
Investigative Report:

Unemployment Benefits for Illegal Aliens

Key Takeaway: State governments are now transferring millions of dollars into the hands of unemployed illegal aliens.

INTRODUCTION

Illegal aliens are not eligible for federal unemployment benefits. In fact, the Federal Unemployment Tax Act (FUTA) requires states to take precautions that prohibit illegal aliens from filing claims for unemployment compensation. And most states also exclude illegal aliens from state-funded unemployment insurance programs.

That approach is both logical and frugal. The unemployment insurance system grew out of the Great Depression. It arose from the belief that we should use tax dollars to give a temporary hand to fellow Americans who fall on hard times. And it was based on the theory that hard-working, entrepreneurial Americans would get back to work as quickly as possible. Therefore, helping a robust workforce weather economic turmoil made financial sense.

Unemployment benefits were never intended to provide uninvited foreigners with the financial wherewithal to continue violating U.S. immigration laws – so illegal aliens have always been excluded from the program. Yet, in a move that *The Economist* called “[revolutionary](#),” a number of state governments have now rolled out programs that use taxpayer funds to pay unemployment benefits to illegal foreign workers. Even worse is the fact that most of these schemes were implemented during the COVID-19 shutdowns, when millions of U.S. citizens and

lawfully present immigrants found themselves sick, out of work and in dire financial straits.

You read that correctly. Instead of using the pandemic as an opportunity to encourage border-jumpers to go home, American elected officials diverted money they could have been using to assist cash-strapped citizens and gave it to law-breaking foreigners.

What's even worse is that, if supporters have their way, these programs could become permanent, requiring U.S. citizens to pay out-of-work illegal aliens billions of dollars every year.

The Immigration Reform Law Institute investigated. Here's what we found:

WHERE IT ALL BEGAN

New York

- Launched in 2021, New York State launched its [Excluded Workers Fund](#). “Excluded workers” is a euphemism for illegal aliens. The fund provided \$2.1 billion to more than 128,000 applicants across the state - doling out one-time payments of up to \$15,600 in taxpayer money to illegal aliens who did not qualify for stimulus checks, unemployment insurance, or other federal aid. Touted as the first program of its kind, New York leaders presented the aid package as a model for other state and local governments to follow.
- By October 2021, New York stopped accepting new applications and the fund has since been depleted. However, activists and [political leaders](#) want to continue funneling taxpayer money to illegal aliens. In March of 2022, protesters [walked from](#) New York City to Albany demanding that Empire State leaders make the fund permanent and allocate \$3 billion to replenish it. While a bill establishing a permanent program failed to advance in the New York state legislature, activists [are still pushing](#) the idea.

Colorado

- In December 2020, state lawmakers in Colorado [passed legislation](#) that gave \$5 million to the Left Behind Workers Fund, a program established previously by wealthy donors and intended for illegal aliens who did not qualify for stimulus checks or other unemployment aid. The fund typically

doles out \$1,000 in direct cash payments to individuals living unlawfully in the United States.

- If wealthy Americans wish to donate their own money to illegal aliens they would appear to be free to do so – although it remains an open question as to whether this constitutes “harboring” pursuant to 8 U.S.C. § 1324. However, it is unclear why the state of Colorado felt compelled to donate millions of taxpayer dollars to a fund that facilitates the ongoing violation of U.S. immigration laws by foreign nationals.
- Apparently, the Centennial State plans to sidestep private middlemen like the Left Behind Workers Fund and begin making taxpayer-funded payments to illegal aliens directly. Gov. Jared Polis [in June of this year](#) signed into law Senate Bill 234, which placed \$600 million into the state’s unemployment insurance trust fund. According to the [legislation](#), anyone “is eligible to receive recovery benefits ... regardless of the individual’s immigration status” if they meet certain other requirements.

OTHER STATES AND LOCALITIES ARE ALSO CONSIDERING SIMILAR MISGUIDED POLICIES

It is bad enough that state governments with anti-borders leanings have begun incentivizing illegal migration using taxpayer funds. What’s even worse is the fact that numerous other state and local governments are considering walking down the same misguided path. These types of programs fly in the face of firmly established federal laws which make entering the U.S. without authorization a crime and working here without permission a serious civil offense. Moreover – at a time when our national deficit is running well into the trillions and our local state and national governments can’t seem to balance a budget – these absurd programs could cost working Americans *billions* of dollars.

Both California and Washington, DC, neither of which are noted for their fiscal responsibility, are considering unemployment benefits for illegal aliens.

California

- Earlier this year, lawmakers in California [introduced](#) the Excluded Workers Pilot Program. If passed and signed into law, the program would dole out roughly \$300 a week for 20 weeks to unemployed illegal aliens in the Golden State. Estimates indicate, that if the program resulted in payouts to roughly 140,000 people, it would cost California taxpayers just shy of \$600 million.

- Much like the New York Excluded Workers Fund, supporters of California’s proposal [don’t want](#) this to be a one-time money dump. If passed and implemented, a “committee would then submit a report to the Governor and the Legislature by the year 2025, where the program could potentially be made permanent.”

Washington, DC

- In the nation’s capital, local leaders have already [provided](#) roughly \$15 million to “excluded workers” last year – defined as individuals relying on non-traditional income streams. In the main, however, this group consists of the Capital city’s illegal alien population and very few others who would not qualify for traditional unemployment insurance benefits.
- However, activists – including members of the radical-leaning D.C. City Council – have argued that this one-time allocation is not enough and are [continuing to push](#) the D.C. government to allocate another \$160 million for taxpayer funded payments to illegal aliens.

The Rest of the Country

If New York and Colorado have already begun paying out-of-work illegal aliens and California and Washington, DC are considering similar programs, how far behind can other “woke” jurisdictions be? Seattle, WA; Portland, OR; Boston, MA and other so-called “sanctuary cities” already refuse to cooperate with the federal government in any kind of immigration enforcement efforts. Transferring taxpayer money to illegal aliens represents yet another way to communicate their disdain for fundamental American concepts like secure borders, national sovereignty and federalism.

HOW MUCH IS THIS COSTING LAW ABIDING AMERICANS?

- Between New York, Colorado, and Washington, D.C., American taxpayers have given **\$2,715,000,000** to foreign nationals who have no right to live or work in the United States.
- Should anti-borders activists have their way, the annual cost to taxpayers could potentially be much higher. If, for example, New York revamped their program and made it permanent; the D.C. City Council enlarged its fund; and California successfully implemented its own proposal, American taxpayers would be faced with an utterly staggering price tag of roughly

\$4,350,000,000 every year – to reward illegal aliens for violating our immigration laws and winding up unemployed on American soil.

THE RISKS ASSOCIATED WITH INCENTIVIZING ILLEGAL IMMIGRATION

- Based on estimates prepared by IRLI's sister organization the Federation for American Immigration Reform, illegal aliens are costing American taxpayers more than \$116 billion each year.
- As we have seen with taxpayer-funded programs for foreigners [fighting deportation](#), unemployment benefits for illegal aliens just incentivize further immigration violations. Most illegal aliens come from countries experiencing economic decline. Their primary interest in relocating to the U.S. isn't freedom or democracy, it's economic opportunity. If we minimize the economic risk associated with coming here in violation of the Immigration and Nationality Act by paying illegals even when they are unemployed, why would anyone considering an illegal border jump decide not to?
- The emergence of illegal alien unemployment insurance funds undercuts a major talking point relied upon by anti-border activists – that illegal aliens take jobs that American won't do and thereby furnish a net economic gain. Of course, if illegal aliens are among the first workers laid off during an economic downturn, then basic logic dictates they aren't as essential to our economy as the anti-borders contingent claims.

CONCLUSION

America's local, state and federal leaders are sworn to support and defend the Constitution and govern in the interests of the American people they represent. Increasingly, however, America's politicians and civil servants appear to be defending a globalist agenda that cuts against the interests of American working people. Paying illegal aliens to violate our immigration laws does not serve the interests of American citizens or lawfully present immigrants who wish to become citizens of this great nation. And law-abiding Americans who care about their compatriots should be insisting that their elected representatives stop giving taxpayer money to illegal aliens when average citizens are struggling to fill up their gas tanks and pay the grocery bill.