

Immigration

Costs of federally mandated services to undocumented immigrants in Colorado



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Executive Summary

- Using reasonable estimates of the number of undocumented immigrants and budget data published by the state, we estimate the total costs of providing federally mandated government services to undocumented immigrants in Colorado is nearly \$225 million per year.
- The costs for each of the mandated services are estimated to total:
 - K-12 education — \$175.6 million
 - Emergency medical care — \$31.3 million
 - Incarceration — \$18 million
 - Total — \$224.9 million
- These calculations used data for fiscal year 2005-2006 to estimate K-12 education and emergency medical care costs, and calendar year 2004 data to estimate incarceration costs. These are the most recent years for which data is available.
- Under federal ruling and law, undocumented immigrants are eligible to attend K-12 public schools and receive emergency medical care.
- States and local governments bear the cost of incarcerating undocumented immigrants. The federal government reimburses them for part of the costs
- Federal law mandates that states provide these services to undocumented immigrants, so state and local governments cannot prohibit or limits these services.



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Introduction

Introduction

One of the most hotly contested issues in the debate over immigration are assertions about the costs undocumented immigrants impose on state and local government.

Calculating these costs is difficult. Undocumented immigrants are not eligible for most government income support programs such as welfare, Medicaid health insurance, food stamps and housing assistance, and data on undocumented immigrants is not often reported by government agencies.

As a result we are forced to rely on estimates of the undocumented population to calculate the number of undocumented immigrants receiving services they are eligible to receive.

Under federal law, undocumented immigrant children are eligible to attend K-12 public schools, and all undocumented immigrants may receive emergency medical care. State and local governments also bear the cost of incarcerating undocumented immigrant crime suspects and convicted criminals.

Federal law mandates that states provide these services to undocumented immigrants, so state and local governments cannot prohibit or limit these services.

Several groups have estimated the costs of services mandated by the federal government. A 1994 Urban Institute study calculated the costs for providing these services in selected states and the Federation for American Immigration Reform estimated the costs for Arizona in 2004 and Florida in 2005.¹

Defend Colorado Now, the proponents of a proposed constitutional amendment to deny non-federally mandated, non-emergency government services to undocumented immigrants in Colorado, released a report in March 2006 that claimed the costs of federally mandated services in Colorado totaled \$1.025 billion.²

In May 2006, the Colorado Legislative Council staff published an issue brief that estimated the costs of mandated services to the state of Colorado at \$218 million.

This issue brief examines data for these programs and estimates the costs to state and local government in Colorado of providing federally mandated services to undocumented immigrants.

The estimates are based on an estimate from the Pew Hispanic Center of 225,000 to 275,000 undocumented immigrants living in Colorado. Using Colorado state government data, U.S. Census data and information from reliable non-governmental sources, we estimate the costs of federally mandated services to undocumented immigrants total nearly \$225 million a year.

Table 1. Estimated state and local costs in Colorado for federally mandated services to undocumented immigrants

K-12 Education	\$175,651,539
Emergency medical care	\$31,300,000
Incarceration	\$18,036,536
Total	\$224,988,075



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☐ K-12 Education

K-12 Education

The U.S. Supreme Court in the 1982 case *Plyler v. Doe* ruled that undocumented school-age children have the same right to an education as U.S. citizens and legal permanent residents. As a result of this decision:

- Public schools may not deny enrollment to undocumented immigrant students.
- State governments may not deny funding for school districts that admit undocumented immigrant children.
- Public schools may not engage in practices that might “chill” undocumented students from attending school or their families from sending them to school.

There are currently no reliable data on the number of undocumented students in Colorado public schools. The 2006 Legislative Council report cites a study that estimated the number of undocumented students in Colorado schools at 25,000 in 2000.³

The council adjusted this number upward by 6.3 percent, the rate of growth in Colorado’s population from 2000 to 2004, resulting in an estimate of 26,575 undocumented students in 2004.

The council used the average statewide per pupil funding for fiscal year 2003-04 of \$5,943 to estimate that Colorado spent \$157.9 million to educate undocumented immigrant students in fiscal year 2003-04.

To calculate the costs of educating undocumented immigrant students in kindergarten through 12th grade in Colorado, we used data from the Pew Hispanic Center, the U.S. Census Bureau and the Colorado Joint Budget Committee. Table 2 shows the data we used and how we calculated our estimate.

The Pew Hispanic Center estimated that nationwide in 2005, there were 1.8 million undocumented children under age 18, representing 16 percent of all undocumented immigrants.⁴ Pew also estimated there are 225,000 to 275,000 undocumented immigrants living in Colorado.

Table 2. Estimates used to calculate K-12 education costs for Colorado’s undocumented immigrant students

Percent of undocumented population under 18	16%
Total number of undocumented immigrants in Colorado (mid-range estimate)	250,000
Estimated undocumented population under 18	40,000
Percent of Colorado population under 18 that is 4 and under	28.8%
Estimated undocumented population 4 and under	11,520
Total undocumented children aged 5 to 17	28,480
Statewide average per pupil funding, FY 2005-06	\$6,167.54
Estimated costs for undocumented students	\$175,651,539

Sources: Pew Hispanic Center, U.S. Census Bureau, Colorado Joint Budget Committee

If we assume the demographics of Colorado’s undocumented population are similar to the nation, 16 percent of Colorado’s undocumented immigrants are under age 18. Using the mid-range estimate of 250,000 undocumented immigrants living in Colorado, we calculate that 40,000 of them are children under age 18.⁵

Colorado’s total under-18 population that is age 4 and younger is 28.8 percent. Based on that figure, we estimate the number of undocumented Colorado children under 4 at 11,520.⁶ Subtracting that from the estimate of 40,000 under 18, we estimate the number of school-aged undocumented immigrants, ages 5-17, in Colorado at 28,480.

Using this population figure, we can calculate the cost of educating undocumented immigrant children in public schools. In fiscal year 2005-06, Colorado’s average statewide amount of per pupil funding was \$6,167.⁷ This includes state and school district spending.

Based on this data, we estimate the cost of K-12 education for 28,480 undocumented students in Colorado at \$175.6 million in fiscal year 2005-06.



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□ Emergency medical care

Emergency medical care

Undocumented immigrants are not and never have been eligible for Medicaid. The only exception is emergency medical care for a life-threatening injury or illness.

This exception is mandated by the federal government through the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the welfare reform bill.⁸

Federal law requires hospitals to treat and stabilize any person who is in an emergency condition, regardless of their citizenship status. This only covers treatment to stabilize the patient. There is no follow-up treatment, no rehabilitation and no drug treatment. Prenatal care is only provided for labor and delivery, which is considered emergency care under the Medicaid rules.

Colorado's Medicaid system reimburses hospitals for treating low-income undocumented immigrants who otherwise would qualify for Medicaid. For fiscal year 2005-06, the Joint Budget Committee estimated a cost of \$62.5 million for emergency medical care for non-citizens.

The federal government reimburses the state for half of these costs. As a result, **Colorado state government spent \$31.3 million to provide emergency medical care to non-citizens in 2005-06.**⁹

The actual cost for undocumented immigrants is less than \$31.3 million. This total somewhat overstates the costs because it includes all non-citizens, a category that includes legal permanent residents and some others authorized to be in the United States.

Based on FY 2006-07 appropriations by the state Legislature, services to non-citizens will represent 1 percent of Colorado's Medicaid caseload and 3 percent of Medicaid expenditures.¹⁰

Government services available for undocumented immigrants

Examples of services undocumented immigrants are eligible to receive

- K-12 education
- Emergency medical care
- Subsidized school lunches and breakfasts
- Immunizations
- Women, Infants and Children (WIC) nutrition program
- Workers compensation benefits
- Police and fire services
- Business licenses

Examples of services undocumented immigrants are not eligible to receive

- Temporary Assistance to Needy Families (TANF) – welfare
- Medicaid
- Child Health Plan
- Social Security
- Supplemental Security Income
- Medicare
- Food stamps
- Public housing assistance
- Low Income Housing Energy Assistance (LIHEAP)
- Unemployment insurance benefits
- In-state tuition
- Student loans
- College financial aid
- Driver's licenses
- Voting



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Incarceration

Incarceration

The state of Colorado and its 64 counties incarcerate undocumented immigrants who have committed crimes. Under the State Criminal Alien Assistance Program (SCAAP), the federal government reimburses the state and counties for half of these costs.

To receive federal reimbursement, the state and localities must submit data on the number of undocumented immigrants incarcerated, the length of time they were held and certain costs of incarceration.

According to the U.S. Department of Justice, Bureau of Justice Assistance, there were 1,071 “verifiable illegal aliens” incarcerated in Colorado Department of Corrections facilities in 2004. These inmates were incarcerated for a total of 281,909 days. There were also 929 “verifiable illegal aliens” incarcerated in county jails in 2004, for a total of 49,038 inmate days.¹¹

According to the Colorado Department of Corrections, the cost of incarcerating a prisoner in its facilities is \$72 a day, or \$26,248 for a full year. We used the state’s daily cost of incarcerating prisoners to calculate the costs to the counties.

Based on this data, the total cost of incarcerating undocumented immigrants in Colorado in 2004 is estimated to total \$23.8 million. The federal government reimbursed the state \$3.1 million and the counties \$2.7 million for the costs of incarcerating undocumented immigrants.

After accounting for the federal reimbursement of \$5.8 million, we estimate the total costs to the state and counties for incarcerating undocumented immigrants in 2004 was \$18 million.

This amount could underestimate the total costs because some undocumented immigrants may not meet U.S. Department of Justice criteria to be “verifiable illegal aliens,” and because some counties may not have submitted requests for reimbursement.

Table 3. Data on the cost of incarcerating undocumented immigrants at the state and county level

	ICE eligible inmates	Illegal inmate days	Days incarcerated *	Daily total cost of incarceration	Total costs of incarceration **	Federal reimbursement	Net costs of incarceration
Counties	929	49,038	53	\$72	\$3,530,736	\$2,687,223	\$843,513
State of Colorado	1,071	281,909	263	\$72	\$20,297,448	\$3,104,425	\$17,193,023
Total	2,000				\$23,828,184	\$5,791,648	\$18,036,536

* Days of incarceration is calculated by dividing the ICE eligible inmates into the illegal inmate days to arrive at the average number of days each ICE eligible inmate was incarcerated.

** Total costs of incarceration is calculated by multiplying the undocumented inmate days by the daily cost of incarceration.

Source: National Institute of Corrections Jails Division¹²



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□ Conclusion

Conclusion

Estimating the cost of providing federally mandated services to undocumented immigrants is difficult because of the lack of precise data.

However, using reasonable estimates of the number of undocumented immigrants and budget data published by the state of Colorado, we estimate the total costs of providing federally mandated government services to undocumented immigrants in Colorado is \$224.9 million per year. These calculations used data for fiscal year 2005-06 to estimated K-12 education and emergency medical care costs, and calendar year 2004 data to estimate incarceration costs. These are the most recent years for which data is available.

The debate over immigration is heated and emotional. Part of it revolves around the costs that undocumented immigrants impose on state and local governments.

This issue brief offers documented and reasonable estimates of the costs of providing federally mandated government services to undocumented immigrants. These costs will not be affected by any efforts undertaken by Colorado legislators or voters to deny services to undocumented immigrants.

These costs should be judged against the fact that undocumented immigrants pay an estimated \$159 million to \$194 million each year in state and local taxes. Their tax payments are equal to 70 to 86 percent of the costs of federally mandated government services. While there is a small deficit, it is clear from this analysis that undocumented immigrants are not bankrupting state and local government.

The most effective solutions to fix the nation's broken immigration system are found at the federal level. We urge our state and local leaders to press the federal government to pass comprehensive immigration reform. They should also press the federal government to reimburse states and localities for a greater share of the costs imposed by federal mandates and its inability to fix the immigration system.



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□ End Notes

- ¹ *Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States*, The Urban Institute, Washington, D.C., September 1994;
The Costs of Illegal Immigration to Floridians, Federation for American Immigration Reform, Washington, D.C., October 2005;
The Costs of Immigration to Arizonans, Federation for American Immigration Reform (FAIR), Washington, D.C., 2004.
- ² *A Compendium of Illegal Immigration Data*, Defend Colorado Now, Denver, Colo., March 2006.
- ³ Elizabeth Burger, *Immigration in Colorado: State Impact and Recent Legislation*, Colorado Legislative Council Staff, May 26, 2006. The study referred to is a Legislative Council memo from 2000. It contained the 25,000-student estimate, which was provided by Randy Capps, a researcher at the Urban Institute.
- ⁴ Jeffrey S. Passel, *The Size and Characteristics of the Unauthorized Migrant Population in the U.S., Estimates Based on the March 2005 Current Population Survey*, Pew Hispanic Center, March 7, 2006, p.7
- ⁵ *Estimates of the Unauthorized Migrant Population for States based on the March 2005 Current Population Survey*, Pew Hispanic Center, Fact Sheet, April 26, 2006.
- ⁶ *Colorado General Demographic Characteristics 2004*, U.S. Bureau of the Census, 2004 American Community Survey.
- ⁷ *Fiscal Year 2005-06 Appropriations Report*, Joint Budget Committee, Colorado, p.72;
Telephone conversation with Vody Herrmann, Director of Public School Finance, Colorado Department of Education, June 29, 2006.
- ⁸ *Personal Responsibility and Work Opportunity Reconciliation Act* of Aug. 22, 1996, Pub. L. No. 104-193, 110 Stat. 2105, Sec. 401, 411, pp. 2261-2, 2268-9 (1996); 8 U.S.C. Sec. 1621 bars illegal aliens from most federal, state and local public benefits.
The Illegal Immigration Reform and Immigrant Responsibility Act of Sept. 30, 1996, Pub. L. No. 104-208, 110 Stat. 3009, Sec. 501-10, pp. 670-4 (1996); 8 U.S.C. Sec. 1611 further amends what the welfare reform bill did to restrict benefits to aliens.
- ⁹ *Fiscal Year 2006-07 Figure Setting and FY 2005-06 Late HCPF Supplementals*, Joint Budget Committee, March 13, 2006, p.12.
- ¹⁰ H.B.06-1385 (the Long Bill), Department of Health Care Policy and Financing, pp. 58-60.
- ¹¹ National Institute of Corrections, Jails Division (2006). National Institute of Corrections (NIC) Information Center, U.S. Dept. of Justice, Longmont, Colo. Information: (800) 995-6429 or (303) 682-0231.
- ¹² Ibid.