1. Executive Summary

From food and cigars to music and dance, Caribbean culture is featured prominently in popular depictions of Miami. And while Caribbean immigrants have contributed greatly to the city’s culture, not to mention economy, Miami’s immigrant culture is much more diverse than such a depiction suggests. In fact, a great many immigrants from Mexico, Central and South American also reside in Miami-Dade County, and in the State of Florida as a whole.¹ Regardless of where they originate, many of Florida’s immigrants are undocumented. While these immigrants’ contributions to the state’s culture and economy have built thriving art, real estate, and tourism industries, the immigrants themselves remain in the shadows. Their legal status prevents them from claiming the true value of their labor and constrains future economic growth in the state and in Miami-Dade County. President Obama’s administrative actions has and will continue to bring these immigrants into the formal economy, while simultaneously encouraging economic growth in Florida’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 Miami-Dade county, and in the State of Florida. 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. 253,000 undocumented immigrants will be eligible for either DACA or DAPA in the State of Florida, while 43,000 will be eligible in Miami-Dade County.²

2. At full enrollment, the collective wages of these immigrants would grow by $168.1 million in Miami-Dade County and almost $866.3 million statewide. Legalizing the work these immigrants do would formalize the value they already add to the economy: more than $2.5 billion in GDP in Miami-Dade County and $13.3 billion in the State of Florida.

3. The wage growth of undocumented DACA and DAPA beneficiaries in Florida would generate more than $607.9 million in total new tax revenue (personal, sales and business). In Miami-Dade County, DACA and DAPA related wage growth will generate more than $115.3 million in new tax revenue (personal, sales and business).

4. This wage growth jobs in Florida would support the creation of more than 20,800 jobs (including direct, indirect and induced employment). This wage growth in Miami-Dade County would support the creation of 3,900 new jobs.

This report is the fifth 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.³ 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 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.⁴ Meanwhile, a coalition of Republican governors, led by the governor-elect of Texas and current state Attorney General, Greg Abbot have filed a lawsuit seeking to block the implementation of DAPA. Abbott has claimed that DAPA’s predecessor; DACA, has harmed the State of Texas’ economy, and that this provides his suit with legal standing.⁵ In Texas, these

³ Read the rest of the reports here: http://www.naid.ucla.edu/publications
claims are demonstrably false at the state and local level.\textsuperscript{6} As our weekly reports show, these claims are equally false in other states and at the national level.

\begin{table}[h]
\centering
\caption{Valued Added and Taxes Paid by and Labor Income of the Undocumented Population}
\begin{tabular}{|l|c|c|c|}
\hline
 & Miami-Dade County & State of Florida & United States \\
\hline
\textbf{All Undocumented} & & & \\
Population (Over 16 Years Old) & 126,000 & 590,000 & 10,513,000 \\
Value Added (Millions) & $6,658$ & $31,176$ & $555,507$ \\
Taxes Paid (Millions) & $1,151$ & $5,663$ & $100,901$ \\
Labor Income (Millions) & $3,912$ & $18,462$ & $321,103$ \\
\hline
\textbf{DAPA and DACA Combined} & & & \\
Potentially Eligible Population & 48,000 & 253,000 & 5,201,000 \\
Value Added (Millions) & $2,536$ & $13,369$ & $274,821$ \\
Taxes Paid (Millions) & $438$ & $2,428$ & $49,918$ \\
Labor Income (Millions) & $1,490$ & $7,917$ & $158,857$ \\
\hline
\end{tabular}
\end{table}

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

The work these immigrants do contributes significantly to the economies of their county, their state and the nation as a whole. Undocumented but employed immigrants in Miami-Dade County contribute $6.6$ billion dollars to the GDP. Undocumented but employed immigrants in the State of Florida contribute $31.1$ billion, and nationwide undocumented but employed immigrants contribute more than $555.5$ billion.\textsuperscript{7}

Despite their legal status, undocumented immigrants pay a significant amount of local, state and federal taxes. Working age but undocumented immigrants in Miami-Dade County contribute more than $1.1$ billion in personal, sales and business taxes, while undocumented immigrants in Florida contribute nearly $5.6$ billion. Nationwide, undocumented immigrants contribute $100.9$ billion in personal, business and sales taxes.\textsuperscript{8}

Undocumented immigrants also have high rates of employment. Nationwide $65\%$ of working-age undocumented immigrants are currently employed.\textsuperscript{9} In comparison, just $57.6\%$ of the total

\textsuperscript{7} For more information on how GDP was calculated see: Raul Hinojosa-Ojeda with Maksim Wynn, \textit{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).
\textsuperscript{8} 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.
\textsuperscript{9} MPI, “Population Profiles.”
working-age US population is currently employed.\textsuperscript{10} Undocumented immigrants generally work in low-skill positions, yet they still earn a significant amount of total labor income. Undocumented but employed immigrants in Miami-Dade County collectively earn $3.9 billion dollars in wages each year. Undocumented but employed immigrants in Florida earn $18.4 billion dollars, and nationwide undocumented but employed immigrants earn more than $321.1 billion.\textsuperscript{11}

Nationwide, more than 5.2 million undocumented immigrants are eligible for either DACA or DAPA. 253,000 of these immigrants live in Florida, 48,000 of whom live in Miami-Dade County.\textsuperscript{12} Nationally, immigrants who are eligible for either DACA or DAPA add more than $274.8 billion dollars to the economy. More than $13.3 billion of this comes from immigrants living in Florida, and $2.5 billion of that comes from DAPA or DACA eligible residents of Miami-Dade County.

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 $2.4 billion of this comes from immigrants living in Florida, of which $439 million comes from DAPA or DACA eligible residents in Miami-Dade County.

In Miami-Dade County, DACA and DAPA eligible immigrants collectively earn nearly $1.5 billion a year. In Florida, DACA and DAPA eligible immigrants collectively earn more than $7.9 billion a year, while nationwide DACA and DAPA eligible immigrants earn more than $158.8 billion.

\begin{footnotesize}

\textsuperscript{11} Calculations based on Hinojosa-Ojeda and Fitz, “Revitalizing the Golden State.” Updated to reflect current population and employment estimates.

\textsuperscript{12} MPI, “Population Profiles.”
\end{footnotesize}
Administrative action in Florida has had, and will continue to have, a positive affect on the state’s economy. There are 632,000 undocumented immigrants in Florida, of which 253,000 will be eligible for either DACA or DAPA.\textsuperscript{13} 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 $886 million.
- This wage growth would bring in more than $607.9 million dollars in new business, personal and sales tax revenue.
- These increased earnings would also directly generate almost 11,500 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 4,200 new jobs.
- Induced employment---which is a change in employment based on changes in household spending---would increase by almost 5,100 jobs.
- In all we estimate that the increase in labor income would generate more than 20,800 new jobs.

\textsuperscript{13} MPI, “Population Profiles.”

\begin{table}
\centering
\begin{tabular}{|l|c|}
\hline
\textbf{Potentially Eligible Applicants} & 253,000 \\
\hline
\textbf{Labor Income Increase (Millions $)} & $886.3 \\
\hline
\textbf{Total New Tax Revenue (Millions $)} & $607.9 \\
\hline
\textbf{Personal Taxes} & $144.5 \\
\hline
\textbf{Business Taxes} & $258.5 \\
\hline
\textbf{Sales Taxes} & $205 \\
\hline
\textbf{Total Employment Growth (Thousands)} & 20.8 \\
\hline
\textbf{Direct Employment Gain} & 11.5 \\
\hline
\textbf{Indirect Employment Gain} & 4.2 \\
\hline
\textbf{Induced Employment Gain} & 5.1 \\
\hline
\end{tabular}
\caption{Economic Impact of DACA and DAPA}
\end{table}
Table 3

<table>
<thead>
<tr>
<th>Economic Impact of DACA and DAPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miami-Dade County</td>
</tr>
<tr>
<td><strong>Potentially Eligible Applicants</strong></td>
</tr>
<tr>
<td><strong>Labor Income Increase (Millions $)</strong></td>
</tr>
<tr>
<td><strong>Total New Tax Revenue (Millions $)</strong></td>
</tr>
<tr>
<td><strong>Personal Taxes</strong></td>
</tr>
<tr>
<td><strong>Business Taxes</strong></td>
</tr>
<tr>
<td><strong>Sales Taxes</strong></td>
</tr>
<tr>
<td><strong>Total Employment Growth (Thousands)</strong></td>
</tr>
<tr>
<td><strong>Direct Employment Gain</strong></td>
</tr>
<tr>
<td><strong>Indirect Employment Gain</strong></td>
</tr>
<tr>
<td><strong>Induced Employment Gain</strong></td>
</tr>
</tbody>
</table>

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

There are roughly 138,000 undocumented immigrants in Miami-Dade County, of which 48,000 will be eligible for either DACA or DAPA. 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 $168.1 million.
- This wage growth would bring in more than $115.3 million dollars in new business, personal and sales tax revenue.
- These increased earnings would also directly generate almost 2,180 new jobs.
- It would also account for more than 800 new indirect jobs.
- As well as 970 new induced jobs.
- In all we estimate that the increase in labor income would generate more than 3,950 new jobs.
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.

### Table 4

**Economic Impact of DACA and DAPA Nationally**

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

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

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 Miami-Dade County, and to a lesser extent the State of Florida as a whole. Unlike in most other major metropolitan areas, where undocumented immigrants of Mexican origin constitute a plurality, no single nationality constitutes a dominant share of Miami-Dade County’s undocumented population. This is significant because to adequately prepare for the challenges posed by the 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.
Mexicans in the State of Florida, like in most other states, constitute the largest segment of the undocumented population. However, Mexicans in Miami-Dade County do not make up the majority of the undocumented population. Undocumented Mexican’s account for just under 29% of Florida’s undocumented population, which, with the exception of New York State, is the smallest share we’ve observed in any of our reports so far.\(^{14}\) In California; Mexican undocumented immigrants accounted for 71% of the total undocumented population, in Texas; Mexican undocumented accounted for 80% and in Illinois; Mexican undocumented accounted for 73%. In Miami-Dade County, Mexicans constitute an even smaller segment of the undocumented population: just over ten percent.\(^{15}\)

More than 4,800 undocumented Mexicans will be eligible for either DACA or DAPA in Miami-Dade County, while more than 73,600 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. At full enrollment, this population would:

- Experience a collective labor income increase of $17.1 million in Miami-Dade County, $258 million in Florida and $10.5 billion nationwide.
- This wage growth would bring in $11.7 million in new personal, business and sales tax revenue in Miami-Dade County, $177 million in Florida and $7.2 billion nationwide.
- This wage growth would also create 400 new direct, indirect and induced jobs in Miami-Dade County, 6,100 jobs in Florida, and 248,000 jobs nationwide.

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\(^{14}\) MPI, “Population Profiles.”

\(^{15}\) MPI, “Population Profiles.”
Table 6

<table>
<thead>
<tr>
<th>Economic Impact of DACA and DAPA For Colombians</th>
<th>Miami-Dade County</th>
<th>Florida</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potentially Eligible Applicants</td>
<td>6,609</td>
<td>23,218</td>
</tr>
<tr>
<td>Labor Income Increase (Millions $)</td>
<td>$23.2</td>
<td>$81.3</td>
</tr>
<tr>
<td>Total New Tax Revenue (Millions $)</td>
<td>$15.9</td>
<td>$55.8</td>
</tr>
<tr>
<td>Personal Taxes</td>
<td>$3.8</td>
<td>$13.3</td>
</tr>
<tr>
<td>Business Taxes</td>
<td>$6.8</td>
<td>$23.7</td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>$5.4</td>
<td>$18.8</td>
</tr>
<tr>
<td>Total Employment Growth (Thousands)</td>
<td>0.54</td>
<td>1.91</td>
</tr>
<tr>
<td>Direct Employment Gain</td>
<td>0.30</td>
<td>1.05</td>
</tr>
<tr>
<td>Indirect Employment Gain</td>
<td>0.11</td>
<td>0.39</td>
</tr>
<tr>
<td>Induced Employment Gain</td>
<td>0.13</td>
<td>0.47</td>
</tr>
</tbody>
</table>

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"

Columbians are the largest undocumented population in Miami-Dade County and the third largest in the State of Florida. They account for roughly 14% of Miami-Dade’s undocumented population and 9% of Florida’s. More than 6,600 undocumented Colombians will be eligible for DACA or DAPA in Miami-Dade County and more than 23,000 will be eligible statewide. If all eligible undocumented Colombians were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of $23.2 million in Miami-Dade County, $81.3 million in Florida.
- This wage growth in Miami-Dade County would bring in $15.9 million in new personal, business and sales tax revenue, while statewide it would bring in $55.8 million.
- This wage growth would also create 540 new direct, indirect and induced jobs in Miami-Dade County and more than 1,900 jobs statewide.

16 MPI, “Population Profiles.”
Surprisingly, undocumented Hondurans also outnumber undocumented Mexicans in Miami-Dade County. On the other hand, Mexicans outnumber Hondurans by more than 4 to 1 statewide. There are roughly 40,000 undocumented Hondurans in Florida and 17,000 of them live in Miami-Dade County. More than 5,900 of the county’s undocumented Honduran immigrants will be eligible for either DACA or DAPA, while more than 16,000 will be eligible statewide. If all eligible undocumented Honduran immigrants were to enroll in one of these two programs, they would:

- Experience a collective labor income increase of $20.7 million in Miami-Dade County, $56.1 million in Florida and $454 million nationwide.
- This wage growth would bring in $14.2 million in new personal, business and sales tax revenue in Miami-Dade County, $38.5 million in Florida and $311 million nationwide.
- This wage growth would also create 490 new direct, indirect and induced jobs in Miami-Dade County, more than 1,300 jobs in Florida, and more than 10,600 jobs nationwide.

### 4. Methodology

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

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17 MPI, “Population Profiles.”
18 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:
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.\textsuperscript{19} Like the NAID Center’s report on the same topic,\textsuperscript{20} 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: \textit{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.\textsuperscript{21}

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%.


\textsuperscript{20} Raul Hinojosa with Maksim Wynn, \textit{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)

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. As such, the estimated impacts described in this report should be considered a conservative lower bound.

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