

COMMENTARY 1

Mark Greenberg and Hedieh Rahmanou

The United States is in the midst of a profound demographic shift, to which our workforce and family support policies have not yet adequately responded. Almost one-fifth of the nation's children, and one-quarter of the nation's low-income children, are now immigrants or the children of immigrants.¹ One-fifth of the nation's low-wage workforce is comprised of immigrants, and half of the nation's job growth during the 1990s was attributable to immigrants.² Any national strategy for reducing child poverty, promoting child well-being, and helping low-wage workers advance must address the needs and circumstances of immigrants and their children.

Federal policy has largely taken the opposite approach. In 1996, Congress elected to restrict access to food assistance, health care, income support, employment services, and other benefits and services for legal immigrants. Since that time, there have been limited partial repeals of some, but not most, of the restrictions.

The result has been curtailed eligibility, a patchwork of uneven state and local responses, and sharp drops in participation among families that could benefit from services and assistance.

As the articles in this issue and other analyses make clear, children of immigrants are likely to suffer significantly greater hardships than children of U.S.-born parents, and they are less likely to be receiving public benefits that could reduce their hardships and enhance their well-being. Moreover, the nation's workforce policies deny immigrant parents the assistance that might help them advance beyond the low-wage labor market.

This commentary summarizes some of the key data suggesting the magnitude of the problem, and proposes a set of policies that could enhance the well-being of this significant and growing share of the nation's children.

Mark Greenberg, J.D., is director of policy at the Center for Law and Social Policy.

Hedieh Rahmanou is a research associate at the Center for Law and Social Policy.

Income, Poverty, and Hardship among Immigrant Families

In 2002, about 19% of the nation's children and roughly one-quarter (26%) of the nation's low-income children (with family incomes below 200% of poverty) were children of immigrants.³ The poverty rate among children of immigrants was 22%, compared with 14% for children of U.S.-born parents. Most children of immigrants (51%) live in families with incomes below 200% of poverty. As detailed by Hernandez in this journal issue, on virtually every measure of hardship, children in immigrant families fare less well than children in families of U.S.-born parents. For example, children of immigrants are more than four times as likely to live in crowded housing and nearly twice as likely to be uninsured. They are more likely to have poorer health, and to live in families worried about affording food.⁴

At the same time, low-income immigrant families are more likely to contain a worker than are low-income families with parents born in the United States. As explained by Nightingale and Fix in this journal issue, the fundamental difficulty faced by low-income immigrant families is not unemployment but low wages, substantially attributable to limited language proficiency and education. In 2002, nearly half (48%) of foreign-born workers were low-wage workers.⁵ Among these low-wage workers, most (62%) were limited English proficient, and nearly half (45%) had not completed high school. Legal status is a significant issue for some, but most low-wage foreign-born workers in the United States are here lawfully.⁶

Two key parts of a strategy to improve the well-being of immigrants and their children are (1) increasing participation in key public benefits for families and children; and (2) improving the workforce status and prospects of adults.

Immigrant Families and Public Benefits

Before the federal welfare reform law was signed into law on August 22, 1996, legal immigrants were generally eligible for federal public benefits under the same terms as citizens, and states did not have discretion to develop their own rules for determining immigrants' eligibility for public assistance. But with passage of the 1996 law and implementation of Temporary Assistance for Needy Families (TANF), a wide range of restric-

tions on immigrant eligibility for federal public benefits was imposed.⁷ Some of the 1996 provisions were subsequently modified, but Congress has maintained substantial restrictions affecting most legal immigrants. (See Box 1.)

The impacts of the 1996 law have been dramatic. Between 1996 and 2001, the share of adult TANF recipients who are non-citizens fell from 12.3% to 8.0%; the share of food stamp recipients who are non-citizens fell from 7.1% to 3.7%;⁸ and the percentage of immigrant households in which any non-citizen received benefits from Medicaid or the State Children's Health Insurance Program (SCHIP) fell from 12.0% to 8.7%.⁹ By 2001, low-income non-citizen children were half as likely to participate in Medicaid or SCHIP as low-income citizen children.

The 1996 restrictions appear to have resulted in drops in program participation even among those children who remained eligible for benefits. In 2002, nearly three-quarters (72%) of all children with immigrant parents were citizens living with one or more non-citizen parents in "mixed status" families.¹⁰ Although children living in such families qualify for public benefits under the same conditions as other citizen children, their rates of TANF and food stamp receipt are substantially lower.¹¹ Low-income children in mixed status families are more likely than low-income children with citizen parents to participate in Medicaid or SCHIP, but because their parents are less likely to have employer-based health coverage, children in mixed status families are much less likely to have health insurance.¹² In 2002, 22% of citizen children in low-income families with at least one non-citizen parent had no health insurance, compared to 12% of low-income children whose parents are citizens.¹³

Although some states have provided state-funded benefits in response to the federal restrictions,¹⁴ the state response has not been sufficient to counteract the effect of federal restrictions. State substitute programs do not exist in some states, and some state programs are limited in scope. Among the seven states with the largest immigrant populations (California, New York, Texas, Florida, Illinois, New Jersey, and Arizona), only California offers substitute programs in all three areas of health, nutrition, and cash assistance.¹⁵

Box 1

Restrictions on Benefits for Legal Immigrants

- ▶ **Welfare.** Most legal immigrants are ineligible for benefits under the Temporary Assistance for Needy Families (TANF) program during their first five years in the United States. Even after the “five-year bar,” other restrictions apply. It is up to each state to decide whether to provide assistance to most legal immigrants who have lived in the United States for more than five years and whether to use state funds to provide benefits during the first five years.
- ▶ **Food stamps.** Most legal immigrant adults are ineligible for food stamps during their first five years in the United States. Under a change in law that became effective in October 2003, legal immigrant children are no longer ineligible during their first five years in the United States.
- ▶ **Supplemental Security Income (SSI).** Most legal immigrants are ineligible for SSI unless they were enrolled in SSI on August 22, 1996, or entered the United States by that date and are disabled.
- ▶ **Health benefits.** Most legal immigrants are ineligible for health benefits under Medicaid and the State Children’s Health Insurance Program (SCHIP) during their first five years in the United States.

Note: Refugees, asylees, and certain other humanitarian immigrants are not subject to any of these restrictions during their first seven years in the United States (first five years with respect to Temporary Assistance for Needy Families).

It is up to each state to decide whether to provide coverage to legal immigrants who have lived in the United States for more than five years. However, states must provide emergency Medicaid to immigrants regardless of whether they are eligible for Medicaid or SCHIP, and legal immigrants receiving SSI remain eligible for SSI-based Medicaid.

- ▶ **Sponsor deeming.** Congress imposed additional restrictions through sponsor-to-immigrant “deeming.” The income and resources of the sponsors of lawful permanent residents who enter the United States after December 1997 are deemed available to them when judging their income eligibility for the major means-tested public benefit programs, regardless of whether the sponsors provide any actual assistance to the immigrants. As a result, many legal immigrants could remain ineligible for public benefits even after they have lived in the United States for more than five years. The U.S. Department of Health and Human Services recently clarified that federal law provides states with significant flexibility in implementing the sponsor deeming rules, but prior to receiving this guidance, many states had already adopted strict deeming requirements.

Restrictions on eligibility explain much, but not all, of the decline in program participation among immigrant families. As noted, program participation has fallen among those losing eligibility, but in addition, participation in TANF and food stamps has fallen among citizen children in mixed status households whose eligibility was not affected. Factors that may prevent parents from applying for benefits for themselves or for their children include confusion or lack of knowledge about eligibility, limited English proficiency, and parental non-citizen status.

Low-income immigrants often do not understand program eligibility rules. In a survey of immigrants in Los Angeles and New York City, 50% of low-income

respondents gave incorrect answers to at least two out of three questions about program eligibility, wrongly believing that their immigration status would be jeopardized if they or their citizen children were to receive benefits.¹⁶

Immigrant parents with limited English proficiency may also experience difficulty gaining access to public benefits for their children. The study of immigrants in Los Angeles and New York City found that respondents with limited English proficiency were more likely to experience hardship and poverty regardless of citizenship or legal status.¹⁷ Language barriers can prevent families from learning that coverage is available or how to apply. An Urban Institute study of the application process

concluded that interpretation services for telephone communication and provisions of translated written material are critical to access but are often overlooked or insufficiently addressed.¹⁸

Fear of adverse immigration consequences among families with mixed citizenship status also inhibits use of benefits.¹⁹ Families may be particularly fearful of application procedures that include finger imaging, home visits, and rigorous eligibility verification because they associate these procedures with the Immigration and Naturalization Service (now the U.S. Citizenship and Immigration Services in the Department of Homeland Security).²⁰ Additionally, many immigrants are under the erroneous impression that if they apply for benefits, the Department of Homeland Security will label them a “public charge,” and will prevent them from obtaining a green card, reentering the country, or reuniting with their relatives.²¹ In fact, those legal immigrants who are actually eligible for benefits are rarely subject to public charge test.²²

Immigrants and Access to Workforce Development

Low levels of educational attainment and limited English proficiency restrict employment opportunities for many immigrants. For example, 38% of immigrant adults did not finish high school, compared to 21% of U.S.-born adults.²³ Roughly 7.4 million adults do not speak English well or do not speak English at all, comprising 32% of all foreign-born adults.²⁴ Limited English proficiency is strongly correlated with higher rates of unemployment, low-earnings, and high poverty rates.²⁵ Access to programs that increase English proficiency, educational attainment, and job training are critical to improved labor market outcomes for these adults.

Employment services through TANF could help unemployed and low-earning immigrant parents, but such parents are often ineligible for TANF assistance due to immigrant eligibility restrictions. Moreover, for those who receive assistance, the program’s strong orientation toward immediate work placement rather than skill-building activities reduces the likelihood that they will receive services to address educational or language needs.²⁶

Another important vehicle for providing employment services to adults is through the structure of state and local workforce boards and one-stop centers under the



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Workforce Investment Act (WIA). Apart from federal funding for higher education, WIA is probably the principal federal source of training and training-related services for adults. However, there is evidence that unemployed and low-earning immigrant adults are significantly underserved by the WIA system. Roughly 12% of low-wage workers have limited English proficiency.²⁷ Yet in program year 2001 (from July 1, 2001 through June 30, 2002), only 5.8% of adults who received training services were individuals with limited English proficiency. Moreover, among those with limited English proficiency seeking WIA services, less than half (48%) received training.²⁸

Policy Recommendations

To improve the well-being of low-income immigrant families, it is important to increase access to supports that can reduce poverty and help address children’s basic needs, and to take steps to enhance the employment prospects of the parents.

First, the restrictions on access to health care, food assistance, and public benefits eligibility for legal immigrants established by the 1996 law should be repealed. The ostensible justification for such policies had been to

discourage individuals from immigrating to the United States in search of, or with the expectation of, relying on public benefits. However, the goals of immigration policy should be advanced by determining and enforcing the rules relating to immigration, not by restricting access of immigrant families and children to important public benefits. It is counter-productive to deny immigrant families access to the services that could improve parents' employment prospects and promote children's healthy development and school readiness. The restrictions on access to public benefits have resulted in significant hardships. There is no good policy justification for federal law to allow or require states to discriminate against immigrant children and families.

Second, until the federal restrictions are repealed, states should maintain existing programs that provide replacement benefits. In addition, states should provide federally funded Medicaid, SCHIP, and TANF benefits to legal immigrants who have lived in the United States for more than five years, and should consider providing state-funded replacement benefits to immigrants subject to the five-year bar. Extending TANF benefits to the immigrant parents of citizen children receiving TANF has modest marginal costs and has the added benefit of giving the parent access to welfare-to-work services.

Additionally, states need to make active efforts to improve participation in public programs among eligible immigrant families. Experiences in states point to a set of practices that can enhance participation:

- ▶ To reduce confusion about eligibility, locations that serve as “points of access” should utilize a combination of specialized caseworkers and systems that automatically determine eligibility based on prompts for required information.
- ▶ To increase access among limited English speakers, translated written notices and communications should be made available. The use of untrained interpreters such as children should be discouraged. Additionally, research shows that bilingual staff are more likely to be available in community- and health-based settings, and that immigrant families are more likely to apply for benefits at community health clinics and other non-welfare settings.²⁹ Offering simplified applications in such non-welfare settings will increase access to benefits to limited English speakers.
- ▶ To alleviate fears of threatened immigration status, applications should be modified to reduce requests for sensitive information (such as immigration status or social security numbers) from family members not applying for benefits.

Steps should also be taken to promote better labor force outcomes for immigrant parents who are eligible to work in the United States. Federal and state policy initiatives designed to expand access to higher education and labor force advancement for low-earning workers could provide significant assistance to low-earning workers in immigrant families. In addition, eliminating restrictions on TANF eligibility could improve access to employment services for unemployed parents. Ensuring that activities to improve English language acquisition count toward program participation requirements could help ensure that such services are made available.

A set of changes to federal law could improve both access to, and the quality of, training and other workforce services for a broad range of unemployed and underemployed workers, including those with limited English proficiency.³⁰ Changes that could improve access for immigrants in particular are as follows:

- ▶ Federal performance standards governing the workforce system and any common performance standards across systems should be structured in ways that do not discourage providing services to persons with limited English proficiency.³¹
- ▶ Federal law should encourage the development of “integrated training programs” that combine job training and language acquisition, to help immigrants with limited English proficiency gain job training and English skills at the same time.³² The development of such programs could be encouraged through a combination of research and demonstration funding, technical assistance to states and localities, data reporting, performance measurement, and state plan requirements.
- ▶ Federal law should encourage a significantly enhanced effort by one-stop centers to ensure that career counseling, vocational assessment, and other services are structured to meet the needs of job seekers and workers with limited English proficiency.³³

- States should review their procedures to ensure that translated documents are made available and are consistent with federal civil rights requirements.³⁴

Congress also needs to act to address the situation of undocumented immigrants who are residing in the United States but are not eligible to work here legally. Broader issues around immigration policy, including amnesty and guest worker proposals, are beyond the scope of this commentary. However, it seems clear that it will be impossible to fully address the needs of all children in immigrant families, or the labor force prospects of all immigrant parents, as long as substantial numbers

of immigrant parents residing in the United States are not allowed to lawfully work in this country.

Ultimately, federal policy must take a new course, one that shifts away from the goal of restricting assistance to immigrant families, and instead acknowledges the need to provide family supports and employment services to help ensure that children of immigrants thrive and that their parents can progress in the labor force.

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ENDNOTES

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2. Capps, R., Fix, M., and Passel, J., et al. *A profile of the low-wage immigrant workforce*. Washington, DC: Urban Institute, October 2003. Available online at http://www.urban.org/UploadedPDF/310880_lowwage_immig_wkfc.pdf.
3. See note 1, Capps, et al.
4. See also the article by Nightingale and Fix in this journal issue.
5. See note 2, Capps, et al.
6. Most low-wage foreign-born workers (60%) were in the United States lawfully. See the article by Nightingale and Fix in this journal issue.
7. It is less clear how implementation of the 1996 law affected participation in child care subsidy programs for immigrant families. Children who are legal immigrants are generally eligible for child care subsidies under the Child Care and Development Block Grant. No research was found providing information about the share of children in low-income immigrant families participating in child care subsidy programs at the time of, or subsequent to, enactment of the 1996 welfare law.
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9. The percentage of low-income non-citizen children participating in Medicaid or SCHIP fell (from 28.6% to 24.8%) at the same time that participation by low-income citizen children was rising (from 42.8% to 47.6%). See Ku, L., Fremstad, S., and Broaddus, M. *Noncitizens' use of public benefits has declined since 1996: Recent report paints misleading picture of impact of eligibility restrictions on immigrant families*. Washington, DC: Center for Budget and Policy Priorities, April 2003. Available online at <http://www.cbpp.org/4-14-03wel.htm>.
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11. According to the most recent data available, in 1999, 7.8% of low-income immigrant families with citizen children received TANF compared with 11.6% of low-income citizen families. Similarly, 19.8% of low-income immigrant families with citizen children received food stamps compared to 27.9% of low-income citizen families. See Fix, M., and Passel, J. *The scope and impact of welfare reform's immigrant provisions*. Washington, DC: Urban Institute, January 2002. Available online at <http://www.urban.org/urlprint.cfm?ID=7522>.
12. In 2001, 50.1% of low-income citizen children in mixed status families participated in Medicaid or SCHIP, compared to 46.2% of citizen children with citizen parents; See note 9, Ku, et al.
13. See note 10, Capps, et al.
14. Twenty-four states use their own funds to offer some form of state-funded TANF cash assistance during the federal five-year ineligibility period, and forty states offer TANF to lawful permanent residents after the five-year bar ends. See Wasem, R. *Noncitizen eligibility for major federal public assistance programs: Policies and*

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 27. Calculations based on data from note 2, Capps, et al. Immigrants comprise 20% of the low-wage workers, and 62% of low-wage immigrant workers have limited English proficiency.
 28. Calculations based on CLASP analysis of Program Year 2001 Workforce Investment Act Standardized Record Data (WIASRD).
 29. See note 18, Holcomb, et al.
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