As part of the Biden Administration’s larger immigration reform plan, the House of Representatives passed two immigration bills last week, the Dream and Promise Act and the Farm Workforce Modernization Act. In a new insight, AAF President Douglas Holtz-Eakin and Whitney Appel outline the bills’ key provisions. While the two bills would make needed progress on overhauling the U.S. immigration system, a broader reform toward more skills-based immigration would offer greater help to the economy as a whole, they argue.

An excerpt:

With both bills offering different groups of immigrants opportunities for permanent citizenship in the United States, Congress must find a way to balance the effects of each bill in a bipartisan fashion. Legalization is fundamentally a tradeoff between establishing a level playing field in the labor market and the potential increased incentives for illegal immigration into the United States; different people evaluate that tradeoff differently, making it difficult to pass individual reforms in isolation.

A potentially attractive part of immigration reform is the possibility for pro-growth changes in the core system for granting visas. The two bills would likely have a brighter future in the Senate if they were part of an overall commitment that included moving toward a more skills-based immigration system.

Read the insight.