



Policy Brief

Immigration

February 2017

In a powerful speech at the Abyssinian Baptist Church in Harlem, Governor Cuomo protested the most recent wave of bigotry in the United States, saying “I wish I could say our beautiful state of New York was immune from this poison but it’s not.”

The governor also projected a strong vision for the state, and for the country, saying:

If you love this country, if you are an American, then you must act like one and these acts of division are the exact opposite of what America stands for. The divisiveness must stop and New Yorkers will not be bystanders to injustice. That is not the New York way. We will fight sexism and racism and bigotry wherever we see it. We will stand up for the rights of immigrants because we believe our diversity is a strength, not a weakness.

The governor’s Executive Budget hints at these soaring visions and goals, but does not always give them as full-throated an expression as they deserve.

Legal Assistance to Immigrants

One very positive proposal in the Executive Budget is the proposed State-Led Public-Private Legal Defense program, but a shortcoming is the lack of any specific proposed budget allocation. The governor and legislature should back up that proposal with clearly defined funding to ensure that the promise of legal assistance is also a reality.

Four million immigrants live in New York State, including about 800,000 unauthorized immigrants..¹ President Trump has promised an unprecedented effort to uproot and deport millions of unauthorized immigrants—people who have lived and worked in our communities for years, many with families that include U.S. citizens. While our immigration system is clearly broken and in dire need of repair, this is an answer that makes the system worse, not better, terrorizing communities and pushing people further underground.

The process of targeting so many people for deportation will inevitably be chaotic, and many people who are not deportable are likely to get caught up in nets that are widely spread. New York State cannot grant legal status to unauthorized immigrants. But, it can provide legal assistance to make sure that immigrants

¹ Center for Migration Studies data tool, <http://data.cmsny.org>, using data for 2014.

and others who get caught up in the machinery of deportation get legal assistance to ensure that they have a fair defense.

In immigration court, an individual has a right to legal representation, but at the immigrant's own expense, regardless of their financial circumstances.² Between 2007 to 2012, only 34 percent of all immigrants and 14 percent of detained immigrants received legal representation.³ Currently nonprofit organizations provide the majority of legal representation for immigrants. However, they are now experiencing a lack of funding and are likely to see a dramatic increase in demand, and for many low-income immigrant families, the high fees for private lawyers puts legal representation out of reach. The proposal for a First-in-Nation State-Led Public-Private Legal Defense Program would help achieve equality for immigrants in the court system in regards to legal representation, and would also help prevent the devastating effects that deportation has on families, such as emotional trauma and poverty.

But, providing adequate funding is critical to making sure the promise of legal services is a reality. The Safe Passage Project provides legal services using a public/private model, and estimates the costs of one case at \$3,000 per year (\$6,000 per case, with the average case taking two years).⁴ It is unclear how many people—unauthorized immigrants and others—will be caught up in the sweeping immigration raids promised by the Trump administration. But, just to give an example, an annual allocation of \$30 million per year would allow for about 10,000 unauthorized immigrants to get legal assistance, and \$60 million would allow about 20,000 to get assistance.

New York State DREAM Act

For years, the governor and the legislature have played games with the New York State DREAM Act, a very modest budget item that would allow unauthorized immigrant children who grew up in New York to get the support that their peers get to go to college. The DREAM Act would allow unauthorized immigrants who meet certain qualifications to apply to the state's Tuition Assistance Program on the same basis as others students. This would be good for those kids, whose earnings after they graduate would increase substantially. It would be good for the state budget, with those higher earnings translating into an increase in state tax revenues. And it would be good for New York businesses, who rely on a skilled labor force and benefit from a climate in which immigrants are welcomed and encouraged to thrive. This small state investment would pay rich returns for many years as graduates contribute to the economy and society of New York.

The governor includes in his Executive Budget \$19 million for the New York State DREAM Act in FY 2018, and \$27 million for subsequent years. This is very much in line with the Fiscal Policy Institute's estimates (in 2012, FPI issued a preliminary cost estimate suggesting that the cost of the DREAM Act would be about \$17 million).⁵ FPI calculated that if this were financed through an expansion of the state's personal income tax, it would cost the typical (median) New York State taxpayer 87 cents per year—considerably less than the cost of replacing the battery in a bedside clock every year. In the context of a

² Center for Migration Studies data tool, <http://data.cmsny.org>, using data for 2014.

³ Ingrid Eagly and Steven Shafer, "A National Study of Access to Counsel in Immigration Court," *University of Pennsylvania Law Review* 164 no. 1 (December, 2015): 1-91.

⁴ Safe Passage Project estimates provided in correspondence to Fiscal Policy Institute by the executive director of the program, Richard Leimsider.

⁵ "The New York State DREAM Act: A Preliminary Estimate of Costs and Benefits," Fiscal Policy Institute, March 9, 2012.

national political climate in which immigrants have been under attack, the games should stop. The governor should press hard to finally get the New York State DREAM Act passed, and the senate and assembly should agree.

Funding for English Language Programs

The diversity of immigration in New York State is a tremendous advantage for the state, but it also poses a challenge. Making sure that every person in the state who wants to learn English as a second language should be offered the opportunity to do so. Most of the students would be immigrants, but there are also U.S.-born New Yorkers who would benefit—Spanish-speakers from Puerto Rico, for example, or second-generation kids whose English may not be as strong as another language spoken at home. Making sure there are high-quality programs to learn English for everyone who wants them would seem like an obvious benefit, not just to those who take the classes but also to the state’s social, political, and business climate.

A good place to start would be by dramatically expanding funding for Adult Literacy Education. In FY 2017, Adult Literacy Education received \$7.3 million. The governor should increase this funding substantially. A proposal by the New York Immigration Coalition to expand funding to \$17.2 million makes good sense for New York State.

Driver’s Licenses

There is no lack of political argument about how the federal government should approach unauthorized immigrants in the United States. But, there is no doubt that 11 million people will not be deported tomorrow, nor is tomorrow the day they will be given a pathway to citizenship.

In this context, it makes sense for New York State to protect its own interests by making sure that driver’s licenses are broadly accessible, irrespective of immigration status. This is just smart public policy that would ensure that everyone on the road is licensed, tested and insured. It would modestly improve local economies, since having good transportation options will allow for a better job match between employers and employees. And, it would improve the daily lives of undocumented immigrants by allowing them to perform daily activities such as grocery shopping, driving to doctor appointments and their children’s schools, as well as to their jobs.

Expanding access to licenses would allow an estimated 265,000 unauthorized immigrants in New York to get licenses—including 150,000 in New York City, 53,000 in the Hudson Valley, 51,000 on Long Island, and 11,000 in Northern and Western New York.⁶

New York would hardly be alone in adopting this policy: 12 other states, the District of Columbia, and Puerto Rico already allow unauthorized immigrants to apply for driver’s licenses. If New York adopted this policy, 44 percent of all unauthorized immigrants would live in an area where they can apply for driver’s licenses (up from 37 percent today).

⁶ David Dyssegaard Kallick and Cyierra Roldan, “Expanding Access to Driver’s Licenses: Inclusion of Immigrants Without Regard to Legal Status,” (New York: Fiscal Policy Institute, 2016).

The cost of this proposal would be more than offset by added revenues, but it would make sense for the governor and legislature to allocate funding to the Department of Motor Vehicles to allow it to hire and train staff ahead of the demand.

FPI estimates that there will be a total of \$57 million in combined annual government revenue, plus \$26 million in one-time fees. The annual revenues include \$28 million to New York State, \$21 million to county governments, \$8.6 million to the MTA, and \$288,000 to upstate mass transit authorities. Revenues come from the fee for driver's licenses, the gas tax paid when refilling the tank, and the purchase of cars—which is not just a shift in spending but an added revenue if immigrants pay for the cars out of higher earnings from a better job.⁷

Upstate Cities and Economic Revitalization

Across the country, there is growing awareness on the part of mayors, county officials, and governors that immigrants are an asset to their communities and to their economy—180 degrees at odds with a federal government that seems intent on seeing immigrants as a drain.

State and local leaders are no doubt driven in part by a sense that who we are as Americans is deeply connected with the history of immigrants coming to this country to seek refuge and to realize their dreams. But they are increasingly also frequently driven by a hard-nosed understanding of the economic benefits of having a diverse labor force and multicultural places that are attractive for a wide range of residents and companies. And in cities that have seen a declining population, public officials are seeing the important role immigrants are playing in stemming or reversing population loss—places around the country like Detroit, Pittsburgh, Cleveland, St. Louis, and upstate New York cities like Buffalo, Rochester, Syracuse, Albany, Utica and Binghamton.

As the federal government seems to be moving toward a more hostile attitude toward immigration, state and local governments have the opportunity to expand their focus on immigrants as valuable resources for a community, often in collaboration with groups such as Upwardly Global, Welcoming America, or the Welcoming Economies Global Network.

A particularly interesting opportunity to explore the role immigrants can play in helping spur economic growth is in connection with the governor's proposed use of \$100 million of the New Monetary Settlements for a Downtown Revitalization Initiative. The initiative is focused on ways to increase “attractiveness and livability of the downtown, including the presence of developable mixed-use spaces, housing at different levels of affordability and type, commercial and retail main street businesses, including healthy and affordable food markets, walkability and bikeability, and public parks and gathering spaces.”⁸

The Downtown Revitalization Initiative, which funds projects through the Regional Economic Development Council process, could do more to recognize the ways immigrants can make an important contribution to these efforts if they are fully included in the planning. The entrepreneurial spirit of immigrants is broadly recognized; what has become clearer in recent years is the connection between

⁷ Ibid.

⁸ Web site of the governor, <https://www.governor.ny.gov/news/governor-cuomo-launches-100-million-downtown-revitalization-initiative>, accessed on January 31, 2017.

immigrant entrepreneurship and “Main Street” businesses. Main Street businesses are the storefronts that often give a neighborhood its character, such as restaurants, grocery stores, retail shops, and beauty salons. And, while immigrants nationally make up 13 percent of the population, 16 percent of the labor force, and 18 percent of business owners, they make up a highly disproportionate 28 percent of Main Street business owners.⁹

Similarly, if part of the downtown revitalization is finding ways to convert distressed properties to occupied homes, immigrants should also be part of that effort. A tool developed by the Fiscal Policy Institute and the Welcoming Economies Global Network shows that in Buffalo, there are 3,000 immigrants who are not currently home owners but would be eligible to buy and rehab a distressed property if the cost were \$50,000. In Rochester, there are about 2,500 potentially eligible immigrants, and in Syracuse 2,800. In all cities, immigrants are at least as likely as others to be eligible for home purchase, and in some cases they are more likely to be eligible.¹⁰ Yet immigrants—as well as others, particularly people of color—often face barriers in the housing market, or are overlooked by officials thinking about economic development, land banks, or other revitalization efforts. Challenges that could be addressed simultaneously for immigrants and other excluded groups include obtaining loans for distressed property, a history of redlining, and having credit histories that are not recognized by local banks.

Refugee Resettlement

President Trump’s executive order halting all refugee resettlement for 120 days and then cutting the expected number of future refugees in half is a humanitarian tragedy. It is also a move that will have deep consequences for a number of areas in New York, particularly in upstate cities.

New York has a long and proud tradition of refugee resettlement. In New York, immigration is concentrated in the downstate area, and refugee resettlement is highly focused in upstate New York.

Last year, for example, New York State settled 5,028 refugees, over 90 percent of whom were settled in upstate New York. The counties with the highest number of refugees settled last year are Erie (1,800), Onondaga (1,242), Monroe (737), Albany (457) and Oneida (411). Last year, just 283 refugees were settled in New York City.¹¹ This is a longstanding pattern based on where housing costs are lower, where refugee resettlement agencies have capacity to help resettle newcomers, and where cities wrestling with declining populations and underutilized housing and other infrastructure often welcome the opportunity to bring new residents, especially since their initial settlement and rent is supported with funding from the federal government.

Upstate cities have come to rely on a strong network of refugee resettlement agencies as anchor institutions. Not only do these institutions provide assistance to refugees, but they provide workforce development that aids employers and often also provide services to a wide range of immigrants and U.S.-

⁹ David Dyssegaard Kallick, *Bringing Vitality to Main Street: How Immigrant Businesses Help Local Economies Grow*, (New York: Fiscal Policy Institute and Americas Society/Council of the Americas, 2015).

¹⁰ See Fiscal Policy Institute/Welcoming Economies Global Network data tool at <http://www.weglobalnetwork.org/landbank/>. For an analysis, see also David Dyssegaard Kallick and Steve Tobocman, *Do Immigrants Present an Untapped Opportunity to Revitalize Communities?* (Welcoming Economies Global Network and Fiscal Policy Institute, 2016).

¹¹ Data are from the Bureau of Refugee and Immigrant Assistance, and are for Federal Fiscal Year 2016. See: <https://otda.ny.gov/programs/bria/documents/population-report.pdf>.

born people in need beyond what their federal funding supports. The resettlement agencies are themselves employers, renters or owners of property, and provide a stream of people to rent homes that might otherwise stay empty.

The absence of funding from the federal government for the expected refugees during a 120-day gap would be a local disaster. Resettlement agencies are charities that run on a very narrow margin. Many are already laying off workers. Some would undoubtedly close. Some would have to cut back staff dramatically, and then try to hire staff back after the 120-day gap.

A better alternative would be for the governor and the legislature to step in to help sustain these resettlement agencies against the onslaught of federal policy. The costs should not be overwhelming. If refugees were to come at the same pace as the average for last year, a 120-day stop would mean about 1,700 fewer refugees. Refugee resettlement agencies receive about \$950 per refugee in federal funds to cover administrative costs related to resettling the refugees. To cover the 120-day gap might cost about \$1.6 million; to cover the shortfall for the year might be an added \$2 or \$3 million—a very modest state investment that would have a huge impact on these local areas being adversely impacted.¹²

There is no lack of need within these organizations. They could, for example, step up their work with refugees already in their system, perhaps helping with entrepreneurship or job training or more sustained job-oriented English language classes or help with rehabbing homes or encouraging home ownership among earlier groups of refugees. That way, when the federal funding stop is over, they could still have staff on hand with connections to the communities and to the organizations.

Blue Ribbon Panel

Governor Cuomo proposed in his Executive Budget that the state convene a Blue Ribbon Panel on Immigrants, to consider ways to support the economic integration and success of the four million foreign-born residents in New York. The number of immigrants in New York certainly justifies this kind of intensive attention, as does the wide range of needs and complex new challenges faced by immigrants under the Trump administration.

The risk of any Blue Ribbon Panel is that it can be a way to study an issue without acting on it. Making sure there is not just study, but also follow-through and funding—where appropriate—will be key to making the promise of added attention to immigrants a reality.

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The Fiscal Policy Institute (www.fiscalpolicy.org) is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared..

¹² Estimated federal funds for administrative costs are based on communications with the International Institute of Buffalo and the Mohawk Valley Resource Center for Refugees.