

Statement of
Janice Peskin
Principal Analyst
Budget Analysis Division
Congressional Budget Office

before the
Subcommittee on Immigration and Refugee Policy
Committee on the Judiciary
United States Senate
June 18, 1985

This statement is not available
for public release until it is
delivered at 9:30 a.m. (EDT) on
Tuesday, June 18, 1985

Mr. Chairman, I am pleased to appear before your Subcommittee today to discuss the Congressional Budget Office's (CBO's) estimates of the costs of legalizing unauthorized aliens under S. 1200, the Immigration Reform and Control Act of 1985. In my remarks today, I will first present these estimates and then discuss their derivation. In February 1985 we prepared a staff discussion paper that discusses the CBO estimates of legalization costs in more detail. With your permission, Mr. Chairman, I am submitting a copy of that paper for the record this morning.

LEGALIZATION PROVISIONS OF S. 1200

While considerable attention has focused on other parts of immigration legislation such as employer sanctions, this testimony deals strictly with the provisions that would legalize certain unauthorized aliens. For purposes of estimating costs to federal, state, and local governments from S. 1200, several legalization provisions are important.

- o Unauthorized aliens who entered the United States before January 1, 1980, and who have resided here continuously since then would be eligible for legalization, as would certain Cuban and Haitian entrants.

- o The legalization process would begin when a Legalization Commission, established under the bill, would find that the illegal entry of aliens into the United States, and their employment here, had been substantially controlled.
- o The aliens granted resident status would be precluded from receiving federal benefits based on financial need for six years.
- o Grants to states would be authorized to reimburse certain costs of state and local governments associated with legalization.

LEGALIZATION COSTS

S. 1200 authorizes \$600 million for each of three fiscal years for federal grants to states to reimburse their public assistance costs resulting from legalization and their costs for the imprisonment of unlawful aliens. Authorization would begin in fiscal year 1989, the year we have estimated the application process for legalization would end. This estimate is based on an enactment date in late 1985, a two-year period before the Legalization Commission would report that the conditions for legalization had been met, and a one-year application period running from January 1988 to January 1989.

By our estimates, shown in Table 1, the authorization level of \$600 million would be more than sufficient to cover estimated outlays of states and localities on imprisonment and public assistance in the three years 1989-1991. We estimate outlays to cover imprisonment costs to be about \$70 million a year. Because states are currently meeting these costs out of their own budgets, these federal grants to states for imprisonment costs

TABLE 1. CBO ESTIMATES OF THE COSTS TO THE FEDERAL GOVERNMENT OF LEGALIZING UNAUTHORIZED ALIENS UNDER S. 1200 (By fiscal year, in millions of dollars)

	1986	1987	1988	1989	1990
Grants to States					
Authorization level	--	--	--	600	600
Estimated outlays for public assistance	--	--	--	65	175
Estimated outlays for imprisonment of aliens	--	--	--	70	70
Total estimated outlays	--	--	--	135	245
Other Estimated Federal Outlays <u>a/</u>	--	--	<u>b/</u>	25	65
Total Estimated Federal Outlays	--	--	<u>b/</u>	160	310

SOURCE: Congressional Budget Office.

NOTE: Revenues from the fees on applications for legalization are not included nor are costs to the Department of Justice for administering the application process.

- a. Costs are for the Unemployment Compensation, Disability Insurance, and Medicare programs.
- b. Less than \$5 million. These are costs for aliens legalized in fiscal year 1988.

would save them money. We estimate federal outlays for public assistance to be \$65 million in 1989, \$175 million in 1990, and \$235 million in 1991.

In years other than 1989-1991, however--both before and after authorization of the grants--states and localities would have to bear increased costs resulting from legalization in their public assistance programs. These costs would be especially high in 1992 through 1994--years when the aliens granted resident status would be precluded from receiving aid from federal programs that are based on financial need, such as Food Stamps and Medicaid. For this three-year period, we estimate these costs to states and localities would be \$225 million to \$250 million a year. Because of the uncertainty surrounding these estimates, I will later discuss their sensitivity to alternative assumptions.

In addition to the grants to states, there would be other federal costs in several entitlement programs for which the aliens might qualify after their legalization--for the Unemployment Compensation, Disability Insurance, and Medicare programs. These other federal costs would total an estimated \$65 million in 1990. ^{1/} Therefore, we estimate the total federal

-
1. There is also a potential effect on federal revenues from the legalization of unauthorized aliens. However, CBO estimates this effect to be close to zero. The additional revenues collected are estimated to be approximately offset by increased refunds.

costs of legalization would be \$160 million in 1989 and \$310 million in 1990, not including revenues or costs to the Department of Justice from the application process.

MAJOR ASSUMPTIONS

Estimates of the costs associated with legalization are of necessity uncertain. Adequate data on the number and characteristics of unauthorized aliens potentially eligible for legalization simply do not exist. As a result, the CBO cost estimates depend crucially upon estimation of two key factors:

- o The number of unauthorized aliens who would be granted resident status, and
- o The benefits they would receive from federal, state, and local entitlement programs, such as Food Stamps or Unemployment Compensation.

The number of unauthorized aliens assumed to be granted resident status is 570,000. How we reached this assumption is shown in Table 2. First, we estimated that 5.6 million unauthorized aliens would be in the United States in 1986. To arrive at this figure, we started with the midpoint of the generally accepted range of 3 million to 6 million

unauthorized aliens estimated to be in the United States in the late 1970s. We then increased this figure by 150,000 a year beginning in 1980 (4.5 million + 1.1 million = 5.6 million). This estimate is somewhat lower than the Administration's estimate of 6.5 million but probably above an estimate implied by a recent Census study that found only 2.0 million unauthorized aliens counted in the 1980 Census.

Second, based on Immigration and Naturalization Service studies, we estimated that 17 percent of the 5.6 million aliens would have entered the United States before 1980 and maintained continuous residence in the United States since then, making them eligible for legalization under S. 1200. Such a low percentage implies a quite high turnover in the unauthorized alien population, with many aliens leaving and many others entering the United States each year. This turnover means that with each year's delay in the passage of an immigration bill, fewer aliens would be eligible for legalization given a fixed cutoff date such as 1980, since some aliens would have returned to their native countries. It also means that later cutoff dates would make significantly larger numbers of aliens eligible for legalization. For example, a 1982 cutoff date would qualify 40 percent of unauthorized aliens.

Finally, based on discussions with experts, we assumed that 60 percent of the eligible aliens would apply for and be granted resident status. This is a higher percentage than occurred during the recent legalization of Cuban refugees.

TABLE 2. DERIVATION OF CBO'S ESTIMATE OF THE NUMBER OF UNAUTHORIZED ALIENS WHO WOULD BE GRANTED RESIDENT STATUS UNDER S. 1200

Number of Unauthorized Aliens in U.S. in 1986 (times)	5,600,000
Percent of Aliens Who Came to U.S. Before January 1, 1980, and Would Thus Be Eligible for Legalization (times)	.17
Percent of Eligible Aliens Who Would Apply for Legalization and Be Accepted (equals)	.60
Number of Unauthorized Aliens Who Would Be Legalized	570,000

SOURCE: Congressional Budget Office.

To arrive at a cost estimate, the second set of CBO assumptions dealt with the government benefits the unauthorized aliens would receive after they were legalized. Because unauthorized aliens cannot now legally receive benefits from most entitlement programs, legalization would make them newly eligible for such programs, thus raising costs. While the bill would preclude their receiving benefits from federal programs based on financial need (Aid to Families with Dependent Children, Supplemental Security Income, Food Stamps, and Medicaid), they would be eligible for other federal programs such as Unemployment Compensation, as well as public assistance programs fully funded by states and localities.

To estimate the number of legalized aliens who would receive benefits under each program, CBO made two important assumptions. First, we assumed that the "public charge" test under current law would be effectively applied so that at the time the aliens requested resident status they would presumably be working. They would then begin to receive program benefits slowly over time as their status changed--that is, as they became unemployed, disabled, or divorced, thereby allowing them to qualify for the various entitlement programs. Second, we assumed that over time the aliens would receive entitlement programs at the same rate as the U.S. population, adjusted where relevant for age, sex, ethnic origin, or income differences. For example, if 15 percent of U.S. families of Hispanic origin currently receive public assistance, then we assumed that by 1991, 15 percent of the legalized alien families of Hispanic origin would also receive public assistance.

We used the same methodology to estimate public assistance costs to state and local governments, which would be covered by the authorized grants to states. Costs were included for people who would have qualified for the Aid to Families with Dependent Children and Supplemental Security Income programs--which the bill does not allow the legalized aliens to receive for six years--as well as for people who would qualify only for state and local assistance. By 1991, we estimate that just over 100,000 aliens or members of their families would receive state and local public assistance. Their benefit levels were based on average U.S. benefits in state and local

General Assistance programs. These benefits in 1986 were estimated to be \$1,670 a year for a single person for cash benefits and \$600 to \$2,000 a year per person for medical benefits depending on the person's family and health status.

SENSITIVITY OF THE ESTIMATES

Estimated costs to states and localities from legalization are quite sensitive to the assumptions underlying the estimates, especially assumptions concerning the number of unauthorized aliens who would be granted resident status. If alternative assumptions were used, estimated costs to states and localities would rise or fall. Assume, for example, that there were 6.5 million unauthorized aliens in the United States in 1986; if 25 percent had arrived before 1980, and if 75 percent of them applied for and were granted legalization, 1.2 million aliens would be legalized. Estimated costs to state and local governments in 1991 would be \$575 million--almost double CBO's estimate and close to the \$600 million authorization level. On the other hand, if there were only 4.5 million unauthorized aliens, if 10 percent had arrived before 1980, and if 50 percent were granted legalization, only 0.2 million aliens would be legalized. In this case, estimated costs would be \$165 million in 1991. As these numbers indicate, the uncertainty about the number and characteristics of unauthorized aliens leads to a wide range of potential costs from the legalization provisions.

This concludes my statement, Mr. Chairman. I will be happy to respond to any questions you or other members of the Subcommittee may have.

February 27, 1985

Congressional Budget Office
Budget Analysis Division I/

Costs of Legalizing Unauthorized Aliens

For the past three years the Congress has considered legislation that would deal with the problem of illegal immigration. This legislation would, among other things, provide for the legalization of some unauthorized aliens currently residing in the United States. At the same time, the proposed legislation would restrict the access of any newly-legalized aliens to federally-funded government entitlement programs.

This memorandum presents and discusses costs of alternatives for legalizing unauthorized aliens. The alternatives include varying the date by which aliens must have entered the United States in order to be eligible for legalization and the government programs for which they would be eligible upon legalization as well as varying the burden of costs among federal, state and local governments. These are the major variables that have differed among the immigration bills considered by Congress during the past three years.

The estimates presented here are very uncertain. Experts on immigration statistics disagree widely about how many unauthorized aliens currently reside in the U.S. The characteristics of these aliens are also in dispute: the dates on which they entered the U.S.; the states in which they live; the jobs in which they work and the wages they are paid; or their sex, age, and marital status. Because of these uncertainties, actual costs of the alternatives costed here could be well above or below CBO's estimates.

The remainder of this memorandum is divided into three sections. In the first section, we summarize total costs under the various alternatives, noting how costs vary under each alternative. The second section discusses in detail how one specific alternative affects each entitlement program. The third section discusses other alternatives and how they differ from the alternative discussed in section two.

-
1. For further information, call Janice Peskin (226-2820). Many others at CBO worked on these estimates: Paul Cullinan, Marianne Deignan, Dick Hendrix, Kelly Lukins, Anne Manley, and Jack Rodgers.

Costs of Legalizing Unauthorized Aliens Under Various Alternatives

The alternatives in this analysis are costed using five different dates by which aliens must have entered the U.S. in order to be eligible for legalization (hereafter called the eligibility date). They are January 1 of the following years:

- o 1977
- o 1980
- o 1981
- o 1982
- o 1983

The analysis also considers four different combinations of federally-funded government entitlement programs for which the legalized aliens would be eligible and ratios of federal and non-federal cost sharing.

- o Alternative 1: Eligibility for all government programs, with the federal government paying 100 percent of the costs for four years.
- o Alternative 2: Ineligibility for all means-tested federal entitlement programs for four years, except for Supplemental Security Income (SSI), Food Stamps and Medicaid for those on SSI, and Medicaid for children, pregnant women, and emergency cases.
- o Alternative 3: Ineligibility for all federal entitlement programs for four years, except for SSI and Food Stamps and Medicaid for those on SSI.
- o Alternative 4: Ineligibility for all federal entitlement programs for four years.

Other provisions concerning legalization such as the length of the application process are assumed to be similar to those tentatively agreed to by conferees on the Simpson-Mazzoli bill in the 98th Congress. ^{2/} Thus the estimates assume that unauthorized aliens could apply for legalization over a 1-year period, following a 6-month period of preparation and education by the Department of Justice. Because CBO assumes for purposes of the

2. There is no conference report on the Simpson-Mazzoli bill because the conference was suspended and never completed. The legalization provisions were all tentatively agreed to but no bill language is available.

estimates that all options would be enacted by September 30, 1985, applications for legalization could begin on April 1, 1986 and continue through March 31, 1987. 3/

Costs to federal, state, and local governments under the various alternatives are summarized in Table 1 for fiscal years 1986 through 1990. They are shown as a function of the eligibility date. As shown in the table, projected costs would rise with the extension of the eligibility date because more unauthorized aliens would qualify for legalization. For example, combined federal, state and local costs for fiscal year 1990 under Alternative 1 would be \$0.4 billion if the eligibility date were 1977 and \$2.4 billion if it were 1983.

Total costs and their distribution between federal and state and local governments also would depend on the number of federal entitlement programs for which the legalized aliens would be eligible. Total costs would be largest under Alternative 1, where newly legalized aliens would be eligible for all federal programs, and smallest under Alternative 4, where regardless of when they were eligible for legalization, aliens would be eligible for benefits from no federal programs until 1990. For example, based on an eligibility date of 1983, combined federal and state costs would be \$2.4 billion under Alternative 1 and \$1.2 billion under Alternative 4 in fiscal year 1990. Moreover, federal government costs would be greatest under Alternative 1, where there would be 100 percent federal funding for four years. State costs would be greatest under Alternative 4, where all costs would be borne by states and localities for four years. For example, using an eligibility date of 1983, estimated federal costs in 1990 would be \$1.7 billion, \$1.0 billion, \$0.5 billion, and \$0.2 billion under Alternatives 1 through 4, respectively; estimated state costs would be \$0.8 billion, \$0.7 billion, \$1.0 billion, and \$1.0 billion, respectively.

These estimates show only costs for the entitlement programs resulting from legalization. There could be some added costs, such as to the Immigration and Naturalization Service, associated with legalization. Moreover, the Simpson-Mazzoli bill had additional costs that were associated with provisions of the bill other than legalization.

-
3. In one important respect, however, these estimates differ from the tentative conference agreements. These estimates assume a "one-tier" legalization process in which aliens would be granted permanent resident status immediately. The conference agreed to a "two-tier" process in which certain aliens would be granted permanent resident status immediately but others would be granted temporary resident status for a time before becoming eligible for permanent resident status. A "two-tier" process would entail somewhat lower costs than a "one-tier" process because some of the "temporary" aliens would fail to receive permanent status.

TABLE 1. ESTIMATED COST TO FEDERAL AND TO STATE AND LOCAL GOVERNMENTS OF LEGALIZING UNAUTHORIZED ALIENS ^{a/} (By fiscal year, in billions of dollars)

Alternatives for Legalization Under Various Eligibility Dates	1986	1987	1988	1989	1990
Alternative 1: Eligible for all federal government entitlement programs					
Federal Outlays					
1977	*	0.1	0.3	0.3	0.3
1980	*	0.2	0.5	0.7	0.5
1981	*	0.3	0.8	1.1	0.8
1982	*	0.5	1.3	1.7	1.2
1983	*	0.6	1.7	2.3	1.7
State/Local Outlays					
1977	0	0	0	0	0.1
1980	0	0	0	0	0.2
1981	0	0	0	0	0.4
1982	0	0	0	0	0.6
1983	0	0	0	0	0.8
Alternative 2: Ineligible except for SSI and some Medicaid					
Federal Outlays					
1977	*	*	0.1	0.1	0.2
1980	*	0.1	0.2	0.3	0.3
1981	*	0.2	0.3	0.4	0.5
1982	*	0.2	0.5	0.6	0.7
1983	*	0.3	0.7	0.8	1.0
State/Local Outlays					
1977	*	*	0.1	0.1	0.1
1980	*	0.1	0.2	0.2	0.2
1981	*	0.1	0.2	0.3	0.3
1982	*	0.1	0.4	0.5	0.5
1983	*	0.2	0.5	0.7	0.7
Alternative 3: Ineligible except for SSI					
Federal Outlays					
1977	*	*	*	*	0.1
1980	*	*	0.1	0.1	0.1
1981	*	*	0.1	0.1	0.2
1982	*	0.1	0.2	0.2	0.3
1983	*	0.1	0.2	0.3	0.5
State/Local Outlays					
1977	*	*	0.1	0.1	0.2
1980	*	0.1	0.2	0.3	0.3
1981	*	0.1	0.4	0.5	0.5
1982	*	0.2	0.5	0.7	0.7
1983	*	0.3	0.7	1.0	1.0
Alternative 4: Ineligible for all federal entitlement programs					
Federal Outlays					
1977	0	0	0	0	*
1980	0	0	0	0	0.1
1981	0	0	0	0	0.1
1982	0	0	0	0	0.1
1983	0	0	0	0	0.2
State/Local Outlays					
1977	*	*	0.1	0.2	0.2
1980	*	0.1	0.2	0.3	0.3
1981	*	0.2	0.4	0.5	0.5
1982	*	0.2	0.6	0.7	0.7
1983	*	0.3	0.8	1.0	1.0

*Less than \$50 million.

a. These costs are shown by program in Appendix Tables 1-20.

Numbers of Legalized Aliens. One important variable affecting legalization costs is the number of unauthorized aliens who would be legalized. Table 2 summarizes CBO's assumptions regarding the number of unauthorized aliens. The number legalized would rise as the eligibility date for legalization was extended. Assuming a 1977 date of eligibility (so that aliens would have had to enter the U.S. prior to January 1, 1977 and reside here continuously since then), CBO estimates that 0.3 million unauthorized aliens would be legalized but assuming a 1983 date of eligibility 1.9 million would be legalized.

These estimates depend importantly on the number of unauthorized aliens in the U.S., data on which little hard evidence exists. It has been generally accepted that there were 3 to 6 million unauthorized aliens in the

TABLE 2. ESTIMATED NUMBERS OF UNAUTHORIZED ALIENS IN 1986 BY ELIGIBILITY DATE a/

	Eligibility Date				
	1977	1980	1981	1982	1983
Percent of aliens in U.S. in 1986 who would be eligible for legalization	8	17	26	40	55
Percent of eligibles who would apply and be accepted	60	60	60	60	60
Numbers who would be legalized (in millions)	0.3	0.6	0.9	1.4	1.9

a/ Based on an assumed total of 5.6 million unauthorized aliens in the U.S. in 1986.

U.S. in the late 1970's. ^{4/} The CBO estimate uses 4.5 million aliens in 1977, the midpoint of the range. Even less is known about how the numbers of unauthorized aliens in the U.S. may have changed in recent years, although anecdotal evidence indicates there has been some net inflow. Based on conversations with persons knowledgeable about the unauthorized alien population, we assume a net increase of 150,000 in each year beginning in 1980. By 1986, then, we estimate that there will be 5.6 million unauthorized aliens in the U.S.

The percentages of unauthorized aliens estimated to be eligible for legalization are shown in Table 2. Of the 5.6 million unauthorized aliens estimated to be in the U.S. in 1986, when the application process would begin, 8 percent would be eligible with a 1977 eligibility date and 55 percent would be eligible with a 1983 eligibility date. These figures are based on percentages from Immigration and Naturalization Service studies, which have been increased somewhat. This increase allows for a potentially larger percentage of aliens to remain in the U.S. rather than return to their own countries; CBO assumes that some unauthorized aliens are aware of the possibility of legalization because of legislative activity in recent years. Among those eligible, we assume--again based on conversations with experts--that approximately 60 percent would apply for and be granted resident status.

Costs of Legalization By Entitlement Program Under Alternative 2

Legalization would increase costs considerably in government entitlement programs. ^{5/} Unauthorized aliens cannot legally receive benefits from entitlement programs but, when legalized, would be potentially eligible unless the immigration legislation provided otherwise. A

^{4/} A recent study by Census Bureau analysts has estimated that only 2 million unauthorized aliens were counted in the 1980 Census. While there is some (unknown) undercount of aliens in the Census, their estimates might imply numbers of aliens lower than what CBO assumes in its estimates. See Jeffrey S. Passel and Robert Warren, "Estimates of Illegal Aliens from Mexico Counted in the 1980 United States Census," paper presented at the annual meeting of the Population Association of America, Pittsburgh, Pennsylvania, April 1983.

^{5/} An entitlement program is one that provides benefits to any person who meets the eligibility requirements established in laws and regulations. Legalization may also have cost implications for non-entitlement spending but these effects are not dealt with here.

number of government entitlement programs--federal, state and local--would be affected: Aid to Families with Dependent Children (AFDC), SSI, Food Stamps, Unemployment Compensation, Disability Insurance (DI), Medicaid, Medicare, and state cash and medical general assistance (GA).

Estimates for each of these programs under all four alternatives for each eligibility date--some 20 options in all--are shown in appendix tables. Here we discuss Alternative 2 assuming only one eligibility date--1981, the eligibility date tentatively agreed to by the conferees in the Simpson-Mazzoli bill. 6/ Alternative 2 conforms most closely to the reported, tentative conference agreements. 7/

In Alternative 2, legalized aliens would be ineligible for means-tested entitlement programs for four years with two exceptions: (1) the aged, blind, and disabled who could receive SSI if they were eligible, along with Food Stamps and Medicaid; and (2) children, pregnant women, and persons in need of emergency services who could receive Medicaid if they were eligible. Aliens would be ineligible to receive other federal means-tested entitlements--AFDC, Food Stamps, and Medicaid--through fiscal year 1989. However, they would be eligible to receive federal non-means-tested entitlements: Unemployment compensation, DI, and Medicare. And they would be eligible to receive state GA.

One assumption underlying CBO's estimates for each of the entitlement programs is that the unauthorized aliens would have to show at the

-
6. Conferees on the Simpson-Mazzoli bill tentatively agreed that permanent resident status be given to aliens who entered the U.S. before January 1, 1977 and temporary resident status be given to those who entered before January 1, 1981 (temporary residents could then apply for permanent status after two years).
 7. Conferees on the Simpson-Mazzoli bill, however, tentatively precluded permanent residents from receiving most federal welfare programs for three years and temporary residents from receiving most federal welfare programs for five years, compared to the proposed four-year ineligibility in Alternative 2.

time of application for residency that they had not been nor would they be likely to be "public charges." 8/ However, based on our understanding of the tentative conference agreement, an alien could be granted resident status if he or she were currently unemployed but could demonstrate a history of employment in the U.S. evidencing self-support without reliance on public cash assistance. Thus, at the time the aliens would become residents, they would presumably be working, except for a relatively small number of unemployed persons. Over time, however, they could be expected to resemble the United States population as to reciprocity of entitlement programs. By 1989 and 1990, we assume that reciprocity rates would resemble those of the U.S. population for similar age, sex, ethnic origin, and income groupings.

Estimated costs--federal, state and local--for each program are shown in Table 3 for fiscal years 1986 through 1990. Each program is discussed below.

AFDC Program. The AFDC program provides benefits to needy children and their caretaker relatives. Benefit levels are set by states and localities and program costs are financed partially by the federal government and partially by states and localities. Under Alternative 2, aliens could not receive AFDC until 1990, and then only aliens who had applied for resident status in fiscal year 1986 (fewer than one-half) would be eligible. Thus costs would rise significantly more after 1990 as all of the legalized aliens became potentially eligible for AFDC as well as for the other federal means-tested programs. Costs in 1990 would be \$20 million to the federal government and \$15 million to states and localities. AFDC costs are based on the assumption that 52 percent of the aliens given permanent resident status would be married men and women, reflecting demographic data on unauthorized aliens, which show about 79 percent to be adults and the majority to be young and male, and marital rates in the U.S. Of the married men and women, 4.5 percent of those not of Spanish origin and 17.0 percent of those of Spanish origin are estimated to receive AFDC. These rates of AFDC reciprocity are those which currently exist in the program. Use of the higher rate for those of Spanish origin means that rates of divorce, separation, and illegitimate birth--events qualifying a child for AFDC because a parent is absent from the home--are assumed to be

-
8. The "public charge" test is part of current law. In Title II, Chapter 2, Section 212 of the Immigration and Nationality Act, one cause for exclusion from admission to the U.S. is given as: "Aliens who, in the opinion of the consular officer at the time of application for a visa, or in the opinion of the Attorney General at the time of application for admission, are likely at any time to become public charges."

TABLE 3. ALTERNATIVE 2 WITH A 1981 ELIGIBILITY DATE: OUTLAYS OF FEDERAL AND STATE AND LOCAL GOVERNMENTS OF LEGALIZING UNAUTHORIZED ALIENS ^{a/} (By fiscal year, in millions of dollars)

Program	1986	1987	1988	1989	1990
AFDC					
Federal	0	0	0	0	20
State/Local	0	0	0	0	15
Total	0	0	0	0	35
SSI					
Federal	*	20	60	75	70
State/Local	*	5	10	15	10
Total	*	25	70	90	80
Food Stamps					
Federal	*	*	5	5	30
State/Local	0	0	0	0	0
Total	*	*	5	5	30
Unemployment Compensation					
Federal	10	90	140	140	140
State/Local	0	0	0	0	0
Total	10	90	140	140	140
Disability Insurance					
Federal	*	5	20	30	35
State/Local	0	0	0	0	0
Total	*	5	20	30	35
Medicaid					
Federal	*	35	100	145	175
State/Local	*	25	85	120	145
Total	*	60	185	265	320
Medicare					
Federal	0	0	*	*	5
State/Local	0	0	0	0	0
Total	0	0	*	*	5
State GA—Cash					
Federal	0	0	0	0	0
State/Local	*	40	110	155	140
Total	*	40	110	155	140
State GA—Medical					
Federal	0	0	0	0	0
State/Local	*	10	30	40	30
Total	*	10	30	40	30
Total Outlays					
Federal	10	150	325	395	475
State/Local	0	80	235	330	340
Total	10	230	560	725	815

*Less than \$5 million.

- a. Alternative 2 assumes ineligibility for all federal means-tested entitlement programs for four years, except for SSI and Medicaid for children, pregnant women, and emergencies.

approximately the same among the unauthorized alien and the legal populations of Spanish origin. Average annual AFDC benefits for these aliens are estimated to be \$3,795 in fiscal year 1986, rising to \$4,450 in fiscal year 1990. The average federal share of these costs would be 54 percent and the state and local share 46 percent.

SSI Program. The SSI program provides benefits to aged, blind, and disabled persons. Benefit levels are set by the federal government, which pays the full cost of the program. However, states may supplement federal benefits and most do, though usually by quite small amounts. Under Alternative 2, aliens would be eligible to receive SSI upon confirmation of residency status, so that SSI costs would begin in 1986. Costs to the federal government would rise from less than \$5 million in 1986 to \$70 million in 1990; state costs would reach \$10 million by 1990. Our cost estimate is based on a reciprocity rate of 0.90 percent of the alien population for the aged and 0.94 percent for the blind and disabled. The reciprocity rate for the aged is based on Census data which show 1.80 percent of illegal aliens to be aged, an assumed income eligibility of 100 percent, and a participation rate for the eligible of 50 percent. The reciprocity rate for the blind and disabled is based on the current reciprocity rate for the United States population. These reciprocity rates are not met until 1989 and beyond. Because of the "public charge" test discussed earlier, we assume that only 5 percent of the potential SSI recipients in 1986, 30 percent in 1987, and 75 percent in 1988 would actually qualify for SSI because of disability or low income. ^{9/} Annual benefits per recipient are estimated to be \$4,055 for both the aged and disabled in 1986, rising to \$4,400 by 1990.

Food Stamp Program. Food Stamps are issued to eligible low-income households to enable them to obtain a better diet. Benefits (and approximately one-half of state administrative expenses) are funded by the federal government. As with AFDC, most legalized aliens could not receive Food Stamps until 1990 under Alternative 2, although legalized aliens who receive SSI would also receive Food Stamps beginning in 1986. Food Stamp costs are estimated to be less than \$5 million in 1986, rising to \$30 million in 1990. These estimates assume that after a phase-in ending in 1988, 28 percent of the legalized aliens would participate in the program. This figure is based on the estimated number of aliens added to the SSI, AFDC, and GA rolls, because about 65 percent of Food Stamp participants receive

9. These same percentages are used to estimate receipt of most of the other entitlement programs as well in 1986-1988.

benefits from at least one of these programs. This number is then increased by 35 percent to account for those who would receive Food Stamps but not AFDC, SSI, or GA. Average annual benefits in 1986 are estimated to be about \$548, the current average benefit in the program.

Unemployment Compensation Program. The unemployment compensation program provides weekly cash benefits to workers who are involuntarily unemployed and who have had at least a moderate amount of work experience during a one-year period prior to losing their jobs. Under alternative 2, unemployment compensation costs for newly legalized alien workers are estimated to rise from \$10 million in 1986 to \$140 million in 1990. These estimates are based on several assumptions for newly legalized alien workers. Consistent with recent labor force data on young Hispanics, CBO assumes that 80 percent of these workers would participate in the labor force, a higher rate than the average of the U.S. population. Because most probably work in service industries, which are less prone to cyclical unemployment, and because even low-wage jobs in this country probably appear attractive when compared to those in the country of origin, CBO assumes that the newly-legalized population would have unemployment rates one percentage point lower than those in effect for the rest of the U.S. population. Further, assuming, as some evidence indicates, that these individual's earnings are about 60 percent of those of comparable U.S. production or nonsupervisory workers (and assuming a 50 percent wage replacement rate), we estimate that the average weekly benefit amount for these workers would be about \$94 in 1986, one-fourth lower than that for the remainder of the population.

Disability Insurance Program. Persons who are totally disabled (whose disability is expected to last at least 12 months or result in death) and who have sufficient work histories in covered employment may receive DI, which is fully financed by the federal government. Costs in DI of the legalized aliens are estimated to rise from an insignificant amount in 1986 to \$35 million in 1990. Because the evidence indicates that unauthorized aliens are relatively young on average, they would be less likely to be disabled than the U.S. population as a whole. Also, because they have been in the U.S. for relatively short periods of time, they may not qualify for DI, which requires for most workers covered earnings during 20 out of the last 40 calendar quarters. For all of these reasons, their DI reciprocity rate would be less than that of the U.S. population; we estimate the rate to be less than 0.01 percent in 1986 for those who entered the U.S. before 1977, with this rate rising over time but with a lower rate for those who entered later. Their benefit levels would also be less, reflecting lower than average wages and shorter work histories. We estimate benefits to be about \$4,000 in 1986 rising to \$4,260 in 1990 for aliens who entered before 1977; those who entered later would have lower benefits on average.

Medicaid Program. The Medicaid program provides health care coverage to recipients of AFDC and SSI and to others who may qualify as "medically needy." Under Alternative 2, Medicaid would be provided to aliens on SSI and to children, pregnant women, and emergency cases who could meet Medicaid's eligibility criteria. Costs are estimated to rise from less than \$5 million in 1986 to \$320 million in 1990. Estimated numbers of Medicaid beneficiaries are based on numbers of aliens estimated to receive SSI and numbers estimated to receive AFDC who would be children, pregnant women, or in need of emergency services, with some increase for the medically needy. Benefits are current averages per SSI or AFDC enrollee, adjusted to 1986 and later.

Medicare Program. Costs in the Medicare program, which provides health care coverage to the aged and disabled covered by Social Security, would rise slightly beginning in 1988, but would not exceed \$5 million through 1990. These costs would be for those aliens who would receive DI.

General Assistance Programs. General Assistance (GA) programs are fully-funded by states and localities and provide benefits to low-income persons and families who do not qualify for the federally-funded cash welfare programs. GA provides both cash payments and medical coverage. Legalized aliens would be potentially eligible for GA beginning in 1986. Estimated costs to states and localities for cash GA would be insignificant in 1986, rising to \$140 million in 1990; estimated costs for medical GA would also be insignificant in 1986 and \$30 million in 1990. Two groups of aliens could qualify for GA: those who would never be eligible for federal welfare programs (for example, low-income working two-parent families with children and non-aged, non-disabled couples or single persons without children) and those who would be ineligible for AFDC for four years. Among the first group, we estimate that 1.3 percent of the aliens would receive an average annual cash GA benefit of \$1,670 in 1986; among the second group, we estimate that virtually all would receive an average annual cash GA benefit of \$2,075 in 1986. Medical GA benefits would be lower than cash GA benefits.

Total Entitlement Programs. For all of these programs together, costs of legalization with a 1981 eligibility date are estimated to rise from \$10 million in 1986 to \$815 million in 1990. The federal share of these costs would be around 58 percent. Costs would rise still further after 1990 as all of the legalized aliens became potentially eligible for the federal means-tested entitlement programs.

Costs of Legalization Under Alternatives 1, 2, and 3

Compared to Alternative 2, Alternative 1, which allows aliens to receive federal programs upon their legalization, would have higher costs. Costs would rise from \$10 million in 1986 to \$1,165 million in 1990--\$350 million above Alternative 2 in 1990 (see Table 4). Until 1990, states would bear none of the costs since there would be 100 percent federal funding. In 1990, the federal government would fund almost 70 percent of the cost and states and localities 30 percent.

Alternative 3, which further restricts receipt of federal programs by allowing Medicaid only to those receiving SSI and by not allowing receipt of unemployment compensation and DI, would have lower costs than Alternative 2: \$685 million in 1990, a reduction of \$130 million (see Table 5). States and localities would fund the major share of these costs. When aliens are precluded from receiving federal assistance, many would begin to receive GA, which is fully funded by states and localities. In estimating the costs of this alternative, we assume that 50 percent of the aliens who would have qualified for unemployment compensation and 75 percent of those who would have qualified for DI would instead receive GA (cash and medical).

Total costs would decline even more relative to Alternative 2 under Alternative 4, in which no federal programs could be received for four years. Costs would be \$570 million in 1990, a reduction of \$245 million from Alternative 2 (see Table 6). States and localities would bear all of the costs until 1990, when aliens would begin to be eligible for federal programs.

TABLE 4. ALTERNATIVE 1 WITH A 1981 ELIGIBILITY DATE: OUTLAYS OF FEDERAL AND STATE AND LOCAL GOVERNMENTS OF LEGALIZING UNAUTHORIZED ALIENS BY PROGRAM ^{a/} (By fiscal year, in millions of dollars)

Program	1986	1987	1988	1989	1990
AFDC					
Federal	*	65	200	280	155
State/Local	0	0	0	0	135
Total	*	65	200	280	290
SSI					
Federal	*	20	70	90	70
State/Local	0	0	0	0	10
Total	*	20	70	90	80
Food Stamps					
Federal	*	40	115	160	170
State/Local	0	0	0	0	0
Total	*	40	115	160	170
Unemployment Compensation					
Federal	10	90	140	140	140
State/Local	0	0	0	0	0
Total	10	90	140	140	140
Disability Insurance					
Federal	*	5	20	30	35
State/Local	0	0	0	0	0
Total	*	5	20	30	35
Medicaid					
Federal	*	80	250	360	225
State/Local	0	0	0	0	185
Total	*	80	250	360	410
Medicare					
Federal	0	0	*	*	5
State/Local	0	0	0	0	0
Total	0	0	*	*	5
State GA—Cash					
Federal	*	5	15	20	0
State/Local	0	0	0	0	20
Total	*	5	15	20	20
State GA—Medical					
Federal	*	5	10	15	0
State/Local	0	0	0	0	15
Total	*	5	10	15	15
Total Outlays					
Federal	10	310	820	1,095	800
State/Local	0	0	0	0	365
Total	10	310	820	1,095	1,165

*Less than \$5 million.

a. Alternative 1 assumes eligibility for all government programs and 100 percent federal funding for four years.

TABLE 5. ALTERNATIVE 3 WITH A 1981 ELIGIBILITY DATE: OUTLAYS OF FEDERAL AND STATE AND LOCAL GOVERNMENTS OF LEGALIZING UNAUTHORIZED ALIENS BY PROGRAM ^{a/} (By fiscal year, in millions of dollars)

Program	1986	1987	1988	1989	1990
AFDC					
Federal	0	0	0	0	20
State/Local	0	0	0	0	15
Total	0	0	0	0	35
SSI					
Federal	*	20	60	75	70
State/Local	*	5	10	15	10
Total	*	25	70	90	80
Food Stamps					
Federal	*	*	5	5	30
State/Local	0	0	0	0	0
Total	*	*	5	5	30
Unemployment Compensation					
Federal	0	0	0	0	10
State/Local	0	0	0	0	0
Total	0	0	0	0	10
Disability Insurance					
Federal	0	0	0	0	*
State/Local	0	0	0	0	0
Total	0	0	0	0	0
Medicaid					
Federal	*	15	40	60	85
State/Local	*	10	35	50	70
Total	*	25	75	110	155
Medicare					
Federal	0	0	0	0	0
State/Local	0	0	0	0	0
Total	0	0	0	0	0
State GA--Cash					
Federal	0	0	0	0	0
State/Local	5	75	175	230	215
Total	5	75	175	230	215
State GA--Medical					
Federal	0	0	0	0	0
State/Local	5	55	130	165	160
Total	5	55	130	165	160
Total Outlays					
Federal	0	35	105	140	215
State/Local	10	145	350	460	470
Total	10	180	455	600	685

*Less than \$5 million.

a. Alternative 3 assumes ineligibility for all federal entitlement programs for four years, except for SSI.

TABLE 6. ALTERNATIVE 4 WITH A 1981 ELIGIBILITY DATE: OUTLAYS OF FEDERAL AND STATE AND LOCAL GOVERNMENTS OF LEGALIZING UNAUTHORIZED ALIENS BY PROGRAM a/ (By fiscal year, in millions of dollars)

Program	1986	1987	1988	1989	1990
AFDC					
Federal	0	0	0	0	20
State/Local	0	0	0	0	15
Total	0	0	0	0	35
SSI					
Federal	0	0	0	0	10
State/Local	0	0	0	0	*
Total	0	0	0	0	10
Food Stamps					
Federal	0	0	0	0	20
State/Local	0	0	0	0	0
Total	0	0	0	0	20
Unemployment Compensation					
Federal	0	0	0	0	10
State/Local	0	0	0	0	0
Total	0	0	0	0	10
Disability Insurance					
Federal	0	0	0	0	*
State/Local	0	0	0	0	0
Total	0	0	0	0	*
Medicaid					
Federal	0	0	0	0	30
State/Local	0	0	0	0	25
Total	0	0	0	0	55
Medicare					
Federal	0	0	0	0	0
State/Local	0	0	0	0	0
Total	0	0	0	0	0
State GA—Cash					
Federal	0	0	0	0	0
State/Local	5	85	200	260	240
Total	5	85	200	260	240
State GA—Medical					
Federal	0	0	0	0	0
State/Local	5	65	165	225	200
Total	5	65	165	225	200
Total Outlays					
Federal	0	0	0	0	90
State/Local	10	150	365	485	480
Total	10	150	365	485	570

*Less than \$5 million.

a. Alternative 4 assumes ineligibility for all federal entitlement programs for four years.

1977 ELIGIBILITY DATE
 ALTERNATIVE 1: ELIGIBLE
 FOR ALL GOVERNMENT
 PROGRAMS; 100% FEDERAL
 FUNDING FOR FOUR YEARS

APPENDIX TABLE 1
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	1	20	65	85	50
STATE	0	0	0	0	40
TOTAL	0	20	65	85	90
SSI					
FEDERAL	1	5	20	30	20
STATE	0	0	0	0	5
TOTAL	0	5	20	30	25
FOOD STAMPS					
FEDERAL	1	10	35	50	55
STATE	0	0	0	0	0
TOTAL	0	10	35	50	55
UNEMPLOYMENT COMPENSATION					
FEDERAL	1	25	40	45	45
STATE	0	0	0	0	0
TOTAL	0	25	40	45	45
DISABILITY INSURANCE					
FEDERAL	1	5	10	15	20
STATE	0	0	0	0	0
TOTAL	0	5	10	15	20
MEDICAID					
FEDERAL	1	25	80	110	70
STATE	0	0	0	0	60
TOTAL	0	25	80	110	130
MEDICARE					
FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	1	1	5	5	0
STATE	0	0	0	0	3
TOTAL	0	0	5	5	3
STATE GENERAL ASSISTANCE--					
MEDICAL					
FEDERAL	1	1	5	5	0
STATE	0	0	0	0	5
TOTAL	0	0	5	5	5
TOTAL OUTLAYS					
FEDERAL	0	90	260	345	265
STATE	0	0	0	0	115
TOTAL	0	90	260	345	380

1Less than \$5 million.

ALTERNATIVE 2: INELIGIBLE OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
FOR FEDERAL MEANS- LEGALIZATION (Fiscal years, in millions of dollars)

TESTED PROGRAMS FOR FOUR YEARS EXCEPT FOR SSI & MEDICAID FOR KIDS, PREGNANT WOMEN, & EMERGENCIES	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	5
TOTAL	0	0	0	0	10
SSI					
FEDERAL	1	5	20	25	20
STATE	1	1	5	5	5
TOTAL	0	5	25	30	25
FOOD STAMPS					
FEDERAL	1	1	1	1	10
STATE	0	0	0	0	0
TOTAL	0	0	0	0	10
UNEMPLOYMENT COMPENSATION					
FEDERAL	1	25	40	45	45
STATE	0	0	0	0	0
TOTAL	0	25	40	45	45
DISABILITY INSURANCE					
FEDERAL	1	5	10	15	20
STATE	0	0	0	0	0
TOTAL	0	5	10	15	20
MEDICAID					
FEDERAL	1	10	30	45	55
STATE	1	10	25	35	45
TOTAL	0	20	55	80	100
MEDICARE					
FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE—CASH					
FEDERAL	0	0	0	0	0
STATE	1	10	35	50	45
TOTAL	0	10	35	50	45
STATE GENERAL ASSISTANCE— MEDICAL					
FEDERAL	0	0	0	0	0
STATE	1	5	10	15	10
TOTAL	0	5	10	15	10
TOTAL OUTLAYS					
FEDERAL	0	45	100	130	160
STATE	0	25	75	105	110
TOTAL	0	70	175	235	270

1Less than \$5 million.

1977 ELIGIBILITY DATE
 ALTERNATIVE 3: INELIGIBLE
 FOR ALL FEDERAL
 PROGRAMS FOR FOUR YEARS,
 EXCEPT FOR SSI

APPENDIX TABLE 3
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in billions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	5
TOTAL	0	0	0	0	10
SSI					
FEDERAL	†	5	20	25	20
STATE	†	†	5	5	5
TOTAL	0	5	25	30	25
FOOD STAMPS					
FEDERAL	†	†	†	†	10
STATE	0	0	0	0	0
TOTAL	0	0	0	0	10
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	†
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	†	5	15	20	25
STATE	†	5	10	15	20
TOTAL	0	10	25	35	45
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	0	0	0	0	0
STATE	†	25	55	75	70
TOTAL	0	25	55	75	70
STATE GENERAL ASSISTANCE--MEDICAL					
FEDERAL	0	0	0	0	0
STATE	†	15	40	50	50
TOTAL	0	15	40	50	50
TOTAL OUTLAYS					
FEDERAL	0	10	35	45	65
STATE	0	45	110	145	150
TOTAL	0	55	145	190	215

†Less than \$5 million.

1977 ELIGIBILITY DATE
 ALTERNATIVE 4: INELIGIBLE
 FOR ALL FEDERAL
 PROGRAMS FOR FOUR YEARS

APPENDIX TABLE 4

OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	5
TOTAL	0	0	0	0	10
SSI					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	1
TOTAL	0	0	0	0	5
FOOD STAMPS					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	1
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	0	0	0	0	10
STATE	0	0	0	0	5
TOTAL	0	0	0	0	15
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	0	0	0	0	0
STATE	1	25	50	80	80
TOTAL	0	25	50	80	80
STATE GENERAL ASSISTANCE--					
MEDICAL					
FEDERAL	0	0	0	0	0
STATE	1	20	55	75	60
TOTAL	0	20	55	75	60
TOTAL OUTLAYS					
FEDERAL	0	0	0	0	30
STATE	0	45	115	155	150
TOTAL	0	45	115	155	180

 1Less than \$5 million.

1980 ELIGIBILITY DATE
 ALTERNATIVE 1: ELIGIBLE
 FOR ALL GOVERNMENT
 PROGRAMS; 100% FEDERAL
 FUNDING FOR FOUR YEARS

APPENDIX TABLE 5
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in billions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	1	45	130	180	100
STATE	0	0	0	0	85
TOTAL	0	45	130	180	185
SSI					
FEDERAL	1	15	45	55	45
STATE	0	0	0	0	5
TOTAL	0	15	45	55	50
FOOD STAMPS					
FEDERAL	1	25	75	105	110
STATE	0	0	0	0	0
TOTAL	0	25	75	105	110
UNEMPLOYMENT COMPENSATION					
FEDERAL	5	60	90	90	90
STATE	0	0	0	0	0
TOTAL	5	60	90	90	90
DISABILITY INSURANCE					
FEDERAL	1	5	15	20	25
STATE	0	0	0	0	0
TOTAL	0	5	15	20	25
MEDICAID					
FEDERAL	1	50	160	230	145
STATE	0	0	0	0	120
TOTAL	0	50	160	230	265
MEDICARE					
FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	1	5	10	15	0
STATE	0	0	0	0	15
TOTAL	0	5	10	15	15
STATE GENERAL ASSISTANCE--					
MEDICAL					
FEDERAL	1	1	5	10	0
STATE	0	0	0	0	10
TOTAL	0	0	5	10	10
TOTAL OUTLAYS					
FEDERAL	5	205	530	705	520
STATE	0	0	0	0	235
TOTAL	5	205	530	705	755

 \$Less than \$5 million.

1980 ELIGIBILITY DATE

APPENDIX TABLE 6

ALTERNATIVE 2: INELIGIBLE

OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO

FOR FEDERAL MEANS-

LEGALIZATION (Fiscal years, in millions of dollars)

TESTED PROGRAMS FOR FOUR

YEARS EXCEPT FOR SSI &

MEDICAID FOR KIDS, PREGNANT

WOMEN, & EMERGENCIES

AFDC

FEDERAL	0	0	0	0	15
STATE	0	0	0	0	10
TOTAL	0	0	0	0	25

SSI

FEDERAL	1	10	40	50	45
STATE	1	1	5	10	5
TOTAL	0	10	45	60	50

FOOD STAMPS

FEDERAL	1	1	5	5	20
STATE	0	0	0	0	0
TOTAL	0	0	5	5	20

UNEMPLOYMENT COMPENSATION

FEDERAL	5	60	90	90	90
STATE	0	0	0	0	0
TOTAL	5	60	90	90	90

DISABILITY INSURANCE

FEDERAL	1	5	15	20	25
STATE	0	0	0	0	0
TOTAL	0	5	15	20	25

MEDICAID

FEDERAL	1	20	65	95	115
STATE	1	20	55	75	95
TOTAL	0	40	120	170	210

MEDICARE

FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5

STATE GENERAL ASSISTANCE--CASH

FEDERAL	0	0	0	0	0
STATE	1	25	70	100	90
TOTAL	0	25	70	100	90

STATE GENERAL ASSISTANCE--

MEDICAL

FEDERAL	0	0	0	0	0
STATE	1	5	20	25	20
TOTAL	0	5	20	25	20

TOTAL OUTLAYS

FEDERAL	5	95	215	260	315
STATE	0	50	150	210	220
TOTAL	5	145	365	470	535

1Less than \$5 million.

1980 ELIGIBILITY DATE
 ALTERNATIVE 3: INELIGIBLE
 FOR ALL FEDERAL
 PROGRAMS FOR FOUR YEARS,
 EXCEPT FOR SSI

APPENDIX TABLE 7
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	15
STATE	0	0	0	0	10
TOTAL	0	0	0	0	25
SSI					
FEDERAL	1	10	40	50	45
STATE	1	1	5	10	5
TOTAL	0	10	45	60	50
FOOD STAMPS					
FEDERAL	1	1	5	5	20
STATE	0	0	0	0	0
TOTAL	0	0	5	5	20
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	1
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	1	10	25	40	55
STATE	1	5	20	30	45
TOTAL	0	15	45	70	100
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	0	0	0	0	0
STATE	1	50	115	150	145
TOTAL	0	50	115	150	145
STATE GENERAL ASSISTANCE--MEDICAL					
FEDERAL	0	0	0	0	0
STATE	1	35	85	110	105
TOTAL	0	35	85	110	105
TOTAL OUTLAYS					
FEDERAL	0	20	70	95	140
STATE	0	90	225	300	310
TOTAL	0	110	295	395	450

 1Less than \$5 million.

1980 ELIGIBILITY DATE
 ALTERNATIVE 4: INELIGIBLE
 FOR ALL FEDERAL
 PROGRAMS FOR FOUR YEARS

APPENDIX TABLE 8
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	15
STATE	0	0	0	0	10
TOTAL	0	0	0	0	25
SSI					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	1
TOTAL	0	0	0	0	5
FOOD STAMPS					
FEDERAL	0	0	0	0	15
STATE	0	0	0	0	0
TOTAL	0	0	0	0	15
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	1
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	15
TOTAL	0	0	0	0	35
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	0	0	0	0	0
STATE	5	55	130	170	160
TOTAL	5	55	130	170	160
STATE GENERAL ASSISTANCE--					
MEDICAL					
FEDERAL	0	0	0	0	0
STATE	5	45	110	145	130
TOTAL	5	45	110	145	130
TOTAL OUTLAYS					
FEDERAL	0	0	0	0	60
STATE	10	100	240	315	315
TOTAL	10	100	240	315	375

 \$Less than \$5 million.

1981 ELIGIBILITY DATE
 ALTERNATIVE 1: ELIGIBLE
 FOR ALL GOVERNMENT
 PROGRAMS; 100% FEDERAL
 FUNDING FOR FOUR YEARS

APPENDIX TABLE 9
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in billions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	1	65	200	280	153
STATE	0	0	0	0	133
TOTAL	0	65	200	280	290
SSI					
FEDERAL	1	20	70	90	70
STATE	0	0	0	0	10
TOTAL	0	20	70	90	80
FOOD STAMPS					
FEDERAL	1	40	115	160	170
STATE	0	0	0	0	0
TOTAL	0	40	115	160	170
UNEMPLOYMENT COMPENSATION					
FEDERAL	10	90	140	140	140
STATE	0	0	0	0	0
TOTAL	10	90	140	140	140
DISABILITY INSURANCE					
FEDERAL	1	5	20	30	35
STATE	0	0	0	0	0
TOTAL	0	5	20	30	35
MEDICAID					
FEDERAL	1	80	250	360	225
STATE	0	0	0	0	185
TOTAL	0	80	250	360	410
MEDICARE					
FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE—CASH					
FEDERAL	1	5	15	20	0
STATE	0	0	0	0	20
TOTAL	0	5	15	20	20
STATE GENERAL ASSISTANCE—					
MEDICAL:					
FEDERAL	1	5	10	15	0
STATE	0	0	0	0	15
TOTAL	0	5	10	15	15
TOTAL OUTLAYS					
FEDERAL	10	310	820	1095	800
STATE	0	0	0	0	363
TOTAL	10	310	820	1095	1163

Less than \$5 million.

1981 ELIGIBILITY DATE

APPENDIX TABLE 10

ALTERNATIVE 2: INELIGIBLE

OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO

FOR FEDERAL MEANS-

LEGALIZATION (Fiscal years, in billions of dollars)

TESTED PROGRAMS FOR FOUR

YEARS EXCEPT FOR SSI &

MEDICAID FOR KIDS, PREGNANT

WOMEN, & EMERGENCIES

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	15
TOTAL	0	0	0	0	35
SSI					
FEDERAL	1	20	60	75	70
STATE	1	5	10	15	10
TOTAL	0	25	70	90	80
FOOD STAMPS					
FEDERAL	1	1	5	5	30
STATE	0	0	0	0	0
TOTAL	0	0	5	5	30
UNEMPLOYMENT COMPENSATION					
FEDERAL	10	90	140	140	140
STATE	0	0	0	0	0
TOTAL	10	90	140	140	140
DISABILITY INSURANCE					
FEDERAL	1	5	20	30	35
STATE	0	0	0	0	0
TOTAL	0	5	20	30	35
MEDICAID					
FEDERAL	1	35	100	145	175
STATE	1	25	85	120	145
TOTAL	0	60	185	265	320
MEDICARE					
FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	0	0	0	0	0
STATE	1	40	110	155	140
TOTAL	0	40	110	155	140
STATE GENERAL ASSISTANCE--					
MEDICAL					
FEDERAL	0	0	0	0	0
STATE	1	10	30	40	30
TOTAL	0	10	30	40	30
TOTAL OUTLAYS					
FEDERAL	10	150	325	395	475
STATE	0	80	235	330	340
TOTAL	10	230	560	725	815

 1 Less than \$5 million.

1981 ELIGIBILITY DATE
 ALTERNATIVE 3: INELIG-
 ILE FOR ALL FEDERAL
 PROGRAMS FOR FOUR
 YEARS, EXCEPT FOR
 SSI

APPENDIX TABLE 11

OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1984	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	15
TOTAL	0	0	0	0	35
SSI					
FEDERAL	‡	20	60	75	70
STATE	‡	5	10	15	10
TOTAL	0	25	70	90	80
FOOD STAMPS					
FEDERAL	‡	‡	5	5	30
STATE	0	0	0	0	0
TOTAL	0	0	5	5	30
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	10
STATE	0	0	0	0	0
TOTAL	0	0	0	0	10
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	‡
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	‡	15	40	60	85
STATE	‡	10	35	50	70
TOTAL	0	25	75	110	155
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSIST-CASH					
FEDERAL	0	0	0	0	0
STATE	5	75	175	230	215
TOTAL	5	75	175	230	215
STATE GENERAL ASSISTANCE- MEDICAL					
FEDERAL	0	0	0	0	0
STATE	5	55	130	165	160
TOTAL	5	55	130	165	160
TOTAL OUTLAYS					
FEDERAL	0	35	105	140	215
STATE	10	145	350	460	470
TOTAL	10	180	455	600	685

‡ Less than \$5 million.

1981 ELIGIBILITY DATE
 ALTERNATIVE 4: INELIG-
 IBLE FOR ALL
 FEDERAL PROGRAMS
 FOR FOUR YEARS

APPENDIX TABLE 12
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in billions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	15
TOTAL	0	0	0	0	35
SSI					
FEDERAL	0	0	0	0	10
STATE	0	0	0	0	†
TOTAL	0	0	0	0	10
FOOD STAMPS					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	0
TOTAL	0	0	0	0	20
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	10
STATE	0	0	0	0	0
TOTAL	0	0	0	0	10
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	†
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	0	0	0	0	30
STATE	0	0	0	0	25
TOTAL	0	0	0	0	55
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSIST-CASH					
FEDERAL	0	0	0	0	0
STATE	5	85	200	260	240
TOTAL	5	85	200	260	240
STATE GENERAL ASSISTANCE- MEDICAL					
FEDERAL	0	0	0	0	0
STATE	5	65	165	225	200
TOTAL	5	65	165	225	200
TOTAL OUTLAYS					
FEDERAL	0	0	0	0	90
STATE	10	150	365	485	480
TOTAL	10	150	365	485	570

† Less than \$5 million.

1992 ELIGIBILITY DATE
 ALTERNATIVE 1: ELIGIBLE
 FOR ALL GOVERNMENT
 PROGRAMS; 100% FEDERAL
 FUNDING FOR FOUR YEARS

APPENDIX TABLE 13
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	1	105	310	430	245
STATE	0	0	0	0	205
TOTAL	0	105	310	430	450
SSI					
FEDERAL	1	35	105	135	110
STATE	0	0	0	0	20
TOTAL	0	35	105	135	130
FOOD STAMPS					
FEDERAL	1	60	180	250	260
STATE	0	0	0	0	0
TOTAL	0	60	180	250	260
UNEMPLOYMENT COMPENSATION					
FEDERAL	15	135	215	220	220
STATE	0	0	0	0	0
TOTAL	15	135	215	220	220
DISABILITY INSURANCE					
FEDERAL	1	5	20	30	35
STATE	0	0	0	0	0
TOTAL	0	5	20	30	35
MEDICAID					
FEDERAL	5	125	385	555	350
STATE	0	0	0	0	285
TOTAL	5	125	385	555	635
MEDICARE					
FEDERAL	0	0	1	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	1	5	20	30	0
STATE	0	0	0	0	30
TOTAL	0	5	20	30	30
STATE GENERAL ASSISTANCE--MEDICAL					
FEDERAL	1	5	15	20	0
STATE	0	0	0	0	20
TOTAL	0	5	15	20	20
TOTAL OUTLAYS					
FEDERAL	20	475	1250	1670	1225
STATE	0	0	0	0	560
TOTAL	20	475	1250	1670	1785

 \$Less than \$5 million.

1982 ELIGIBILITY DATE
 ALTERNATIVE 2: INELIGIBLE
 FOR FEDERAL MEANS-
 TESTED PROGRAMS FOR FOUR
 YEARS EXCEPT FOR SSI &
 MEDICAID FOR KIDS, PREGNANT
 WOMEN, & EMERGENCIES

APPENDIX TABLE 14
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1984	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	30
STATE	0	0	0	0	25
TOTAL	0	0	0	0	55
SSI					
FEDERAL	†	30	90	115	110
STATE	†	3	15	20	20
TOTAL	0	33	105	135	130
FOOD STAMPS					
FEDERAL	†	†	5	10	45
STATE	0	0	0	0	0
TOTAL	0	0	5	10	45
UNEMPLOYMENT COMPENSATION					
FEDERAL	15	135	215	220	220
STATE	0	0	0	0	0
TOTAL	15	135	215	220	220
DISABILITY INSURANCE					
FEDERAL	†	5	20	30	35
STATE	0	0	0	0	0
TOTAL	0	5	20	30	35
MEDICAID					
FEDERAL	†	50	155	225	270
STATE	†	40	130	185	225
TOTAL	0	90	285	410	495
MEDICARE					
FEDERAL	0	0	†	†	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	0	0	0	0	0
STATE	†	60	175	240	220
TOTAL	0	60	175	240	220
STATE GENERAL ASSISTANCE-- MEDICAL					
FEDERAL	0	0	0	0	0
STATE	†	15	45	65	50
TOTAL	0	15	45	65	50
TOTAL OUTLAYS					
FEDERAL	15	220	485	600	715
STATE	0	120	365	510	540
TOTAL	15	340	850	1110	1255

†Less than \$5 million.

1982 ELIGIBILITY DATE
 ALTERNATIVE 3: INELIGIBLE FOR ALL FEDERAL PROGRAMS FOR FOUR YEARS, EXCEPT FOR SSI

APPENDIX TABLE 15

OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	30
STATE	0	0	0	0	25
TOTAL	0	0	0	0	55
SSI					
FEDERAL	†	30	90	115	110
STATE	†	5	15	20	20
TOTAL	0	35	105	135	130
FOOD STAMPS					
FEDERAL	†	†	5	10	45
STATE	0	0	0	0	0
TOTAL	0	0	5	10	45
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	15
STATE	0	0	0	0	0
TOTAL	0	0	0	0	15
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	†
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	†	20	65	95	130
STATE	†	15	55	75	105
TOTAL	0	35	120	170	235
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSIST-CASH					
FEDERAL	0	0	0	0	0
STATE	5	115	265	345	325
TOTAL	5	115	265	345	325
STATE GENERAL ASSISTANCE-MEDICAL					
FEDERAL	0	0	0	0	0
STATE	5	85	200	255	250
TOTAL	5	85	200	255	250
TOTAL OUTLAYS					
FEDERAL	0	50	160	220	330
STATE	10	220	535	695	725
TOTAL	10	270	695	915	1055

† Less than \$5 million.

1982 ELIGIBILITY DATE
 ALTERNATIVE 4: INELIG-
 IBLE FOR ALL
 FEDERAL PROGRAMS
 FOR FOUR YEARS

APPENDIX TABLE 16
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in millions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	30
STATE	0	0	0	0	25
TOTAL	0	0	0	0	55
SSI					
FEDERAL	0	0	0	0	15
STATE	0	0	0	0	†
TOTAL	0	0	0	0	15
FOOD STAMPS					
FEDERAL	0	0	0	0	35
STATE	0	0	0	0	0
TOTAL	0	0	0	0	35
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	15
STATE	0	0	0	0	0
TOTAL	0	0	0	0	15
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	†
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	0	0	0	0	45
STATE	0	0	0	0	35
TOTAL	0	0	0	0	80
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSIST-CASH					
FEDERAL	0	0	0	0	0
STATE	5	125	300	395	360
TOTAL	5	125	300	395	360
STATE GENERAL ASSISTANCE- MEDICAL					
FEDERAL	0	0	0	0	0
STATE	5	100	255	335	310
TOTAL	5	100	255	335	310
TOTAL OUTLAYS					
FEDERAL	0	0	0	0	140
STATE	10	225	555	730	730
TOTAL	10	225	555	730	870

† Less than \$5 million.

1983 ELIGIBILITY DATE
 ALTERNATIVE 1: ELIGIBLE
 FOR ALL GOVERNMENT
 PROGRAMS; 100% FEDERAL
 FUNDING FOR FOUR YEARS

APPENDIX TABLE 17
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in billions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	5	145	425	590	335
STATE	0	0	0	0	280
TOTAL	5	145	425	590	615
SSI					
FEDERAL	1	45	150	185	155
STATE	0	0	0	0	25
TOTAL	0	45	150	185	180
FOOD STAMPS					
FEDERAL	1	80	245	340	360
STATE	0	0	0	0	0
TOTAL	0	80	245	340	360
UNEMPLOYMENT COMPENSATION					
FEDERAL	20	185	295	300	300
STATE	0	0	0	0	0
TOTAL	20	185	295	300	300
DISABILITY INSURANCE					
FEDERAL	1	5	20	30	35
STATE	0	0	0	0	0
TOTAL	0	5	20	30	35
MEDICAID					
FEDERAL	5	170	530	760	480
STATE	0	0	0	0	395
TOTAL	5	170	530	760	875
MEDICARE					
FEDERAL	0	0	0	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5
STATE GENERAL ASSISTANCE--CASH					
FEDERAL	1	10	30	40	0
STATE	0	0	0	0	45
TOTAL	0	10	30	40	45
STATE GENERAL ASSISTANCE-- MEDICAL					
FEDERAL	1	5	20	30	0
STATE	0	0	0	0	30
TOTAL	0	5	20	30	30
TOTAL OUTLAYS					
FEDERAL	30	645	1715	2275	1670
STATE	0	0	0	0	775
TOTAL	30	645	1715	2275	2445

 \$less than \$5 million.

1983 ELIGIBILITY DATE

APPENDIX TABLE 18

ALTERNATIVE 2: INELIGIBLE

OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO

FOR FEDERAL MEANS-

LEGALIZATION (Fiscal years, in billions of dollars)

TESTED PROGRAMS FOR FOUR

YEARS EXCEPT FOR SSI &

1986 1987 1988 1989 1990

MEDICAID FOR KIDS, PREGNANT

WOMEN, & EMERGENCIES

AFDC

FEDERAL	0	0	0	0	40
STATE	0	0	0	0	35
TOTAL	0	0	0	0	75

SSI

FEDERAL	1	40	125	160	155
STATE	1	5	25	25	25
TOTAL	0	45	150	185	180

FOOD STAMPS

FEDERAL	1	3	10	15	60
STATE	0	0	0	0	0
TOTAL	0	3	10	15	60

UNEMPLOYMENT COMPENSATION

FEDERAL	20	185	295	300	300
STATE	0	0	0	0	0
TOTAL	20	185	295	300	300

DISABILITY INSURANCE

FEDERAL	1	5	20	30	35
STATE	0	0	0	0	0
TOTAL	0	5	20	30	35

MEDICAID

FEDERAL	1	70	215	310	375
STATE	1	35	175	255	305
TOTAL	0	125	390	565	680

MEDICARE

FEDERAL	0	0	0	1	5
STATE	0	0	0	0	0
TOTAL	0	0	0	0	5

STATE GENERAL ASSISTANCE--CASH

FEDERAL	0	0	0	0	0
STATE	1	80	240	330	300
TOTAL	0	80	240	330	300

STATE GENERAL ASSISTANCE--

MEDICAL

FEDERAL	0	0	0	0	0
STATE	0	20	65	90	65
TOTAL	0	20	65	90	65

TOTAL OUTLAYS

FEDERAL	20	305	665	815	970
STATE	0	160	305	700	730
TOTAL	20	465	1170	1515	1700

 Less than \$5 million.

1983 ELIGIBILITY DATE ALTERNATIVE 3: INELIG- IBLE FOR ALL FEDERAL PROGRAMS FOR FOUR YEARS, EXCEPT FOR SSI	APPENDIX TABLE 19 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO LEGALIZATION (Fiscal years, in millions of dollars)				
	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	40
STATE	0	0	0	0	33
TOTAL	0	0	0	0	73
SSI					
FEDERAL	1	40	125	160	155
STATE	1	3	25	25	25
TOTAL	0	43	150	185	180
FOOD STAMPS					
FEDERAL	1	3	10	15	60
STATE	0	0	0	0	0
TOTAL	0	3	10	15	60
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	0
TOTAL	0	0	0	0	20
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	1
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	1	30	90	125	180
STATE	1	25	75	105	145
TOTAL	0	35	165	230	325
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSIST-CASH					
FEDERAL	0	0	0	0	0
STATE	10	153	360	470	440
TOTAL	10	153	360	470	440
STATE GENERAL ASSISTANCE- MEDICAL					
FEDERAL	0	0	0	0	0
STATE	5	115	270	335	340
TOTAL	5	115	270	335	340
TOTAL OUTLAYS					
FEDERAL	0	75	225	300	455
STATE	15	300	730	955	985
TOTAL	15	375	955	1255	1440

Less than \$5 million.

1993 ELIGIBILITY DATE
 ALTERNATIVE 4: INELIG-
 IBLE FOR ALL
 FEDERAL PROGRAMS
 FOR FOUR YEARS

APPENDIX TABLE 20
 OUTLAYS OF FEDERAL AND STATE GOVERNMENTS DUE TO
 LEGALIZATION (Fiscal years, in billions of dollars)

	1986	1987	1988	1989	1990
AFDC					
FEDERAL	0	0	0	0	40
STATE	0	0	0	0	35
TOTAL	0	0	0	0	75
SSI					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	5
TOTAL	0	0	0	0	25
FOOD STAMPS					
FEDERAL	0	0	0	0	45
STATE	0	0	0	0	0
TOTAL	0	0	0	0	45
UNEMPLOYMENT COMPENSATION					
FEDERAL	0	0	0	0	20
STATE	0	0	0	0	0
TOTAL	0	0	0	0	20
DISABILITY INSURANCE					
FEDERAL	0	0	0	0	1
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
MEDICAID					
FEDERAL	0	0	0	0	60
STATE	0	0	0	0	50
TOTAL	0	0	0	0	110
MEDICARE					
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
TOTAL	0	0	0	0	0
STATE GENERAL ASSIST-CASH					
FEDERAL	0	0	0	0	0
STATE	10	170	410	525	490
TOTAL	10	170	410	525	490
STATE GENERAL ASSISTANCE-MEDICAL					
FEDERAL	0	0	0	0	0
STATE	10	135	340	455	425
TOTAL	10	135	340	455	425
TOTAL OUTLAYS					
FEDERAL	0	0	0	0	185
STATE	20	305	750	980	1005
TOTAL	20	305	750	980	1190

 \$Less than \$5 million.

February 27, 1985

Estimated Expenditures on Unauthorized Aliens Under Current Law 1/

This memorandum presents estimates of how unauthorized aliens in the U.S. may affect expenditures of state and local governments. Education expenditures are first discussed, followed by a discussion of expenditures on other services.

Expenditures for Educating Alien Children Under Current Law

State and local governments, who were required by the Supreme Court to educate unauthorized alien children (*Phyller vs. Doe*, June 15, 1982), currently spend considerable amounts on this education. We estimate, based on the 1980 Census study noted earlier, that approximately 15 percent of the alien population is school-age children. Based on an assumed growth in the numbers of aliens of 150,000 each year through 1990, the numbers of school-age alien children would total 0.8 million in 1986 and 0.9 million in 1990 (see Table 1). Expenditures on their education--assuming that all attend school--are estimated to total \$3.2 billion in 1986, rising to \$4.5 billion in 1990. These expenditures would be financed by state and local governments. Their average expenditure per pupil nationwide is projected to be \$3,395 in 1986; for purposes of this estimate, an additional \$475 per pupil is included to reflect current expenditures per pupil for providing bilingual education support services. 2/ Expenditures per pupil beyond 1986 are based on the 1986 estimated levels adjusted for inflation.

-
1. Congressional Budget Office, Budget Analysis Division. For further information, call Janice Peskin (226-2820). Carol Camp and Deborah Kalcevic prepared these estimates.
 2. In the last several years, Congress has appropriated \$100 million a year for grants to schools for bilingual education under Title VII of the Elementary and Secondary Education Act of 1965. Although this program serves about 100,000 children from homes where Spanish is the primary language there is no information on whether any unauthorized alien children are among them.

TABLE 1. PROJECTED NUMBERS OF UNAUTHORIZED ALIEN CHILDREN OF SCHOOL AGE AND PROJECTED EXPENDITURES ON EDUCATING THEM UNDER CURRENT LAW (By fiscal year)

	1986	1987	1988	1989	1990
Numbers of school-age children (in millions)	0.8	0.9	0.9	0.9	0.9
Expenditures (in billions of dollars)	3.2	3.5	3.8	4.1	4.5

Table 2 allocates a portion of the expenditures under current law shown in Table 1 to alien children who would be legalized under the proposed alternative eligibility dates. The costs in Table 2 are included within the estimates shown in Table 1. Legalization of the unauthorized alien children would have little, if any, effect on education expenditures because of the current legal requirements to educate them.

TABLE 2. ALLOCATION OF PROJECTED EXPENDITURES UNDER CURRENT LAW FOR EDUCATING ALIEN CHILDREN TO POTENTIAL NUMBERS LEGALIZED UNDER ALTERNATIVE ELIGIBILITY DATES

Alternative Eligibility Date	Projected Numbers of School-Age Children Legalized (in millions)	Projected Expenditures Under Current Law (By fiscal year, in billions of dollars)				
		1986	1987	1988	1989	1990
1977	*	0.2	0.2	0.2	0.2	0.2
1980	0.1	0.3	0.4	0.4	0.4	0.4
1981	0.1	0.5	0.6	0.6	0.6	0.7
1982	0.2	0.8	0.9	0.9	1.0	1.0
1983	0.3	1.1	1.2	1.2	1.3	1.4

*Less than 50,000.

Expenditures On the Provision of Other Government Services to Unauthorized Aliens Under Current Law

In addition to expenditures for health, education, and welfare, states and localities also incur expenditures for other services, such as public safety and transportation. Expenditures per capita for these other services are shown in Table 3 by state for selected years, based on published data of the Bureau of the Census. If one assumes that unauthorized aliens use these services to the same degree as all state residents, the expenditures shown would represent the expenditures per capita on the provision of other services to unauthorized aliens. As with education expenditures, there is no reason to believe that expenditures on providing these other services to unauthorized aliens would increase significantly, or at all, with legalization.

EXPENDITURES ON ALL SERVICES EXCEPT HEALTH,
EDUCATION, AND WELFARE, SELECTED YEARS

	1977	1980	1981	1982	1983
U.S.	523	691	757	805	846
Alabama	375	493	556	588	641
Alaska	1,951	4,006	4,715	5,783	5,932
Arizona	538	696	803	869	849
Arkansas	329	468	495	495	515
California	584	758	859	908	935
Colorado	514	640	724	795	843
Connecticut	522	720	775	836	902
Delaware	662	830	1,031	1,113	1,106
DC	1,042	1,572	1,605	1,908	1,904
Florida	513	615	673	767	756
Georgia	380	544	590	667	683
Hawaii	1,050	983	1,134	1,206	1,253
Idaho	529	605	659	666	717
Illinois	518	702	791	772	839
Indiana	336	457	504	508	588
Iowa	486	625	670	711	780
Kansas	481	717	777	773	841
Kentucky	417	702	669	638	679
Louisiana	552	695	797	900	976
Maine	544	623	668	722	771
Maryland	641	847	876	957	1,028
Massachusetts	588	771	828	850	934
Michigan	500	717	730	747	812
Minnesota	602	831	896	1,001	1,030
Mississippi	420	524	570	603	577
Missouri	380	537	576	565	610
Montana	658	844	899	863	962
Nebraska	474	660	691	732	775
Nevada	753	1,018	1,156	1,178	1,322
New Hampshire	510	623	688	754	820
New Jersey	608	767	848	905	992
New Mexico	454	683	787	929	1,041
New York	805	978	1,073	1,160	1,240
North Carolina	371	503	527	542	557
North Dakota	662	965	952	1,064	1,051
Ohio	431	562	605	656	679
Oklahoma	413	552	603	606	630
Oregon	602	878	1,000	1,080	1,085
Pennsylvania	472	623	669	709	749
Rhode Island	503	711	798	863	906
South Carolina	372	427	485	467	495
South Dakota	548	784	869	864	893
Tennessee	412	535	587	577	623
Texas	375	552	617	711	681
Utah	440	650	675	701	747
Vermont	543	698	747	842	918
Virginia	487	625	677	687	710
Washington	589	753	871	907	676
West Virginia	507	735	776	747	766
Wisconsin	488	699	766	847	869
Wyoming	728	1,127	1,409	1,665	1,722

SOURCE: Census Bureau annual publication, "Governmental Finances," Table 25. Figures above calculated by subtracting "Education Total" plus "Public Welfare" plus "Health and Hospitals, Total" from "Total Direct General Expenditures."