

Economic Impact of Decreased Naturalizations from Non-Use of Fee Waiver in Washington

Sarah Sumadi, Senior Program Manager, OneAmerica

One of the factors DHS proposes to include in the public charge test is whether the applicant or their dependent family members has received an **immigration fee waiver**.

This would have a lasting, negative impact on household incomes in Washington State. Families could choose to forgo or delay applying for naturalization until they could afford to apply without the fee waiver.

NATURALIZATION APPLICATIONS FILED WITH FEE WAIVERS IN WASHINGTON

We know that at least **1,878 eligible legal permanent residents in the last 12 months have filed for naturalization using the full I-912 immigration fee waiver**. This total comes from only from data from nonprofit legal service providers funded by one of the major public funding streams in Washington¹.

The current USCIS filing fee for naturalization is \$725; these 1,878 fee waivers completed by Washington service providers account for an additional **\$1.6M in income saved** for eligible low-income LPRs.

Taking into account people who filed for naturalization independently or with other legal assistance outside these providers, the real total of naturalization applications filed with fee waivers in Washington State is certainly higher. A rough estimate based on nationwide data indicates the number of fee waivers filed with citizenship applications in Washington State could be close to 4,000.²

IMPACT OF NATURALIZATION ON WAGES

Research has found that immigrants who become citizens seek out higher education at greater rates than non-citizens. Because citizenship allows immigrants to pursue a greater range of positions, including public and private sector jobs requiring a security clearance, it also has been found to raise a person's annual wages. One study by researchers at the University of Southern California pegged the size of that **wage increase at 8 to 11 percent**.³ The average non-citizen in Washington earns \$41,203 per year. If they naturalized, and saw a wage boost at the low end of that range, or 8 percent, he/she would earn **\$3,296 more per year** — money that is reinvested in the state's economy through spending at local businesses.

¹ Washington New Americans, Department of Social and Health Services-Office of Immigrant and Refugee Assistance (including Seattle New Citizens Partners), New Americans Campaign and FY16 and FY17 Washington State USCIS Grant recipients

² USCIS does not make fee waiver filings available by state and by application. However, 19,978 N-400s were filed in Washington State in FY16, about 2.07% of the 962,564 N-400s filed nationwide. During the same period, about 186,332 fee waivers were filed with N-400s nationally. Assuming Washington State's fee waivers account for roughly the same proportion (2.07% of the national total), total naturalization fee waivers filed in the state would be somewhere around 3,857. (N-400s filed nationwide: <https://www.uscis.gov/tools/reports-studies/immigration-forms-data/data-set-form-n-400-application-naturalization>, I-912s filed nationwide by application: <https://www.dhs.gov/sites/default/files/publications/USCIS%20-%20Fee%20Waiver%20Policies%20and%20Data.pdf>)

³ Manuel Pastor and Justin Scoggins, "Citizen Gain: The Economic Benefits of Naturalization for Immigrants and the Economy," 2012, https://dornsife.usc.edu/assets/sites/731/docs/citizen_gain_web.pdf

ECONOMIC IMPACT OF FEE WAIVER-ELIGIBLE APPLICANTS FORGOING OR DELAYING NATURALIZATION TO AVOID USING THE FEE WAIVER

Without the fee waiver, most low-income LPRs wouldn't be able to file for naturalization. The \$725 naturalization filing fee is the equivalent of 2 weeks' wages for an applicant who qualifies for the waiver.⁴ We assist many naturalization applicants whose income places them slightly outside eligibility for the fee waiver, and they struggle to save for months to pay the filing fee themselves. In fact, the number one reason people are unable to file their N-400 application after a citizenship clinic is inability to pay.

If use of immigration fee waivers is included as one of the factors that can be evaluated as part of the public charge test, many legal permanent residents eligible to naturalize will avoid using it out of fear. As a result, they will either delay naturalization or forgo it completely because they cannot afford the filing fee.

Not only does this loss of income affect individual families, it also negatively affects our city, county and state's economy. A 2016 analysis shows that for every \$1 wage increase, an additional \$4 in revenue is generated for Washington State through spending and sales tax revenue.⁵

- If 5% of fee waiver-eligible naturalization clients (94) decided to forgo or delay naturalization for at least one year, they would lose **\$309,494** in future income per year, and Washington State would lose out on **\$1,237,976** in additional spending and sales tax revenue per year.
- If 15% of fee waiver-eligible naturalization clients (282) decided to forgo or delay naturalization for at least one year, they would lose **\$928,483** in future income per year, and Washington State would lose out on **\$3,713,932** in additional spending and sales tax revenue per year.
- If 25% of fee waiver-eligible naturalization clients (470) decided to forgo or delay naturalization for at least one year, they would lose **\$1,547,472** in future income per year, and Washington State would lose out on **\$6,189,888** in additional spending and sales tax revenue per year.

⁴ Fee waiver eligibility. <https://www.uscis.gov/i-912p>

⁵ Washington Budget and Policy Center, http://budgetandpolicy.org/how-raising-incomes-for-low-wage-workers-boosts-economy/pdf_version