How Citizenship Helps the Economy

Allowing unauthorized immigrants to become citizens brings a whole host of economic benefits, from greater wages for workers, to increased economic growth and tax revenue collected. Citizenship would also help to improve the finances of the Social Security and Medicare systems. And as a part of immigration reform, it would significantly decrease the federal budget deficit. Inaction on immigration reform — including the pathway to citizenship — carries a heavy cost. Here are the economic benefits of citizenship:

A. Citizenship enables undocumented immigrants to earn significantly more.

25.1% increase in wages by granting legal status and citizenship

Citizenship raises the wages of the undocumented because it:

- Provides legal protections
- Grants access to better jobs
- Promotes investment in education and training
- Fosters entrepreneurship


B. Naturalized workers earn higher wages, consume more goods and services, and pay more in taxes, which in turn create economic growth and American jobs.

If we provide legal status to 11.7 million undocumented immigrants today and citizenship in five years, it would mean...

25.1% percent increase in their wages

Paying more in taxes

Extra money in the economy would lead to a cumulative increase in GDP over 10 years of $1.1 trillion

Granting citizenship to the unauthorized will bring about significant gains in terms of tax revenue and jobs.

**Economic gains over 10 years**

<table>
<thead>
<tr>
<th>Increase in taxes paid by undocumented immigrants:</th>
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<tr>
<td><strong>$144 billion</strong></td>
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**Average annual increase in jobs:**

| 159,000 |


Immigration reform as envisioned by the Senate in S. 744 translates into a significant decrease in the federal budget deficit, with the largest reductions occurring in the same decade that most undocumented immigrants would be eligible for citizenship.

**Reduction in the federal budget deficit due to immigration reform**

<table>
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<tr>
<th>Over 10 years</th>
<th>Over 20 years</th>
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<tbody>
<tr>
<td><strong>$135 billion</strong></td>
<td><strong>$820 billion</strong></td>
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Providing legal status and citizenship to undocumented immigrants would extend the solvency of the Medicare trust fund by four years and provide a net contribution to the trust fund for the next three decades.

**Net contribution of undocumented immigrants to Medicare, over the next 36 years**

| $155 billion |

**Number of American retirees supported by net contribution:**

| 2,400,000 |