

Securing America’s Future Act vs. Market-based Visas

Below is a feature-by-feature comparison of market-based visas (MBVs) versus the Securing America’s Future Act (SAFA), the Republican’s current immigration policy proposal.

Market-based visas would allow background-checked Mexicans and Central Americans to work in the US on demand in return for a market-based fee.

As the analysis below indicates, MBVs – as they are based on well-established economic theory and successfully implemented policy – are preferable in almost every respect to SAFA, even from a Republican or conservative perspective. MBVs should also draw Democratic support, creating an opportunity for the Trump administration and Congressional Republicans to achieve a singular policy success in 2018.

On the tables below, row headers in red come directly from the [SAFA summary document](#). Analysis is provided by Princeton Policy Advisors.

| Policy Design | SAFA | MBV | Comments |
|-------------------------------|--|---|--|
| Policy design assumption | Black markets can be beaten | Black markets cannot be beaten; liberalizing and taxing is the appropriate solution both in theory and in practice. | US has never beaten a black market |
| Policy scope | Specific migrant groups <ul style="list-style-type: none"> • Some agricultural workers • DACA / Dreamers | Universal solution <ul style="list-style-type: none"> • All undocumented Hispanics and prospective migrants | MBVs exclude Asian countries in pilot phase. |
| Number of visas issued | Volume-based <ul style="list-style-type: none"> • Administratively determined number of visas | Price-based <ul style="list-style-type: none"> • ‘Managed float’: visa volumes determined by target visa price to maintain US wages, migrants’ employment levels, and elimination of the black market in unskilled labor | |
| Compliance and enforcement | Enforcement-based <ul style="list-style-type: none"> • Compliance relies heavily on government enforcement | Compensation-based <ul style="list-style-type: none"> • Compliance driven by creating value and aligning incentives of participants with program objectives. | ‘Push’ vs ‘Pull’ |
| Criminals v Economic Migrants | All undocumented immigrants treated as criminals, regardless of nature of crime | Split system <ul style="list-style-type: none"> • Economic migrants (cc 97% of total) handled in a commercial system, where infractions are primarily fines and penalties • Dangerous criminals (cc 3% of total) handled similar to SAFA proposal | By comingling economic migrants with dangerous criminals, SAFA virtually guarantees its own failure. |

SAFA deals with both legal and illegal immigration, as well as questions of political asylum. Market-based visas do not deal with legal immigration or asylum as such, and are not suitable as an immigration vehicle—which is a primary strength of MBVs from the conservative perspective. MBVs operate as a guest worker program only.

| Legal Immigration | SAFA | MBV | Comments |
|---|--|---|--|
| Ends the Diversity Program | Eliminates the visa lottery green card program | N/A | MBVs are agnostic on legal immigration issues |
| Ends Chain Migration | Eliminates green card programs for relatives (other than spouses and minor children); creates a renewable temporary visa for parents of citizens to unite families at no cost to taxpayers | | |
| Reduces Overall Immigration Levels | Reduces immigration levels (now averaging over 1,060,000 a year) by about 260,000 a year – a decrease of about 25% | | |
| Increases Immigration Levels for Skilled Workers | Increases the number of green cards available in the three skilled worker green card categories from about 120,000 a year to about 175,000 – an increase of 45% | MBVs can access foreign skilled labor without resorting to issuing green cards. For those who want to reduce permanent migration, MBVs would be a better solution | MBVs are a guest worker program and are suitable for use as an alternative approach to H1-Bs and as an alternative to green cards. |
| Visa Security | Sends additional ICE agents to more high-risk embassies overseas to vet visitors and immigrants | An MBV system is, in principal, country-agnostic. Mexico and Iraq could also use it for real time integration into DHS. | MBV system can also be used for refugees and terrorists, by the US and third countries |

| Illegal Migrants | SAFA | MBV | Comments |
|---|--|---|--|
| Agricultural Workers | Creates a workable agricultural guest worker program to grow our economy. <u>Goodlatte</u> : “450,000 H-2C visas available each year. Of these, 40,000 are for meat or poultry processing workers. The remaining 410,000 are for production agriculture.” +10% per year, two years visas outstanding, cc 900k total | Overall levels would probably be similar in an MBV program. Visa numbers would be determined by aggregate market clearing, ie, targeting the min. number of visas which would end the black market in migrant labor. | |
| <ul style="list-style-type: none"> Industry Preference | Gives preference to ag and meat processing | No inherent industry preference. Preferences, if necessary, would be accomplished through discounts and rebates (eg, the govt might rebate employers \$1 / hour for workers in fruit picking), which also drives compliance | |
| <ul style="list-style-type: none"> Visa term | Two years fixed? | Custom. Visa charged by the day. <1 year term during pilot phase. Renewable on demand. | MBVs encourage seasonal and unemployed workers to leave |
| <ul style="list-style-type: none"> Visa availability – total annual quota | +10% after quota for the year is reached. Afterwards, no availability guaranteed. | Unlimited number of visas available on demand at all times. Price is the limiting factor. | |
| <ul style="list-style-type: none"> Visa availability – timing | Weeks to months? Requires individual processing of new applicants | Two days from job posting to migrant working in the field, in unlimited quantities | |
| <ul style="list-style-type: none"> Entering migrants v long-term undocumented immigrants | Two-year visas offered. Not clear how the program makes the distinction between new entrants and long-term undocumented residents. Does this program make sense for the typical undocumented ag worker who has lived in the US for 15 years? | All background checked migrants are treated the same. | The SAFA program is going to stumble on this issue. |
| <ul style="list-style-type: none"> Creates protected class? | For residents here 15 years, will two years visas be renewed forever? If not, what is their outlook? | Does not create protected class. Any background checked migrant can buy a visa at the market rate. | If MBVs were used to establish a protected class (ie visa holders get preference on green cards), the value of that right would show up immediately in the visa price. |

| Illegal Migrants (cont'd) | SAFA | MBV | Comments |
|---|---|--|---|
| <ul style="list-style-type: none"> • System durability | How long will SAFA visa numbers last? Comes down to politics. | MBVs produce a robust revenue stream for the government. Reducing visas means reducing revenues. At the same time, public support will derive from revenue streams. If the public appreciate that Mexicans are carrying their weight, the pressure to reduce visa numbers will be muted. | An MBV program can be tuned by price. Raising or lowering the target price can quickly change migrant headcount, with the caveat that black markets will re-emerge beyond a certain price threshold. |
| <ul style="list-style-type: none"> • Compensation to Conservatives: Does the program pay conservatives for allowing labor market access to migrants? | No, or rather, only in security measures, which are likely to fail. | In cash at market rates, and with vastly superior security measures to SAFA | In our opinion, any program will fail if it does not acknowledge that a portion of the wage differential between Mexico and the US is rightly due to the US government, and by extension, to its taxpayers. |
| <ul style="list-style-type: none"> • Reduces visa number in an economic downturn? | No. | Yes. | Price-targeting implies that visas numbers are reduced when demand is low. |
| <ul style="list-style-type: none"> • Addresses illegal immigration universally? | No. | Yes, for all key Latin American countries (Mex, Honduras, El Salvador, Guatemala) No, at least in pilot phase, for India, China, Korea, Philippines | |
| <ul style="list-style-type: none"> • Insures healthcare coverage? | Only for participating agricultural employees and DACA / Dreamers | Yes, for all undocumented Hispanic immigrants, as part of visa fee | |
| Revenue to US government | Minimal | Net \$30 / bn annum swing to US Federal budget | Enough to build the Wall every year |
| Reduces resident undocumented alien numbers | No. | Yes, allows 1-1.5 m seasonal workers ease of entry to – and therefore of exit from – the US | Many seasonal workers would prefer to spend the winter in Mexico. More work, more family, lower cost. |

| Border Security and Enforcement | SAFA | MBV | Comments |
|---|--|--|---|
| Closes US Southwest Border | No, does not end illegal immigration across the southwest border | Yes, ends illegal immigration across the southwest border | MBVs end illegal immigration by providing a universal access option. |
| Build the Border Wall | Authorizes border wall construction | Provides the funding to build a wall. | A wall is not necessary in this system. Illegal crossings would fall by >95%, even without a wall. |
| Biometric Entry-Exit System | Requires full implementation at all air, land, and sea ports of entry | Universal iPhone-based biometrics at ports of entry, also to be used by employers, hospitals, schools, law enforcement | An MBV system is much more universal than the system proposed in SAFA |
| Advanced Technology | Additional technology, roads and other tactical infrastructure to secure the border | Similar. With far fewer illegal crossings, a high detection / fast interception model is a better use of funds. | Mexico would allow US detection assets to be deployed in Mexico if offered an MBV program. |
| Secures Ports of Entry | Improves, modernizes, and expands ports of entry along the southern border | Similar to SAFA. Legal border crossings up by 500,000 in an MBV system (ie, illegal crossers now cross at official crossing points) | |
| More Boots on the Ground | Adds 5,000 Border Patrol Agents and 5,000 CBP Officers | - 5,000 Border Patrol Agents + 5,000 Customs Officers | Volumes are shifted from illegal to legal crossing points. Speed of crossing (crossing point capacity) is key to reducing drug smuggling. |
| Use of the National Guard | Authorizes the Guard to provide aviation and intelligence support for border security operations | No. | Not necessary. |
| Makes E-Verify Mandatory | Employers must check to see that they are only hiring legal workers | Yes. Creates conditions for compliance by insuring enough visas, high flexibility and rapid response of labor supply, ability to source and contract workers who are physically in Mexico or Central Am. | 'Pull' rather than 'push' compliance – employers and migrants should find system helpful in mediating employment. E-Verify will only work if employers can source needed labor legally. |
| Cracks Down on Sanctuary Cities | Authorizes the Department of Justice to withhold law enforcement grants from sanctuary cities/allows victims to sue the sanctuary cities that released their attackers | No sanctuary cities in an MBV program. They fade away spontaneously. | By creating a legal channel for economic migrants, whom sanctuary cities want to protect, and separating them from dangerous criminals, whom sanctuary cities do not want to protect, sanctuary cities disappear. |
| Facilitates Cooperation with Local Law Enforcement | Establishes probable cause standards for ICE detainers/ indemnifies localities that comply/requires ICE enter into 287(g) agreements requested by localities | MBV is agnostic in this matter. | Seems related to sanctuary city issues. This goes away in an MBV system. |

| Border Security and Enforcement (cont'd) | SAFA | MBV | Comments |
|--|---|--|---|
| Detaining Dangerous Individuals | Allows DHS to detain dangerous illegal immigrants who cannot be removed | MBV is agnostic in this matter. | Do we not address this in the current legal system? |
| Kate's Law | Enhances criminal penalties for deported criminals who illegally return | Economic migrants: fines and penalties. Dangerous criminals, Kate's Law can be applicable. Again, segregating economic migrants from dangerous criminals is a central tenet of an MBV system. | Per SAFA, Kate's Law would appear to throw perhaps hundreds of thousands of migrants into jail whose real crime is wanting to work in the US. That's bad policy on any number of levels. |
| Combats Asylum Fraud | Tightens the "credible fear" standard to root out frivolous claims and increases penalties for fraud/terminates asylum for individuals who voluntarily return home | If visas are issued at market-clearing levels, then working without a visa becomes problematic. Thus, asylum fraud disappears as a function of system design. Enforcement is not an issue. | An MBV system is intended for economic migrants, not immigrants or asylum seekers. Nevertheless, asylum seekers will tend to migrate to MBVs, because it is easier than being granted asylum. |
| Keeps Out and Removes Dangerous Criminals | Makes illegal immigrants removable for being gang members/makes those with convictions for aggravated felonies, not registering as sex offenders, and multiple DUIs removable | Same for MBV. An MBV is easy to get, painful to lose. | |
| Visa Overstays | Makes illegal presence a federal misdemeanor (illegally crossing the border already is a crime) | Visa overstays for work will disappear in an MBV system (design features matter here). | MBVs will not address issue of visa overstays for countries not participating in the MBV program, eg, China, India in the first round. |
| Safely Returns Unaccompanied Minors | Ensures the safe and quick return of unaccompanied minors apprehended at the border; allows for the detention of minors apprehended at the border with their parents | Same as SAFA. As conceived, all migrants operate using MBVs. This includes dependents. If a migrant wants to bring children, he has to buy them a visa. (Specific design is still an open question.) | Anyone with an MBV can work subject to local minimum age laws. |
| Migrant Predation – Victimization experienced by migrants en route to the US (including the US border zone) | Minimal impact | Reduces by 90% | Current 2018F: 2,000 deaths; 100,000 rapes; 30,000 kidnappings; 200,000 robberies; 100,000 cases of extended incarceration; 45,000 cases of coerced drug smuggling |
| Undocumented alien protection | Only DACA / Dreamers (below) and via ag visas (above) | Covers all undocumented Hispanic workers, reducing wage theft and predation (eg, coerced sex camps in agricultural fields; sex abuse by work supervisors) | Because an MBV is an open system, it also allows migrants to 'E-Verify' their employers. |

| DACA / Dreamers | SAFA | MBV | Comments |
|--|--|--|---|
| Legislatively Provides Legal Status | Individuals who received deferred action on the basis of being brought to the U.S. as minors get a 3-year renewable legal status allowing them to work and travel overseas (without advance parole). | Unless otherwise specified, MBVs treat all non-criminal undocumented aliens from Latin American countries similarly. | |
| <ul style="list-style-type: none"> Protected Class, transition to Permanent Residency for DACA / Dreamers | There is no special path to a green card. Recipients may only make use of existing paths to green cards | Similar to SAFA. DACA / Dreamers can be held in an MBV pool indefinitely. More here. | An evergreen renewable visa granted to specific individuals has the effect of creating a protected class. |
| <ul style="list-style-type: none"> Long-term undocumented residents | No provision | Same MBV pool as DACA / Dreamers | |
| <ul style="list-style-type: none"> Other undocumented aliens | No provision | Same MBV pool as DACA / Dreamers | Excludes illegal aliens from Asia and other non-participating countries |
| <ul style="list-style-type: none"> Undocumented aliens overall | Does not provide a comprehensive solution; does not end black market in illegal labor | Provides comprehensive solution for undocumented Hispanics; ends the black market comprehensively for Hispanic labor | Excludes illegal aliens from Asia and other non-participating countries |
| <ul style="list-style-type: none"> Reduces number of visas offered if some visa recipients granted permanent residency? | No. | Yes. MBVs will automatically liquidate visas on offer by raising visa price if demand for such visas declines, for example in the case of a visa holder being granted permanent residency. | If an MBV program operates as intended, the illegal immigrant population will slowly be eliminated as such migrants either gain permanent residency or leave the country (if unemployed). |
| No Criminals | No gang members or those with criminal convictions/convictions in juvenile court for serious crimes are eligible | Same for MBV. | |
| Combats Fraud | Strong anti-fraud measures/allows for prosecutions for fraud | Not necessary in MBV | Treats all Hispanic migrants, whether resident or new entrant, equally. Only proof of nationality and background check is necessary. |