

Trump's "Public Charge" Rule

A Chilling Effect and Economic Consequences in NY and the U.S.

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MEDIA CONTACT

David Dyssegaard Kallick, Deputy Director of FPI
646.284.1240 | ddkallick@fiscalpolicy.org

NEW REPORT

New York: <http://fiscalpolicy.org/wp-content/uploads/2018/10/NY-Impact-of-Public-Charge.pdf>

United States: <http://fiscalpolicy.org/wp-content/uploads/2018/10/US-Impact-of-Public-Charge.pdf>

Today, the Trump Administration published its proposed reinterpretation of a previously arcane rule, known as "public charge." The new interpretation would radically restrict access to green cards and various types of visas for immigrants who do not have a high enough income, or who have used public health, food, or housing supports they are otherwise qualified to receive. Without input from Congress, the Trump Rule would fundamentally change this country's approach to immigration, making income and use of public supports central considerations in whether or not to offer people an opportunity to make their lives in this country.

The direct effect would fall on people applying for a green card or certain visas, but the chilling effect would be vastly greater. Many families would very predictably be frightened and confused by the rule. **FPI estimates that the chilling effect would extend to 24 million people in the United States, including 9 million children under 18 years old.** In New York State, the chilling effect would include 2.1 million people and 680,000 children. These are people in families with at least one non-citizen, and receiving one of the named benefits. In both cases, the large majority of the impacted kids are U.S. citizens.

"After seeing the Trump Administration use the forced separation of kids from the parents at the border as an appalling tactic in immigration enforcement, it is disturbing to see the mistreatment of kids being used again to put pressure on immigrant families," said David Dyssegaard Kallick, Deputy Director of the Fiscal Policy Institute and author of the report. "The stakes are unbearably high. Parents who apply for health care coverage or food support for which they are qualified will feel like they risk being separated from their children."

The rule will not apply to all non-citizens, nor, of course, will it apply to people born in the United States. But, to illustrate how extreme it is, the Fiscal Policy Institute modeled what would happen if the Trump Rule were to be applied to everyone. It turns out that 28 percent of all non-citizens, and 29 percent of all people born in the United States, would struggle to be deemed adequate by the rule the Trump Administration would use to determine whether people can get a green card. In New York State, 33 percent of U.S.-born residents and 38 percent of non-citizens might be deemed inadequate.

“We shouldn’t be looking down on people who use the safety net, whether they are immigrants or born in this country” Kallick said. “The safety net is there to help people through hard times, so they can get back up and pursue their American Dream.”

Only some of the people experiencing the chilling effects would go so far as to disenroll from programs they are otherwise qualified to receive. FPI models three scenarios: if 15, 25, and 35 percent of those experiencing the chilling effect disenroll. Using the middle scenario, we could expect a \$12 billion reduction in supports to families around the country, and on top of that negative ripple effects through the economy of up to \$24 billion as hospitals and doctors’ offices see reduced revenues and people buy less in supermarkets and other stores. The economic impact would vary depending on the overall state of the economy, but in a recession, when the programs have their biggest positive effect, up to 164,000 jobs could be lost.

In New York State, the 25 percent disenrollment scenario means \$1.8 billion less in federal funds coming into New York, a ripple effect of \$3.6 billion felt through the health care and food industries as well as elsewhere, and up to 25,000 jobs lost.

“The Trump Rule is a disturbing attempt to rewrite our nation’s history,” says Kallick. “Immigrants come here to make a better life for themselves and their children. They are ambitious and hard working and entrepreneurial, but they’re not usually wealthy. It’s after immigrants get here that they start to do better, and some of them do great. That’s the genius of America. It’s inscribed on the Statue of Liberty.”

The new report is available at <http://fiscalpolicy.org/public-charge>.

The Fiscal Policy Institute is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. FPI’s Immigration Research Initiative looks at immigration issues in New York State, and around the country.