrants will not use up their entire quota, allowing for more employment-based immigrants each year under the bill, 3) the numbers will include all five employment-based preferences, with calculations on dependents based on the FY 2019 percentage of dependents in each preference, and 4) a 20% growth over the current demand in the high-skilled categories cited by CRS is projected due to the elimination of wait times (other than processing) and other provisions in the bill, such as allowing individuals in F-1, L-1 and O-1 status—and more H-1B visa holders—to remain in the United States pending waits for an employment-based green card that exceed one year.

Despite the many positive changes in policy in the bill for businesses and employment-based immigrants, two provisions raise concerns. First, the bill would allow the Secretary of Homeland Security, in consultation with the Secretary of Labor, to "establish, by regulation, a procedure for temporarily limiting" employment-based immigrants

<sup>&</sup>lt;sup>18</sup> Ibid.

<sup>&</sup>lt;sup>19</sup> Ibid.

from entering the U.S. or adjusting status inside the United States "in geographic areas or labor market sectors that are experiencing high levels of unemployment." <sup>20</sup>

"This section of the bill would allow a future president who did not believe in immigration to direct the Department of Homeland Security and Department of Labor to bar employment-based immigration in large parts of the economy," said William Stock of Klasko Immigration Law Partners. "It would allow those agencies to ban immigration based on broad unemployment trends unrelated to labor market shortages in specific industries or for particular skill sets. For the past four years, we have seen that delegations of authority meant to allow for responses to emergencies, like the travel ban authority, can be misused to bar immigration broadly unless the statute provides strict guidelines as to how that authority should be exercised."<sup>21</sup>

The terms "high levels of unemployment" and "temporarily" are not defined, making it possible a future president could block all potential employment-based immigrants for 8 years.<sup>22</sup> Another section of the bill takes the opposite approach and attempts to restrict executive branch authority to stop immigration, hoping to prevent a future president from using section 212(f) of the Immigration and Nationality Act, as Donald Trump did, to block the entry of individuals from several majority-Muslim countries, H-1B visa holders, employment and family-based immigrants.

Second, a provision in the bill would grant authority in the Immigration and Nationality Act to enact a <u>Trump</u> <u>administration regulation</u> that eliminates the H-1B lottery and instead awards H-1B petitions from highest to lowest salary. The regulation would make it less likely international students or other young people with less labor market experience would receive an H-1B petition because they earn lower salaries than senior employees. "The primary reason the new lottery rule is problematic is that it contradicts the current statutory directive for selecting H-1Bs by order of filing," said Stock. "Section 3407 of the bill would provide a valid statutory basis for selecting H-1Bs by wage level, advantaging larger employers and employers in cities with higher average salaries."<sup>23</sup>

#### **EXEMPTION FOR STEM DOCTORATE RECIPIENTS**

The bill grants an exemption from numerical limits for individuals who earn a Ph.D. in a STEM (science, technology, engineering and math) field. NFAP estimates this will result in approximately 10,000 individuals a year gaining lawful permanent residence, based on educational data.<sup>24</sup>

<sup>&</sup>lt;sup>20</sup> Stuart Anderson, "New Bill Has Many Good But Two Bad Measures For Employment Immigrants," *Forbes*, February 19, 2021.

<sup>&</sup>lt;sup>21</sup> Ibid.

<sup>&</sup>lt;sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> National Center for Science and Engineering Statistics, *2019 Doctoral Recipients from U.S. Universities*, National Science Foundation.

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# **INCREASE IN DIVERSITY VISAS**

The bill would increase the Diversity Visa category's numerical limit from 55,000 to 80,000. The spouses and children of Diversity Visa principals are not counted against the numerical limit. In FY 2019, spouses and children used approximately half of the Diversity Visa category. That means an 80,000-annual limit, in effect, could lead to the admission of 120,000 people a year in the category.

#### **OTHER CATEGORIES**

For the analysis, NFAP assumed no change in the number of refugees who would receive permanent residence each year from FY 2016. However, that could change based on executive branch decisions. Refugees and asylees typically receive permanent residence a year after their grant of status in the United States. "The Rest of the Legal Immigration" listed in Table 1 refers to an assortment of immigration provisions that result in a small number of people gaining permanent residence each year.

The bill has a pilot program for 10,000 green cards a year to go toward economic development. Since the pilot program ends after 5 years it is not included in these estimates.

# ONE-TIME INCREASE IN LEGAL IMMIGRATION BETWEEN FY 2022 AND FY 2031

The bill would provide a one-time increase in legal immigration across three areas that would total approximately 11.5 million between FY 2022 and FY 2031. The areas are discussed below.

# **LEGALIZATION**

The bill contains various legalization provisions for individuals who are unauthorized immigrants or would be unauthorized without the continuation of specific legal protections, such as Temporary Protected Status (TPS). The bill grants the opportunity for eventual lawful permanent residence for individuals that include Dreamers (people brought to America as children by their parents), individuals who have worked a certain number of hours as farmworkers, people granted TPS and individuals living in the United States in unauthorized status who meet certain criteria.

In 2013, the Congressional Budget Office estimated 8 million people would gain lawful permanent residence under the Senate bill S. 744. At the time there were approximately 11.5 million people in the country unlawfully. The most

recent estimate of the unauthorized immigrant population is 10.5 million, according to the <u>Pew Research Center</u>. <sup>25</sup> Given the similarities in the legalization provisions in S. 744 and the U.S Citizenship Act and taking into account the smaller unauthorized immigrant population today, NFAP estimates there would be approximately 7.2 million people granted lawful permanent residence under the legalization measures in the U.S. Citizenship Act.

Table 2
One-Time Increase in Legal Immigration Under U.S. Citizenship Act: FY 2022 to FY 2031

Immigration Measure	Persons Obtaining Lawful Permanent Residence
Legalization	7,200,000
Family-Sponsored Backlog Reduction	3,386,602
Employment-Based Backlog Reduction	979,636
TOTAL	11,566,238

Source: National Foundation for American Policy; Congressional Budget Office, Congressional Research Service.

Under the bill, individuals who meet specific criteria may be eligible to gain permanent residence more quickly. "The Migration Policy Institute (MPI) estimates that nearly 3.3 million unauthorized immigrants who are Dreamers, farmworkers or holders of Temporary Protected Status (TPS), as well as their spouses and minor children present in the United States, could gain an immediate path to a green card and a three-year track to citizenship under the White House-backed legislation introduced in Congress," according to MPI.<sup>26</sup>

Beyond the numbers, the measures in the bill are shaped by compelling policy considerations, particularly in the case of Dreamers.

First, for moral reasons, U.S. law rarely holds children accountable for the actions of their parents. The bill defines someone eligible for the Dream Act in the bill as an individual who "was younger than 18 years of age on the date on which the noncitizen initially entered the United States." To qualify, an individual must have graduated from high school or college (or completed at least two years toward a bachelor's degree), serve in the military or meet certain employment thresholds.

Second, there were 643,560 active DACA (Deferred Action for Childhood Arrivals) recipients as of March 31, 2020, according to U.S. Citizenship and Immigration Services (USCIS). DACA provides work authorization and protects

<sup>&</sup>lt;sup>25</sup> Jeffrey S. Passel and D'Vera Cohn, "Mexicans decline to less than half the U.S. unauthorized immigrant population for the first time," Pew Research Center, June 12, 2019.

<sup>&</sup>lt;sup>26</sup> "MPI Offers Estimates of the Number of Unauthorized Immigrants Who Could Be Placed on Expedited Path to Citizenship under Biden-Backed Bill," Press Release, February 22, 2021. Note that not everyone eligible under the bill would ultimately receive permanent residence.

these individuals from deportation. From an economic perspective, it makes no sense to remove approximately 600,000 people from the U.S. labor force.

Third, while public opinion should not necessarily guide policy, there is strong public support for providing a durable solution for people brought to America by their parents.<sup>27</sup>

Fourth, without legislation, individuals in DACA and others who came to the United States with their parents could be subject to deportation. DACA is an administrative vehicle, and a court may either strike it down as unlawful or a future presidential administration may decide not to continue the program. The primary criticism of President Obama creating DACA is that it was an action by the president, not Congress. Members of Congress can address that criticism through a legislative solution.

# FAMILY-SPONSORED IMMIGRANT BACKLOG

There are 3,762,891 people waiting in family-sponsored immigrant backlogs as of November 2020, according to the State Department. Based on an analysis of the bill, it seems likely that if the bill became law, the backlog would be cleared within 10 years. However, given the length of time many people have been waiting in the backlog (potentially two decades for some), it is reasonable to assume a 10% attrition rate in the number of people in the family preference backlog who would receive permanent residence or about 3.4 million total.

The higher annual limit in the family preference category, excluding dependents from the annual limit and moving the category for the spouses and children of lawful permanent residents to the Immediate Relatives category should assure the family backlog is eliminated.

In addition, the bill includes a provision that grants permanent residence without an annual limit to individuals who have waited at least 10 years after receiving an approved immigrant petition.

The bill also provides for family-sponsored green cards and employment-based green cards allocated but unused between FY 1992 and FY 2020 to be added to their respective categories for backlog reduction. It is estimated that would add about 220,000 additional green cards for backlog reduction, although the split between the two categories is not known.<sup>28</sup> Those additional numbers would help reduce backlogs in the family and employment categories more quickly.

<sup>&</sup>lt;sup>27</sup> Jens Manuel Krogstad, "Americans broadly support legal status for immigrants brought to the U.S. illegally as children," Pew Research Center, June 17, 2020.

<sup>&</sup>lt;sup>28</sup> <a href="https://www.cato.org/publications/study/deregulating-legal-immigration-blueprint-agency-action#recapture-unused-green-cards">https://www.cato.org/publications/study/deregulating-legal-immigration-blueprint-agency-action#recapture-unused-green-cards</a>.

# **EMPLOYMENT-BASED IMMIGRANT BACKLOG**

As noted above, the current backlog in the employment-based 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> preferences is 915,497 as of March 2020, according to the Congressional Research Service (CRS). There are smaller backlogs in the employment-based 5<sup>th</sup> preference for immigrant investors (50,936) and Other Workers category (13,203), according to the State Department. The bill contains several provisions that would eliminate the entire employment-based immigrant backlog in 10 years or earlier. Those reforms include the higher annual limit, eliminating the per-country limit, excluding dependents from the annual limit and granting permanent residence to individuals waiting 10 years with an approved immigrant petition.

# **CONCLUSION**

Increasing legal immigration by 28% a year would increase the average annual labor force growth in the United States by 23% over current U.S. projections, aiding U.S. economic growth and addressing the problem of a slower-growing U.S. workforce.

The U.S. Citizenship Act also makes what many consider to be important reforms to the U.S. immigration system. It will eliminate family-sponsored and employment-based immigrant backlogs, thereby providing many people a realistic opportunity to immigrate lawfully to the United States. The bill also will provide a legislative solution to DACA recipients and others who have lived in the United States and seek greater opportunity to pursue their dreams.

# ABOUT THE NATIONAL FOUNDATION FOR AMERICAN POLICY

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia, focusing on trade, immigration and related issues. Advisory Board members include Columbia University economist Jagdish Bhagwati, Cornell Law School professor Stephen W. Yale-Loehr, Ohio University economist Richard Vedder and former INS Commissioner James Ziglar. Over the past 24 months, NFAP's research has been written about in the Wall Street Journal, the New York Times, the Washington Post, and other major media outlets. The organization's reports can be found at www.nfap.com. Twitter: @NFAPResearch