

# Insight

# The Dignity Act: Immigration Reform With Bipartisan Potential

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### **Executive Summary**

- The House recently introduced the Dignity Act of 2023, comprehensive and bipartisan immigration legislation, with the goals of reducing illegal immigration, providing a solution for undocumented immigrants, strengthening the American workforce, and growing the U.S. economy.
- Though most of the labor provisions are old hat, one is relatively original: the Dignity program, which would grant work authorization to undocumented immigrants if, among other conditions, they paid "restitution" into the American Worker Fund for reskilling native-born workers.
- Workforce development programs have a history of inefficiency, so the impact of the American Worker Fund would likely be quite limited; this type of legislative compromise may be necessary to garner bipartisan support and pass comprehensive immigration reform, however.

#### Introduction

House Representatives Veronica Escobar (D-TX) and Maria Elvira Salazar (R-FL) recently introduced the Dignity Act of 2023, a comprehensive and bipartisan immigration bill, with the goals of stopping illegal immigration, providing a solution for undocumented immigrants currently in the United States, strengthening the American workforce, and growing the U.S. economy.

Though most of the bill's labor provisions, such as H-2A guest worker reform, H-2B reform, and increasing employment-based visa opportunities, are likely all significant, they are also far from new proposals. Yet one labor provision stands out as being relatively original, the Dignity Program, which would grant work authorization to the undocumented if, among other conditions, they paid "restitution" into the American Worker Fund for reskilling native-born workers.

Despite the symbiotic intent of the provision, workforce development programs have a history of inefficiency and would likely have a minimal positive impact on native-born workers. Regardless, this type of legislative compromise may be necessary to pass comprehensive immigration reform as it anticipates and addresses the perspective that immigration reform should supplement, but not displace, native-born workers, making the provision more likely to garner bipartisan support.

#### The Dignity Program

The Dignity Act would establish the seven-year-long Dignity Program, through which undocumented immigrants that have lived in the United States for more than five years could gain work authorization and protection from removal proceedings. Applicants would be required to comply with all U.S. laws, pass a background check, pay back taxes, and start paying tax on their income. In addition, individuals would be responsible for an initial fine (unspecified in the legislative text) and \$5,000 in "restitution" over the course of the program. Upon completing the Dignity Program, individuals must then decide to hold their Dignity Status, granting them work authorization, residency, and travel authorization, or register for the Redemption Program.

The Redemption Program, an additional five years in length, would provide the individual with a pathway to permanent legal status and require an additional \$5,000 payment or 200 hours of national community service.

## **Impact on Native-born Workers**

The "restitution" payments required by the Dignity and Redemption Programs would fund an American Worker Fund, which would subsidize workforce education initiatives and apprenticeships through grants. For each \$5,000 payment, at least one native-born worker could be trained or retrained for work or transitioning to a different career.

Approximately 79 percent (8.7 million) of the unauthorized population in the United States has lived in the country for over five years and therefore qualifies for the program. Assuming the unlikely event that every eligible undocumented immigrant participated in the Dignity Program, only 5.2 percent of the native-born labor force would then receive training through the American Worker Fund. Table 1 estimates the percentage of native-born workers that could retrain based on enrollment of those eligible in the Dignity Program.

Enrollment of the Eligible Undocumented (%)	Retrained Native-born Workers (% of total Civilian Labor Force)
30%	1.6%
50%	2.6%
100%	5.2%

Even those who receive training through the American Worker Fund may not see significant benefits, as federal workforce development programs are historically inefficient. A 2017 Department of Labor report found that primary job-training programs are largely ineffective at raising earnings and are unlikely to meet the needs of job seekers or employers. The study found that the availability of federally funded training decreased earnings by \$638 in high-unemployment local areas and increased them by \$246 in low-unemployment areas, but both estimates were statistically insignificant. Research from the American Action Forum in 2019 found that such federal programs "are not aligned with the future demands for skills that the economy will place on workers." A 2019 Council of Economic Advisors (CEA) report supported this conclusion with the finding that, with the exception of the Registered Apprenticeship program, job training programs fail to produce sufficient benefits that justify their costs.

Regardless of the overall distribution of the Dignity Program's positive impact on the undocumented versus native-born workers, the provision may represent a necessary element of immigration reform: compromise. Conservatives often cite the importance of workforce development tools to counteract the potential displacement of native-born workers due to immigration. The American Worker Fund anticipates this perspective, making future legislation offering comprehensive immigration reform more likely to garner bipartisan support.

#### Conclusion

While the Dignity Program isn't likely to have much impact on the retraining of native-born workers, its offer of political compromise within immigration reform may serve as a model for future bipartisan legislation. By anticipating and attempting to address the perspective that immigration should supplement, not displace, native-born workers, the provision is more likely to garner the level of support needed to finally pass some form of comprehensive immigration reform.