What Are the Effects of State Level Legislation Against the Hiring of Unauthorized Immigrants?

Sarah BohnPublic Policy Institute of Californiabohn@ppic.org Magnus LofstromPublic Policy Institute of California and IZAlofstrom@ppic.org Steven RaphaelGoldman School of Public PolicyUniversity of California, Berkeley and IZAstevenraphael@berkeley.edu

May, 2010

Abstract

In spite of several recent attempts to overhaul the nation's highly criticized and controversial current web of immigration policies, to date legislators in Washington D.C. have not been able to pass a comprehensive immigration reform. One of the most contentious and difficult issues federal lawmakers grapple with is the large and growing population of unauthorized immigrants, estimated to approach 12 million in 2008. In the absence of federal reform, states have initiated their own laws aimed at unauthorized workers. Arizona's 2007 Legal Arizona Workers Act (LAWA) is arguably the most comprehensive and restrictive of these, mandating E-Verify for all employers and imposing strict employer sanctions. In this report, we assess the effectiveness of this legislation and its impacts on the labor market.

JEL Classification: J15, J18, J21, J23, J38

Keywords: immigration, undocumented, unauthorized, illegal, employer sanctions