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Does the “SAVE Act” Save Anything? The Real Price of “SAVE”

The Congressional Budget Office (CBO) recently released [an estimate of the costs](#) of the “Secure America Through Verification and Enforcement Act” (“SAVE Act,” HR 4088). The bill’s centerpiece is a massive mandatory electronic employment verification system that would require all American workers, native- and foreign-born, to be approved by a government database in order to secure employment. In addition, the bill includes several familiar enforcement provisions including: increasing the number of immigration enforcement agents, increasing law enforcement activities along the U.S.-Mexico border, and adding more detention beds. The CBO concludes that the “SAVE Act” would decrease federal revenues, increase government spending, and create an unfunded mandate for states and private employers.

According to the CBO, enacting “Save Act” would:

- ***Decrease federal revenues by \$17.3 billion over the 2009-2018.*** This decrease largely reflects the judgment that mandatory verification of employment eligibility through the E-Verify system would result in an increase in the number of undocumented workers being paid outside the tax system. Simply put, rather than increase legality, the “SAVE Act” will push more employers to pay their workers “under the table,” ironically deepening illegal behavior.
- ***Increase discretionary spending by approximately \$10.3 billion over the 2009-2013 period and \$23.4 billion over the 2009-2018.*** Those costs reflect the federal government’s expanded use of the employment verification system, additional personnel for the Department of Homeland Security (DHS), increased detention capacity, grants to certain local governments along the borders, and additional costs to the Social Security Administration (SSA) for verifying the proper use of Social Security numbers.
- ***Unfunded mandates compliance costs exceeding \$136 million in at least one of the first five years the mandates are in effect.***

The “SAVE Act” would impose mandates as defined by the Unfunded Mandates Reform Act (UMRA) by requiring: all employers – including public entities – to verify all new hires through the expanded electronic employment verification system, all states to maintain data regarding birth registries, and all employers to provide information to the SSA. Based on data from the Bureau of Labor Statistics, these costs exceed the annual threshold of \$138 million established in the UMRA.

- ***Increase federal direct spending by \$30 million over the 2009-2018*** for salaries of new federal judges authorized by the bill.

April 2008

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