

HCR2060 Striker Fiscal Note

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Introduction

<u>HCR2060 striker</u> would have the state of Arizona begin to do border enforcement activities in addition to what the federal government currently does by making it a misdemeanor to be in the state without federal authorization. For repeat offenders it is a felony.

It would also introduce criminal penalties for seeking public benefits–presumably with fraudulent identification–as immigrants without legal standing are not eligible for these benefits.

Finally, it creates a crime for sale of lethal fentanyl deaths as a class 2 felony and adds 5 years to the minimum and maximum sentencing guidelines.

It also adds criminal penalties for using false documents with the E-Verify system.

Collectively, GCI tentatively estimates the cost to the state of implementing this proposal to be in excess of \$325 million annually.

Making it a State Crime to be in the state without federal authorization

Price tag: \$185 million

Texas has engaged in active state-level border enforcement, so costs are estimated relative to Texas' experience. As the statute of limitations for a misdemeanor is 1 year, this particular provision would likely be enforced at or near the border of Arizona and Mexico. <u>Data from US</u> <u>Border Patrol</u> indicates that in the first six months of federal fiscal year 23 (FFY23) Arizona encounters were 25% of the Southwest total and in the first six months of FFY24 it was 35%. By contrast, Texas had about 35% and 30%, respectively. By this measure Arizona should expect to pay about 90% as much as Texas. Texas also has a much longer border with Mexico than Arizona, more than three times as long. By this measure Arizona would expect to pay about 30% of what Texas does.. For purposes of this estimation, Arizona, if it were to pursue a similar strategy, is estimated conservatively to cost 45% of what Texas has done for border enforcement..

Texas has allocated about <u>\$750 million</u> to enforcement operations, which includes 2,500 national guard members deployed plus additional funding for special operations personnel and equipment.

Texas also allocates about <u>\$60 million</u> for criminal justice and court administration costs, and about \$15 million for health-related costs.

This data is for a biennial budget, so the \$825 million amounts to about \$412.5 million per year. This implies that if the HCR 2060 Striker were to pass and be approved by voters, this portion would cost the state of Arizona \$185 million.

Lethal Fentanyl

Price Tag: Unknown

Costs here are speculative. Currently, ADC incarcerates <u>about 4,000 individuals</u>, primarily citizens, for drug trafficking and sales. Arizona has about <u>25 deaths per 100,000 age-adjusted population</u> that are attributed primarily to fentanyl or about 1,750 annually.

For a variety of reasons–since people often get drugs from family members or friends–and those who use drugs are less likely to trust law enforcement, these cases are very difficult to prosecute.

To the degree people are convicted, it would have a fiscal impact, but there are far better tools to deal with fentanyl than this approach.

Public Benefits

Price Tag: Unknown

Arizona already has a low recipiency rate for federal programs generally compared to other states, which suggests the degree to which false identification is used to acquire benefits is relatively small. The more likely cost impact here is the added administrative burden to comply.

E-Verify

Price Tag: \$140 million with negative impacts on law enforcement

Nationwide approximately <u>1.1'% of E-Verify runs</u> come up with a tentative nonconfirmation (TNC). If one presumes that these are the result of undocumented people using false identification, the Pew Research center estimates that Arizona has <u>250,000 undocumented people residing</u> in the state out of 10.5 million nationwide or 2.4%. In which case, that could lead to as many as 9,000 potential prosecutions in Arizona under this provision.

Placing 9,000 arrest warrants out, and dedicating law enforcement forces to this task risks what occurred under former Sheriff Arpaio, which led to a decline in focus on other criminal activity as well as exceeding budgets. Clint Bolick, then of the Goldwater Institute, detailed in a 22 page report, <u>Mission Unaccomplished: The Misplaced Priorities of the Maricopa County Sheriff's Office</u>, from December 2, 2008.

This diversion of resources to track nonviolent immigrant offenders, Bolick suggests, contributed to an increase in violent crime in areas covered by the Sheriff's office. So while 9,000 people may not end up being prosecuted, there would be significant resources spent doing so. The hourly cost of a Maricopa sheriff deputy is <u>about \$45 including employee related expenses</u> for overtime that rises to about \$65 per hour. If one hires <u>an off-duty sheriff deputy</u> as a means of illustration, it costs \$61.33 per hour. So dedicating more than one hour to a case would cost about as much as imprisoning that person for one day. For purposes of estimation, if only imprisonment costs were considered, and the costs of arrest and prosecution omitted, if 9,000 people were sentenced to 6 months in prison as an undocumented person with a class 6 felony, the cost would be significant. An increase

of this level would likely create capacity and staffing issues at state facilities, so the average daily rate may be higher than <u>\$85 per day</u>, which is an inflation adjusted estimate from the 2020 ADC cost report. The incarceration cost would likely be at least \$140 million annually, while simultaneously removing 9,000 people from the workforce.

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