



# Florida Shouldn't Make Arizona's Mistake

## Anti-Immigrant Bills Will Be Bad for the State's Economy

Ann Garcia and Sam Chatto April 2011

Roughly a year after passage of Arizona's harsh anti-immigrant legislation, S.B. 1070, the Florida state legislature is considering two similar bills. These bills pose a severe economic threat to the state. If passed, they will undoubtedly blight the state's image, hurt businesses, and alienate the state's legal immigrant population—all without solving the problem of undocumented immigration.

In the Florida House of Representatives, H.B. 7089, sponsored by Rep. William Snyder (R-Stuart), makes it a crime to be a foreign national without papers. The proposed bill also allows state law enforcement to check the immigration status of any individual if there is "reasonable suspicion" that they are in the country illegally, and it requires employers to verify the immigration status of all employees through E-Verify, a web-based system that compares information from the Employment Eligibility Verification Form, or I-9, against federal government databases to verify workers' employment eligibility.

In the state Senate a similar bill, S.B. 2040, is being driven through the legislative process. The bill mandates that all employers use E-Verify or a new state-based verification process. The bill also strongly encourages all state and local police to engage in immigration enforcement efforts.

If Florida is serious about providing a bright economic future, then bills aiming to drive millions of people out of the state and placing burdensome costs on employers is the wrong approach.

Here's what is at stake:

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### The wheels of tourism could stop turning

**Economic devastation could strike Florida's largest economic sector—tourism.** Like Arizona, a large portion of Florida's economy is derived from tourism and conventions. Tourists spend more than \$7 billion a year within the state, and an Arizona-like law

has the potential to severely affect this vital source of revenue. Arizona saw a total loss of \$217 million in direct spending by convention attendees, along with an additional \$535.4 million in lost tax revenues, economic output, and earnings in the immediate wake of S.B. 1070's enactment.

**Latinos will flock to places where they feel welcome.** Florida stands to see similar if not worse cuts to their tourism and convention industries if the Arizona-like legislation is successful. This popular destination for Central and South Americans would inevitably become less appealing as the state would gain a reputation for being unwelcoming to immigrants and especially to Latinos. Adam Putnam, formerly a Republican congressman and currently Florida's agriculture commissioner, said, "We are known as a diverse, welcoming state for international investors, international entrepreneurs ... particularly from Latin America. We have to be very careful about messages we send explicitly and implicitly."

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### Florida businesses stand to lose greatly

**Florida oranges will go unpicked.** Florida, which has more than twice the number of undocumented immigrants as Arizona, depends on immigrants to do the jobs Americans simply refuse to perform. Reggie Brown, executive vice president of the Florida Tomato Growers Exchange, said a state immigration law "would basically eliminate the tomato industry from the state. ... in agriculture we are totally dependent upon a hand process with no opportunity in the foreseeable future to do anything different."

**Checking legal status isn't easy.** Many small businesses throughout Florida do not have the resources to put each potential employee through the E-Verify system. "I don't think most small businesses would have the capability or the resources to effectively tell if someone is illegal or not," said Don Santos, past president of the Treasure Coast Builders Association and president of Santos Construction in Stuart, FL.

**Immigrants are consumers and job creators.** Florida businesses would stand to lose employees under the proposed bills as well as a large portion of their customer base. The city of Riverside, NJ, became a shell of its former self as 45 percent of its businesses closed and 75 percent of immigrants, legal and undocumented alike, left after the city passed an anti-immigrant ordinance.

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### Fewer immigrants mean less tax revenue for Florida

**Immigrants are taxpayers, too.** Florida's fiscal coffers have been hit particularly hard during the economic downturn, and the state's expected budget shortfall has grown to \$3.6 billion this year. With undocumented immigrants contributing \$4.5 billion a year in tax revenues, now is not the time to eliminate this stable tax base.

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## Experience tells us the legal defense fees would be steep

**The anti-immigrant legislation would surely be challenged in court.** Compounding these large decreases in economic activity and tax revenue will be large legal fees the state will have to contend with if the legislation passes as legal challenges will be inevitable. Arizona has spent more than \$1.5 million to defend its unconstitutional legislation, and the legal process continues to drag on. Hazelton, PA, and Farmers Branch, TX, have both passed harsh immigration-enforcement ordinances and have spent close to \$3 million and \$4 million, respectively, on defending their measures in court. This legislation likely will be ruled unconstitutional, but even if it survived that challenge, it would not solve the problem of undocumented immigration. So the costs are steep and the benefits nonexistent.

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## Florida legislators must instead support a better way forward

**The state should push for comprehensive immigration reform.** The deportation of undocumented workers is an economically unsound practice for all states. If Arizona deported its undocumented, it would stand to see state revenues reduced by 10.1 percent and the economy shrink by \$48.8 billion, in addition to 581,000 lost jobs. Conversely, Florida could stand to benefit immensely by pressing Congress to reform our immigration laws and require undocumented immigrants to register, pay taxes, learn English, and earn legal status.

**Look to the Utah alternative.** The Utah legislation, like the Arizona law and Florida bills, are almost certainly unconstitutional. But by combining enforcement with compassion for the people already here and a program for future workers, the Utah state legislature and governor signaled that: (1) immigrants are part of the state's fabric and attempts to drive them out are counterproductive and inhumane; and (2) Congress ultimately must solve this problem.

The choice, then, between taking positive action on immigration in Florida and pushing immigrants, their families, and prospective employers and visitors out of the state is no choice at all from an economic standpoint. If Florida politicians have hopes for a prosperous future, they must oppose these anti-immigrant bills.

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