## **Testimony Submitted for the Record**

House Appropriations Committee Subcommittee on Homeland Security Oversight Hearing - U.S. Immigration and Customs Enforcement (ICE) By Katherine Culliton-González, Chief Policy Counsel Citizens for Responsibility and Ethics in Washington May 9, 2025

Committee Chair Cole and Ranking Member DeLauro and Subcommittee Chair Amodei and Ranking Member Underwood, thank you for the opportunity to submit testimony. Citizens for Responsibility and Ethics in Washington (CREW) is a nonpartisan, nonprofit organization dedicated to preserving democracy by fighting corruption and promoting an ethical, accountable and transparent government that serves the American people. On April 4, the Department of Homeland Security issued a Request For Proposals for an unprecedented \$45 billion for new private contracts to expand immigration detention over two years, which funding is now part of the FY '26 budget reconciliation process. This raises questions about how this money would be spent.

CREW is concerned that the Trump administration's immigration policies undermine the mission of the Department of Homeland Security (DHS)<sup>1</sup> by implementing a scheme of mass deportation that contravenes American law and values,<sup>2</sup> while providing massive profits to the private prison industry and harming the U.S. economy.<sup>3</sup>

President Trump's Executive Orders (EOs) issued on January 20th include EOs 14159 and 14165, which effectively block qualified individuals from seeking asylum, call for detention and deportation of millions who have committed no crime,<sup>4</sup> revoke prior legal statuses,<sup>5</sup> and set forth mass deportation operations that will rip apart American families and communities.<sup>6</sup> This mass deportation operation is estimated to cost \$88 billion per year.<sup>7</sup> EO 14159 requires DHS to "establish contracts to construct, operate, control, or use facilities" and "ensure the detention" of individuals apprehended "pending the outcome of their removal proceedings or their removal from the country." In mid-March, DHS officials said its facilities were at capacity, with 47,600 people detained,<sup>9</sup> which is insufficient to meet the president's new quota requiring ICE to arrest 1,800 immigrants per day, amounting to 657,000 persons per year.<sup>10</sup>

As a result, the Trump administration will have to rely on private contractors to house and detain these immigrants—meaning that substantial congressional funds will have to flow to outside

<sup>&</sup>lt;sup>1</sup> 6 U.S.C. § 111(b)(1)(F) and (G); See also DHS, Mission | Homeland Security: "With honor and integrity, we will safeguard the American people, our homeland, and our values."

<sup>&</sup>lt;sup>2</sup> See, e.g., Trump's Day 1 Executive Orders: Focus on Criminalization and Detention.

<sup>&</sup>lt;sup>3</sup> See Discussion and sources cited at notes 20-41, infra.

<sup>&</sup>lt;sup>4</sup> The White House, <u>Securing Our Borders</u>, 90 F.R. 8467, Executive Order 14165 (Jan. 20, 2025)(hereinafter <u>EO 14165</u>), §§ 2(c) and (d). The policy of detaining anyone without authorization led to the detention and separation of families during the first Trump Administration. U.S. Commission on Civil Rights, <u>Trauma at the Border: The Human Cost of Inhumane Immigration Policies | U.S. Commission on Civil Rights</u> (Oct. 24, 2019), Report at 22-26. <sup>5</sup> <u>EO 14165</u>, §§ 6 and 7; and <u>Protecting The American People Against Invasion</u>, 90 F.R. 8443, Executive Order 14159 (Jan. 20, 2025) (hereinafter <u>EO 14159</u>), §§ 3 and 16.

<sup>&</sup>lt;sup>6</sup> See EO <u>14159</u>, § 9 (instituting mass deportation).

<sup>&</sup>lt;sup>7</sup> American Immigration Council, <u>The Cost of Immigration Enforcement and Border Security</u> (Aug. 14, 2024); Catherine E. Shoichet, <u>Trump's mass deportation plans would be costly. Here's why | CNN Politics</u> (Nov. 7, 2024). 
<sup>8</sup> *See* EO 14159, § 10.

<sup>&</sup>lt;sup>9</sup> Didi Martinez, <u>Immigrant detention centers are at capacity</u>, <u>Trump admin officials say</u> (Mar. 12, 2025).

<sup>&</sup>lt;sup>10</sup> Jennie Taer, <u>Trump admin gives ICE quota of 1,800 arrests per day across US</u>, New York Post (Jan. 28, 2025).

parties. Even without this escalation, the great majority of persons held in immigration detention are already held in facilities owned or operated by private companies. In 2023, over 90 percent of persons held in immigration detention were in facilities owned or operated by private companies, private ICE detention contractors are CoreCivic and GEO Group. The day after the election, Yahoo Finance reported that GEO Group saw its stock price jump up by 40 percent and that: "It seems that investors are betting big on Trump's plans to detain and then forcibly deport millions of both undocumented and legal immigrants—a move that could send the U.S. economy tumbling while making those who profit off of human suffering rich beyond their wildest dreams." Is

These companies, their subsidiaries and executives were also significant campaign donors to President Trump. <sup>16</sup> As CREW reported last year, GEO Group was the first corporation to max out its campaign contributions to Trump, and later gave an additional \$500,000 contribution to a pro-Trump super PAC in February. <sup>17</sup> Collectively in 2024, senior executives, the company's PAC and a subsidiary contributed more than \$1 million to Trump-aligned PACs. <sup>18</sup> Meanwhile, CoreCivic CEO Damon Hininger contributed \$300,000 to a joint fundraising committee between the Trump campaign and the Republican National Committee over the last year, and CoreCivic itself contributed \$500,000 to the inauguration committee. <sup>19</sup>

Both CoreCivic and GEO Group's stock prices have surged since the election, with the biggest peak since 2016 coming just after the election, and another boost when the EOs were issued.<sup>20</sup> During a November 7th earnings call, GEO Group executives stated that Trump's election presents an "unprecedented opportunity" to generate millions in new business.<sup>21</sup> During CoreCivic's Q3 earnings call, CEO Damon Hininger stated that the company would expand various current ICE contracts and re-open the Dilley family detention center in South Texas.<sup>22</sup> Dilley had received a termination notice from ICE and was to be closed in June 2024–but

<sup>&</sup>lt;sup>11</sup> Eunice Cho, <u>Private Prison Corporations and Immigration Detention</u>, Three Years into the Biden Administration, ACLU National Prison Project (Aug. 7, 2023), at 2.

<sup>&</sup>lt;sup>12</sup> See Detention Statistics — Freedom for Immigrants.

<sup>&</sup>lt;sup>13</sup> Cho, Private Prison Corporations and Immigration Detention, Three Years into the Biden Administration, at 2.

<sup>&</sup>lt;sup>14</sup> Alexandra Berzon, Allison McCann and Hamed Aleaziz, <u>Private Prisons are Ramping Up Detention of Immigrants and Cashing In</u>, New York Times (Mar. 7, 2025).

<sup>&</sup>lt;sup>15</sup> Edith Olmsted, <u>Guess Which CEOs Are Already Drooling Over Trump's Deportation Plans?</u>, Yahoo Finance (Nov. 8, 2024) (emphasis added).

<sup>&</sup>lt;sup>16</sup> Peter Charalambous and Laura Romero, <u>Private prison firms contributed more than \$1M to Trump's reelection.</u> Now they expect a business boom - ABC News (Nov. 20, 2024).

<sup>&</sup>lt;sup>17</sup> Robert Maguire and Lauren White, <u>Private prison behemoth is first corporation to max out to Trump - CREW |</u> <u>Citizens for Responsibility and Ethics in Washington</u> (July 3, 2024).

<sup>&</sup>lt;sup>18</sup> *Id.* and *see* Nick Schwellenbach and René Kladzyk, <u>Private Prison Giant Hired ICE Detention Chief</u>, Project on Government Oversight (Jan. 17, 2025).

<sup>&</sup>lt;sup>19</sup> Aparna Narayanan, <u>These Prison Stocks Jump Again After Trump's Hardline Border Move</u>, Investor's Business Daily (Nov. 11, 2024); <u>CoreCivic, GEO Group stocks rise as Trump revokes Biden orders By Investing.com</u>, (Jan. 29, 2025); CoreCivic, Inc. PAC, <u>Lobbying Contribution Report</u> (Jan. 28, 2025), contribution #12 of 12/19/24.

<sup>&</sup>lt;sup>20</sup> *Id.*, and *see* Narayanan, <u>These Prison Stocks Jump Again After Trump's Hardline Border Move</u>; Charalambous and Romero <u>Private prison firms contributed more than \$1M to Trump's reelection. Now they expect a business boom - ABC News</u>; Eric Lipton, <u>Trump Boosters Expect Big Returns on Their Investment: 'The Shackles Are Off'</u> - The New York Times (Nov. 17, 2024).

<sup>&</sup>lt;sup>21</sup> TRT World Magazine, Why private prison stocks are winning big after Trump's poll victory (Nov. 2024).

<sup>&</sup>lt;sup>22</sup> Ahmed Abdulazez Abdulkadir, Editor, Transcript of CoreCivic's Quarterly Earnings Call, <u>Earnings call:</u> <u>CoreCivic reports growth and anticipates demand increase By Investing.com</u> (Nov. 8, 2024).

Hininger reported that it could re-open with an additional capacity of 18,000 beds.<sup>23</sup> Indeed, CoreCivic entered into an agreement with ICE to re-open Dilley with total annual revenue estimated at \$180 million.<sup>24</sup> Family detention is inhumane and harmful to children; its privatization benefitting companies like CoreCivic is also concerning.<sup>25</sup> During the Q3 call, Hininger also clarified that they were "taking proactive steps and working on a plan to activate and make available every single bed that we've got in the enterprise."<sup>26</sup> And indicating a potentially new source of revenue for the company, Hininger also stated that CoreCivic is ready to provide ground and air transportation through a wholly-owned subsidiary.<sup>27</sup>

President Trump's immigration policies are poised to exponentially increase the number of individuals being targeted for deportation and thus increase private sector potential financial gain. His administration has reversed longstanding policies protecting against aggressive civil immigration enforcement in churches, health clinics and schools,<sup>28</sup> and began targeting over 10 million noncitizens without criminal convictions.<sup>29</sup> Per Trump's EOs, the administration is also retracting humanitarian parole status, impacting over 530,000 people fleeing violence from Cuba, Haiti, Nicaragua and Venezuela;<sup>30</sup> over 300,000 more from Afghanistan and Ukraine;<sup>31</sup>

<sup>&</sup>lt;sup>23</sup> Donald Shaw, Prison Company Banking on ICE Raids Donated to Trump Inauguration, SLUDGE (Jan. 29, 2025).

<sup>&</sup>lt;sup>24</sup> Julia Ainsley, <u>Trump administration preparing to restart immigrant family detention</u>, NBC News (Feb. 7, 2025); Maria Sacchetti, Arelis R. Hernández and Douglas MacMillan, <u>Trump officials to reopen Texas detention center for migrant families - The Washington Post</u> (Mar. 5, 2025).

<sup>&</sup>lt;sup>25</sup> Sridhar, S., Digidiki, V., Kunichoff D., Bhabha, J., Sullivan, M., Gartland, MG., <u>Child Migrants in Family Immigration Detention in the US | Harvard Global Health Institute</u>, Center for Health and Human Rights at Harvard University, Boston and MGH Asylum Clinic at the Center for Global Health (2023); <u>Press Release: New Report Documents the Mental and Physical Harm Experienced by Children in Immigration Detention</u> (Jan. 11, 2024). *See also* Detention Watch Network, <u>Family Detention</u> (discussing the *Flores* settlement with the US government acknowledging that children should not be detained); <u>Unaccompanied Alien Children</u> (describing the rules and programs for sheltering and protecting migrant children).

<sup>&</sup>lt;sup>26</sup> Abdulkadir, Ed., Transcript of <u>Earnings call: CoreCivic reports growth and anticipates demand increase By Investing.com</u>.

<sup>&</sup>lt;sup>27</sup> Military deportations flight costs \$4,675 per person; ICE flights are \$630 per person. Jesus Mesa, <u>Trump's</u> Reliance on Military Planes for Deportations Is Costing Taxpayers - Newsweek (Jan. 31, 2025).

<sup>&</sup>lt;sup>28</sup> DHS Memo, DHS Rescinds and Supersedes Guidelines for Enforcement Actions in or Near Protected Areas | Immigration Policy Tracking Project (Jan. 20, 2025).

<sup>&</sup>lt;sup>29</sup> Nick Miroff and Maria Sacchetti, <u>Trump seeks to fast-track deportations of hundreds of thousands - The Washington Post</u> (Feb. 28, 2025); *see also* American Immigration Lawyers Association, <u>Featured Issue: Prosecutorial Discretion</u> (Feb. 25, 2025); <u>Protecting The American People Against Invasion – The White House, §§</u> 3-5, rescinding these policies; American Immigration Council, <u>Debunking the Myth of Immigrants and Crime</u> (Oct. 17, 2024); German Lopez, <u>The Myth of Migrant Crime - The New York Times</u> (July 18, 2024); Ariel G. Ruiz Soto, <u>Explainer: Immigrants and Crime in the United States | migrationpolicy.org</u> (Oct. 2024); Jake Horton and Lucy Gilder, <u>Migrants with criminal records - what new US data shows</u>, *BBC* (Oct. 1, 2024).

<sup>&</sup>lt;sup>30</sup> EO 14165, § 16(a); see also Camilo Montoya-Galvez, Trump officials make plans to revoke legal status of migrants welcomed under Biden - CBS News (Feb. 1, 2025); and Priscilla Alvarez, Trump prepares to revoke legal status for many migrants who arrived under Biden | CNN Politics (Feb. 1, 2025); American Immigration Council, The Biden Administration's Humanitarian Parole Program for Cubans, Haitians, Nicaraguans, and Venezuelans: An Overview | American Immigration Council (Oct. 31, 2023); Aline Barros, Trump administration suspends immigration requests for humanitarian parole beneficiaries - Voice of America News (Feb. 19, 2025).

<sup>&</sup>lt;sup>31</sup> <u>EO 14165</u>, § 16(a); Ted Hesson and Kristina Cooke, <u>Trump weighs revoking legal status of Ukrainians as US steps up deportations | Reuters (Mar. 6, 2025)</u>; Dan De Luce, Abigail Williams and Tavleen Tarrant, <u>Trump's suspension of refugee program puts Afghans and others in potential danger, advocates say (Jan. 22, 2025).</u>

over 178,000 crime victims; and over 58,000 family reunification parolees.<sup>32</sup> DHS sought data for over 300,000 unaccompanied minors who entered under the protections of the Trafficking Victims Protection Act; the Trump administration ordered ICE to track them down.<sup>33</sup> Trump's EOs also seek to end humanitarian parole through Temporary Protected Status for up to another 1.1 million people,<sup>34</sup> and cut off access to asylum by violating a U.S. law that requires an ability to petition for it at any point of entry.<sup>35</sup> There are future implications as well. For example, Cato Institute's Alex Nowrasteh estimates that Trump's unconstitutional attempt to revoke birthright citizenship would make at least seven percent of all children born in the U.S. undocumented.<sup>36</sup>

Immigrants create jobs for U.S. citizens and receive fewer public benefits.<sup>37</sup> Mass deportation would reduce the U.S. gross domestic product by 4.2 to 6.8 percent. "It would also result in significant reduction in tax revenues.... In 2022 alone, undocumented immigrant households paid \$46.8 billion in federal taxes and \$29.3 billion in state and local taxes."<sup>38</sup> Further, "as industries suffer, hundreds of thousands of U.S.-born workers could lose their jobs."<sup>39</sup> In 2022, undocumented immigrants contributed \$22.6 billion to Social Security and \$5.7 billion to Medicare, <sup>40</sup> and their contributions will be lost if mass detention and deportation proceeds.<sup>41</sup>

As you exercise your budgetary and oversight authority over the Department's use of congressional funds, it is crucial that you ensure that federal tax dollars are not misused for legally questionable mass detention and deportation that line the pockets of political patrons by handing them multimillion dollar contracts to detain and deport people who have never committed a crime. The concurrent de-legalization policies being pushed by the Trump administration but so far stalled by the courts are unconstitutional and contrary to American values. For these reasons, I urge you to ensure that congressional funds are not used to further this administration's legally questionable immigration agenda that singularly benefits the private prison industry.

<sup>&</sup>lt;sup>32</sup> Nick Miroff, Álvaro Valiño, Adrián Blanco Ramos and Steven Rich, <u>Who could be targeted in Trump's mass</u> deportation effort - Washington Post (Jan. 16, 2025).

<sup>&</sup>lt;sup>33</sup> Nick Miroff and Maria Sacchetti, <u>Trump administration seeking access to database of immigrant minors - The Washington Post</u> (Jan. 31, 2025); Luke Barr and Laura Romero, <u>Trump administration directing ICE to track down unaccompanied minors: Source - ABC News</u> (Feb. 23, 2025).

<sup>&</sup>lt;sup>34</sup> <u>EO 14165</u>, § 16(b); *and see* 8 U.S.C. §1254a; Maria Sacchetti and Yvonne Wingett Sanchez, <u>DHS to end</u> temporary protection for approximately 350,000 Venezuelans - The Washington Post (Feb. 2, 2025).

<sup>&</sup>lt;sup>35</sup> EO 10888, § 2, Federal Register :: Guaranteeing the States Protection Against Invasion,, 90 Fed. Reg. 8333 (Jan. 20, 2025)Camilo Montoya-Galvez, Trump officials closing immigration offices Biden set up in Latin America - CBS News (Jan. 23, 2025); and see Montoya-Galvez Trump officials make plans to revoke legal status of migrants welcomed under Biden - CBS News, supra note 37.

<sup>&</sup>lt;sup>36</sup> Nowrasteh, There Is No Good Reason to Revoke Birthright Citizenship | Cato at Liberty Blog (Jan. 23, 2025).

<sup>&</sup>lt;sup>37</sup> Mass Deportation: Devastating Costs to America, Its Budget and Economy | American Immigration Council (Oct. 2, 2024).

<sup>&</sup>lt;sup>38</sup> *Id*.

<sup>&</sup>lt;sup>39</sup> Grace Segers, What "Mass Deportation" Would Mean for the Economy | The New Republic (Oct. 18, 2024).

<sup>&</sup>lt;sup>40</sup> Mass Deportation: Devastating Costs to America, Its Budget and Economy | American Immigration Council.

<sup>&</sup>lt;sup>41</sup> *Id.* and *see* Sanya Bahal, <u>The Effect of Immigration on Social Security's Finances | Bipartisan Policy Center</u> (Nov. 14, 2024); L. Zallman *et. al.*, <u>Unauthorized Immigrants Prolong the Life of Medicare's Trust Fund | Journal of General Internal Medicine</u> (June 18, 2015); Tara Watson, <u>How immigration reforms could bolster Social Security and Medicare solvency and address direct care workforce issues (April 16, 2024).</u>

<sup>&</sup>lt;sup>42</sup> See, e.g., JustSecurity, Litigation Tracker, Legal Challenges to Trump Administration Actions, <a href="https://www.justsecurity.org/107087/tracker-litigation-legal-challenges-trump-administration/">https://www.justsecurity.org/107087/tracker-litigation-legal-challenges-trump-administration/</a>.