



# COMBATING THE IMPACTS OF ILLEGAL IMMIGRATION IN MICHIGAN

January 2025

## INTERNATIONAL WIRE TRANSFER FEES WILL FINANCIALLY TARGET ILLEGAL ALIENS AND FUND LAW ENFORCEMENT

Illegal alien and narcotic trafficking networks often exploit wire transfer services to move money abroad, taking advantage of their less stringent oversight compared to banks. Michigan could counter this by implementing a fee on international wire transfers. This approach would generate revenue without increasing taxes while also deterring illegal activities. Legal residents who make international wire transfers can reclaim the fee through tax credits when they file their annual tax returns. The state could use the additional funds to address the unfunded costs related to illegal immigration and enhance law enforcement efforts.

### TOPLINE

- According to a study by the [Federation for American Immigration Reform](#) (FAIR), illegal aliens and their children cost Michigan \$1.1 billion in 2023, with each illegal alien costing the state \$4,525.
- Another study by [FAIR](#) concludes that Michigan is supporting illegal aliens by allocating \$955 million for education, \$84 million for police and corrections, and \$81 million for healthcare and other general services.
- Michigan had [2,653](#) known human trafficking victims between 2019 and 2023.
- In [2022](#), Michigan had 24.9 opioid-related deaths per 100,000 people.
- In [2022](#), Michigan had an illegal alien population of 65,000.
- According to [Rice University](#), Mexico saw nearly \$60 billion enter its country via remittances in 2022.

### THE AMERICA FIRST POLICY INSTITUTE SUPPORTS THIS POLICY AT THE STATE LEVEL BECAUSE ...

**It deters illegal immigration and trafficking networks.** Imposing a fee on outgoing international wire transfers makes it less desirable for illegal aliens or smuggling and trafficking networks to remain in the state. This added cost imposed on unlawful conduct could disincentivize these enterprises from operating in the state.

**It could fund law enforcement.** Law enforcement is often outmatched by well-funded cartels. The funds generated by this fee can be earmarked to enhance law enforcement efforts against smugglers and traffickers and keep communities safe.

**It recoups untaxed income.** In many instances, the wages illegal aliens receive working unlawfully in the country are untaxed income, which financially harms states. This fee partially recoups some of the lost state revenue caused by illegal immigration in the state.

***Michigan should adopt a fee on international wire transfers to protect its citizens and economy!***

