
Public Hearing

before

ASSEMBLY LABOR COMMITTEE

"Testimony on undocumented aliens in New Jersey
and their impact on jobs and money spent for them
in health care, education, prisons, and other services"

LOCATION: Legislative Office Building
Committee Room 8
Trenton, New Jersey

DATE: April 11, 1994
10:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Patrick J. Roma, Chairman
Assemblywoman Virginia E. Haines, Vice-Chair
Assemblyman E. Scott Garrett
Assemblyman Stephen A. Mikulak
Assemblyman Steven M. Petrillo

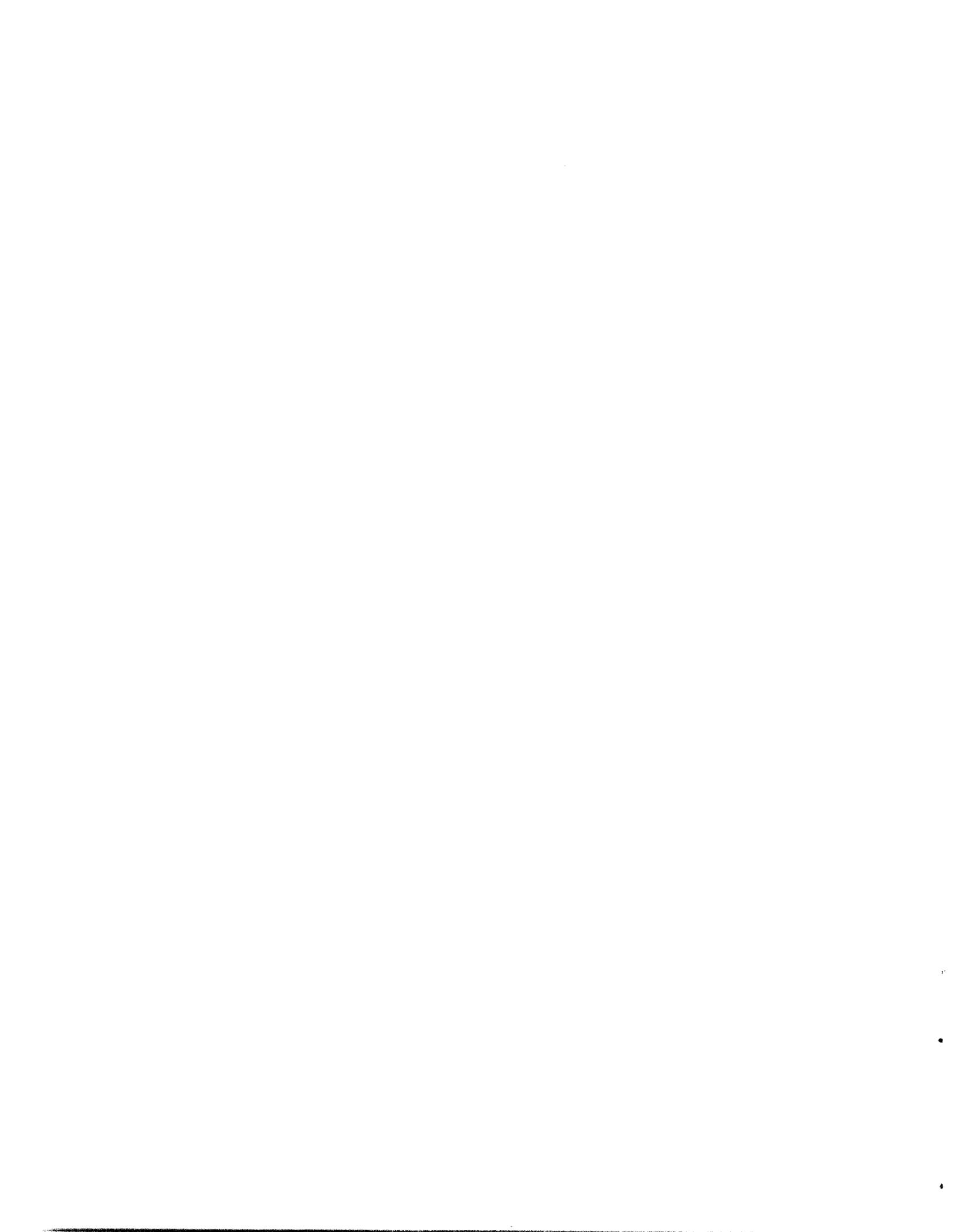


ALSO PRESENT:

Gregory L. Williams
Office of Legislative Services
Aide, Assembly Labor Committee

New Jersey State Library

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PATRICK J. ROMA
Chairman

VIRGINIA E. HAINES
Vice-Chair

FRANK CATANIA
E. SCOTT GARRETT
STEPHEN A. MIKULAK
TOM FOLEY
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New Jersey State Legislature

ASSEMBLY LABOR COMMITTEE
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NOTICE OF PUBLIC HEARING

The Assembly Labor Committee will take testimony concerning undocumented aliens in New Jersey and their impact on jobs and on money spent for them in health care, education, prisons and other services.

The hearing will be held on **Monday, April 11, 1994 at 10:00 AM** in **Committee Room 8, Legislative Office Building, Trenton, New Jersey.**

The public may address comments and questions to Gregory L. Williams, Committee Aide, or make bill status and scheduling inquiries to Cynthia D. Petty, secretary, at (609) 984-0445. Those persons presenting written testimony should provide 15 copies to the committee on the day of the hearing.

Assistive listening devices available upon 24 hours prior notice to the committee aide(s) listed above

Issued 04/04/94

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ASSEMBLYMAN PATRICK J. ROMA (Chairman): If I can have your attention. We're about ready to start this meeting. I would first ask Assemblyman Mikulak to lead us in the pledge of allegiance.

ASSEMBLYMAN MIKULAK: (Assemblyman Mikulak leads audience) I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible with liberty and justice for all.

ASSEMBLYMAN ROMA: If we could have a roll call of our members?

MR. WILLIAMS (Committee Aide): Assemblyman Petrillo?
(no response)

Assemblyman Foley? (no response)

Assemblyman Mikulak?

ASSEMBLYMAN MIKULAK: Here.

MR. WILLIAMS: Assemblyman Garrett?

ASSEMBLYMAN GARRETT: Here.

MR. WILLIAMS: Assemblyman Catania? (no response)

Assemblywoman Haines?

ASSEMBLYWOMAN HAINES: Here.

MR. WILLIAMS: Assemblyman Roma?

ASSEMBLYMAN ROMA: Here.

Before starting this most important hearing, I have some introductory remarks. I called this public hearing today, because I felt this Committee should take the lead in initiating a fact-finding mission as it relates to our various State departments and jurisdictional policy areas.

This is a taxpayer issue, and it affects the workplace, especially at a time when we are only now showing improved signs of economic recovery. Recently there has been a groundswell, the concern of the states about the increasing state cost for providing services to illegal or undocumented aliens. At a February National Governor's Meeting, it was cited that New Jersey spends some \$300 million annually for

services rendered to the illegal alien population. Other reports claim that service expenditures could be as high as \$400 million.

According to U.S. Census Bureau estimates, New Jersey's illegal alien population has increased over the years and is now in the range of 70,000, representing diverse ethnic backgrounds. The charts in back of me give an idea of the increase of the problem that we have. (indicating)

In terms of the number of illegal aliens, we should understand that these are estimates. When we talk about a figure of 55,000 during the period of 1980 escalating to 70,000 at the present time, these are estimates, because what we are finding is that with all of the information that we have available, there is a lack of information.

When it comes to corrections or health care or other areas, part of the underground economy, part of the difficulty in acquiring information makes it very difficult to get actual figures.

Another chart illustrates the problems that we're having across the country. (indicating) New Jersey now is in the category of those six states with the largest illegal populations. You see that the problems that we're having in California, Texas, Florida and, of course, we're all aware of the different types of lawsuits that are now being initiated.

When we look at a comparison of New Jersey and Florida, we talk in terms of a cost in Florida, for example, according to the Chiles Report, of \$884 million. We look at the population of New Jersey, approximately one-half that amount, and yet, at the same time, our estimates show about \$200 million to \$300 million. If we took one half of Florida, which is roughly the difference here, we would have a problem of \$442 million in terms of costs that are being expended. At a time when we are having difficulty providing services to New Jerseyans, this properly is an area of inquiry. At a time when

we are talking about national health care, we obviously should be looking at a number of areas, including immigration reform.

Now, as I've indicated, information that we have is not reliable information -- estimates, at best, from different agencies. Yet, at the same time, it's not unusual for us to be talking to various people, and someone will indicate that it's not unusual for someone to get illegal documentation for \$40 or \$60 to be able to process benefits.

Hopefully, today we will be in a position to gather additional facts and provide them to the Attorney General. Perhaps what we will ultimately have is New Jersey joining in with the lawsuits that other states are contemplating.

Now, in terms of the numbers that we've had, I've indicated the State Department of Labor estimates of illegal immigrants numbering between 125,000 and 400,000. These are the sort of numbers that concern us. We need to better understand the size of the illegal alien population. The attractiveness of the State is one of the other factors, in terms of illegal aliens -- the access to jobs and governmental benefits.

New Jersey, as I indicated, has joined the ranks of other states such as New York, California, Florida, Texas, Arizona, and Illinois in calling on the Federal government to help pay for services to this sector of the population. At the Federal level, there has also been an array of proposals introduced in the Congress to exert more control over this rising problem.

These initiatives cover a broad gamut of areas, such as requiring Federal reimbursement to the states and localities for the cost of the criminal alien's incarceration, to eliminating immigrants who are noncitizens from gaining benefits from 61 Federal programs relating to public health, food, nutrition, Social Security increases, homeless and housing assistance, and Aid to Families with Dependent Children.

Another Federal proposal would establish a national counterfeit-resistant identification card that would be used to verify employment or Federal program eligibility.

We will be hearing from academia, the National Conference of State Legislatures, the State Departments of Corrections, Education, and Human Services, and from the New Jersey AFL-CIO, and the New Jersey Hospital Association, as well as the Federal Immigration and Naturalization Service.

The Committee looks forward to hearing testimony today so that we can better understand the impact of this issue and its effect on the taxpayers of our State.

At this time the Chair would entertain comments from the various members.

Assemblywoman Haines?

ASSEMBLYWOMAN HAINES: Thank you, Mr. Chairman. I'd just like to thank you for having this hearing. I think it is very important to hear testimony from the people as to what effect this is having on the State, because our main concern is for the people that reside in the State of New Jersey who are here legally. There is a tremendous cost that is being put on to the backs of the taxpayers. That is something that we have to look at and we have to change and correct.

It's nice to know that a lot of people want to come to the United States, especially in the State of New Jersey, but we want them to be here legally and to give their fair share that everyone else has to and not take it from off the backs of the taxpayers.

ASSEMBLYMAN ROMA: Thank you.

Assemblyman Garrett?

ASSEMBLYMAN GARRETT: No comment, thank you.

ASSEMBLYMAN ROMA: Assemblyman Mikulak?

ASSEMBLYMAN MIKULAK: Yes, Mr. Chairman, I want to thank you for having this hearing. As you pointed out, the undocumented population ranges from an estimated 70,000 done by

the U.S. Census to 125,000 by INS. So if we don't even know the population, if there's such a wide disparity by Federal agencies of the illegal population, it's hard to determine what impact it will have on social services, jobs, and all the other things. That's what this Committee is beginning to find out today to start the State in the right direction.

ASSEMBLYMAN ROMA: Thank you.

As we can all appreciate, now that we're going through the budgetary process here in the State of New Jersey, we're always looking for the best ways to allocate moneys to the various programs. This becomes an important area to review. I've learned that we really have not had a comprehensive review. Certain departments seem to have some of the information, but we've never before had an opportunity to put together all of these details.

At a time when we're having the difficulty of the budgetary process and trying to fund various programs, it is important to be able to focus on this particular area. Admittedly, this is not the only problem that we face, and I don't want to give the impression that this is a panacea. But at the same time, if we are spending \$300 million or \$400 million for various programs, then there is a need to look at these areas to determine if legislative action is necessary, both on the Federal level and at the State level.

We'll start this morning's hearing with testimony from Dr. Tom Espenshade, Professor of Sociology, Princeton University, Office of Population Research.

Good morning.

T H O M A S J. E S P E N S H A D E, Ph.D.: Good morning, Mr. Chairman, Committee members: My name is Thomas Espenshade. I'm an economist at Princeton University affiliated with the University's Office of Population Research. For the past eight to ten years, my principle research activities have been in the area of immigration to the

United States. Before coming to Princeton University, I was involved in a major study of the impact of Mexican immigration to Southern California. At the present time, I'm directing a project at the Office of Population Research focusing on the impacts of immigration to the State of New Jersey.

In my remarks this morning, I would like to address two issues, one has already been touched upon to some extent. The first issue has to do with the numbers: What can we say about the number of undocumented or unauthorized immigrants in the State of New Jersey at the present time? Then I'd like to spend most of my time talking about the economic impacts of immigration, what we know about it based on studies from New Jersey, what we can say about it based on studies from other parts of the country.

Let me address the first issue, the numbers of undocumented immigrants: The first point I'd like to make is that when many people talk about illegal immigration to the United States, what they have in mind is a process by which people come across the border without inspection, usually between -- usually across land borders between ports of entry. We often have in mind the situation at the southern border with Mexico, where undocumented migrants come across the border repeatedly and are apprehended by the Immigration and Naturalization Service. These are people who, when they first come to the United States, don't have proper authorization.

But there's another important component that gives rise to the number of illegal immigrants in New Jersey and in the United States as a whole, and that's the group of people who come here quite legally, initially, on proper visas issued by the Immigration and Naturalization Service. Then, at some point in their stay, they violate the terms of that temporary visa, either by working when they're not authorized to or, typically, by staying past the authorized term of that visa. If they overstay the stipulated time, then they fall into the

undocumented or illegal alien population, although they were quite legal when they came initially. So they are these two important components of the illegal alien population.

Now, we've already heard numbers about the size of the undocumented immigrant population in New Jersey. I would just like to reiterate the points that have been made by Chairman Roma. There are two different sets of estimates of the numbers of undocumented immigrants in this State prepared by Federal agencies. We have a diagram at the head of the table concerning the numbers of undocumented immigrants estimates prepared by the U.S. Bureau of the Census pertaining to estimates as of April 1993.

Those estimates, as has been pointed out, show that the estimate for New Jersey is about 70,000 undocumented immigrants in 1993, out of a U.S. total of about 4 million. So New Jersey's share, according to these estimates, would be about one-and-three-quarters percent of the total U.S. resident undocumented stock of persons. New Jersey would rank sixth in that listing.

Another source of estimates of the number of undocumented immigrants in New Jersey comes from the Immigration and Naturalization Service. Those estimates, prepared in October of 1992, show an estimate of the number of undocumented immigrants in the U.S., as a whole, of about 3.2 million. The New Jersey component of that is about 125,000. So New Jersey's share would roughly be about 4 percent of that total. Again, according to the Immigration and Naturalization Service numbers, New Jersey would rank sixth in a list of states in terms of the numbers of undocumented immigrants. The INS data also gives some information about where undocumented immigrants come from.

If we look at these figures for the U.S. as a whole, the country that provides the largest source of undocumented migrants to the United States is Mexico, followed by El

Salvador and Guatemala. Mexico provides about 30 percent of all undocumented immigrants to the United States.

The second issue that I would like to address, having touched on some of these numbers, has to do with the economic impacts of immigration to the United States and to New Jersey, and in particular, the economic impact of undocumented or unauthorized immigration.

Let me say at the beginning that one of the reasons that we have such great uncertainty about even the numbers of undocumented migrants is that there isn't a Federal census or survey data source that I know of, where a person's legal status is recorded. We don't ask people whether they are legal or illegal migrants in the census or in any survey. So a lot of the research that's been done on this topic is somewhat inferential.

The first of the economic impact topics that I want to address is the one that has already been alluded to by Chairman Roma that has to do with the fiscal impact of immigrants. What do they pay in taxes? What do they use in services?

About a year ago, I was involved in a project to assess what we knew at the present time about the fiscal impacts of immigrants to the United States, drawing upon studies from different local areas, from different states, and estimates provided at the Federal level. Basically, what the existing literature showed about a year ago was that if you look at the fiscal impact of immigrants at the Federal level, they tend to be a benefit to the Feds.

Immigrants tend to pay more in taxes to the Federal government than they receive in services. At the State level, it seems that the fiscal impacts of immigrants are basically a wash; the taxes paid are roughly comparable to services expended and that the level of government that bears the biggest brunt of immigration to the United States is the local level, where immigrants, typically, use more in services than they pay for in taxes.

These are studies based on -- largely on other states and the United States as a whole. Recently there has been some evidence provided on the fiscal impacts of immigrants and, in particular, undocumented immigrants to the State of New Jersey. I was struck about a month ago by this headline from The Trentonian that illegal immigrants are using \$100 million worth of services in the State of New Jersey.

Since I'm involved in a study of the impacts of immigrants to New Jersey, I wanted to track down the source of these numbers, I found that they were provided by a group called Migration Demographics, in Kentucky -- a fellow named David Simcox, who has worked with another economist, Donald Huddle, whose name and numbers have been receiving a fair amount of attention at the national level.

I haven't had an opportunity to review, in detail, the methodology that lies behind these numbers. I was sent some additional information by David Simcox, but there wasn't very much of a methodological discussion. But it's important, I think, to point out that as far as these estimates that were reported here, they are based on the higher set of numbers of the number of undocumented immigrants in the State of New Jersey. They assume 125,000 instead of 70,000 or some lower number.

The more important point, I think, is that it is true that undocumented immigrants are using State supported, publicly supported services. But the other important point to keep in mind is that undocumented migrants are also paying taxes. What, I think, is important to take into consideration is what the balance is between these two. In other words, to look at the net fiscal impact of immigration of undocumented migrants and not to focus exclusively on service usage.

As part of this project that I'm involved in, looking at the impact of immigration on the State of New Jersey, we have been using Census data to provide estimates of the fiscal

impacts of immigrants on the State of New Jersey, at the State level and also at the local level. I don't want to do more than just to give you, sort of, a highlight of what we have found so far, based, I should emphasize, on results of the 1980 Census. We are in the process of repeating the analysis for the 1990 Census. These numbers are somewhat dated, but I think they give a flavor of what we found.

In 1980, all New Jersey households combined; that is, native-headed households plus immigrant-headed households, imposed a net fiscal burden on State government of more than \$2.1 billion. When I say a net fiscal burden, I mean that service usage outweighed taxes paid by about \$2.1 billion and a net burden on the aggregate of all the local governments totalling nearly \$700 million.

Both native- and immigrant-headed households received government benefits worth more than they paid in taxes. The typical immigrant-headed household imposed an average fiscal burden of about \$350 on local governments throughout New Jersey, versus roughly \$225 for each native-headed household. So there was a little bit of a difference between immigrant- and native-headed households as far as fiscal impacts at the local level is concerned.

At the State level, however, the net fiscal impacts of immigrants and natives were similar, an average annual deficit of about \$850 for both immigrants and native households. It turns out that there are actually larger disparities among the foreign-born population than there are between immigrants and the aggregate in the natives in the aggregate.

Let me turn, finally, to what we know about job competition, the other important economic aspect of immigration on the State of New Jersey. The question here is, what evidence can we find that immigrants, in general, or undocumented immigrants, in particular, are taking jobs away

from native workers, or if not taking jobs away from native workers, are at least lowering the wages paid to native workers?

There has been a fair amount of research by economists on the labor market impact of immigrants. What that research tends to show is that immigrants, by and large, don't have much of a positive or negative impact on the wages or employment opportunities of native workers. If there is any group in the labor market that is adversely affected by the influx of immigrants to the United States, it's previous waves of migrants themselves. But there doesn't seem to be a lot of evidence of job competition between the immigrant population and the native population.

There's only one study that I could find that dealt with the labor market impacts of undocumented or illegal immigrants, and that was a study that was conducted based on the 1980 Census. It focused on the labor market impact of undocumented Mexican migrants in five southwestern states of the United States.

What that research tended to show is that, if anything, undocumented migrants have a slight positive effect on the employment opportunities and earnings of native workers. It's the legal immigrants who have a slight negative effect on the earnings and employment opportunities of native workers. The rationale, the explanation seems to be that, in general, undocumented migrants are taking jobs that natives don't want, whereas there's more evidence of competition between the legal migrants and the native workforce.

There is one other piece of evidence that relates to the situation in New Jersey that comes from a study that I'm involved in now. I was interested in looking, particularly, at whether the concentration of immigrants in New Jersey's local area labor markets had an adverse impact on the earnings of

native born blacks, because many people feel that if there's any group in the labor market that's going to be hurt by immigrants, it's African-Americans.

Based on data from the 1980 Census, I couldn't find any evidence whatsoever of an effect, positive or negative, from the concentration of immigrants in local area labor markets on the annual earnings or the weekly wages of native born blacks in this State. That doesn't mean that there might not be other groups that are affected one way or the other; it doesn't necessarily mean that with data from 1990 we wouldn't detect an impact, but based on the evidence so far, in New Jersey, I haven't been able to detect an effect of the concentration of immigrants -- not undocumented immigrants but immigrants, in general. It doesn't seem to be an impact of the concentration of immigrants on the earnings of native born blacks.

That concludes my remarks for right now. Thank you very much, Mr. Chairman.

ASSEMBLYMAN ROMA: Thank you. Just a couple of questions, if I may?

DR. ESPENSHADE: Sure.

ASSEMBLYMAN ROMA: You know, when you're talking about the enormity of the problem, and the information that we do have available, it seems to me that there is much information that we need to acquire, yet, from what I'm hearing, we don't have the ability to be able to cull that additional information. What might you suggest, in terms of our being able to coordinate that data so that we have a better picture?

DR. ESPENSHADE: Well, I think one thing that is possible is some of the issues that the State of New Jersey is now grappling with, have been tackled by other states prior to this point. There has been a tremendous amount of work in California on the fiscal impact of immigrants. I was involved

in providing some advice to the people in Florida on how to conduct their study on the fiscal impact of immigrants to the State of Florida.

I think that even though the situation in New Jersey may be, to some extent, different from the situation in other states, it is possible to learn additional things about what's going on here by reviewing, in some systematic fashion, what other states have found on the issue of the fiscal impact of immigrants, taking into account services used and taxes paid, and on the other issue of the labor market impacts of immigrants.

ASSEMBLYMAN ROMA: Well, let me give you something else that is being discussed, maybe in the context of welfare fraud or welfare entitlements. One of the areas has been with fingerprinting, and we're looking at a proposal in the Legislature that would provide for photo imaging. We hear daily of reports where people in New York and New Jersey are applying for the same benefits under different Social Security numbers. If there's going to be any tracking of the information, we need a better way of coordinating the data. Is this something that you have some experience with or have reviewed or could comment upon?

DR. ESPENSHADE: No, no, and no. (laughter) No, I haven't had-- I'm not familiar with the technology.

ASSEMBLYMAN ROMA: You admit that with the information that's out there, with underground economies-- We talk in terms of figures that-- I think you indicated before that at the State level, there might be a wash.

But I'm looking at some of the numbers from Florida, and just very quickly: the Department of Education, State and local, \$180 million; Health Care Administration, \$4.1 million; Department of Health and Rehabilitative Services, \$9.3 million; Department of Corrections, \$15.3 million; so it would seem to me that one of the areas that we might be looking at might be

deportation, in terms of criminals in the jails. Yet, at the same time, we know the impact that it has here in New Jersey, with the cost of keeping a criminal in a State facility: judicial system, state courts, \$10 million; law enforcement, \$2.3 million; public infrastructure, \$40.4 million. Between the state and local expenditures in Florida -- this apparently is the report that came out of the Governor's Office -- the total annual burden on Florida taxpayers amounts to \$884 million.

So we need to be doing something on a coordinated basis among all of the states and, in particular, now that we have the distinction of falling into this category of the sixth highest, we need to better review that information.

DR. ESPENSHADE: Let me just clarify something that I said earlier when I was talking about the evidence that existed a year or two ago showing that the net fiscal impact of the immigrants on State governments was more or less a wash. What I meant by that was, it seemed as if the services utilized by immigrants were roughly comparable to the taxes they were paying.

Now it may be that studies that have been done since then -- there are two or three in California, there's this one in Florida, there's one by the Governor's office in Texas-- This new evidence may alter that earlier conclusion. But the conclusion about immigration having a neutral effect took into account not only the services that were being utilized by the immigrants -- the services that you just itemized -- but it also took into account the estimates of the taxes being paid, and it was an attempt to weigh those two together.

The other thing I might just comment on, because you mentioned it, has to do with an article that was in The New York Times just on Saturday, about the prison population in Florida.

The State of Florida has apparently reached some agreement with the Immigration and Naturalization Service Authority which would allow Florida's prison authorities to deport the illegal alien population prior to the completion of those sentences. Authorities in Florida feel that because it's costing them \$60 million to house the illegal alien population in prisons, that would result in significant savings.

ASSEMBLYMAN ROMA: We thank you. Questions from the Committee?

Assemblyman Mikulak?

ASSEMBLYMAN MIKULAK: Doctor, how do you attribute the big difference in the numbers between the Census and INS, 70,000 for this U.S. Census in New Jersey to 125,000 for INS?

DR. ESPENSHADE: I think that trying to estimate the number of undocumented immigrants at any particular point is a difficult methodological task, because, as I mentioned earlier, we don't have any record keeping system that asks people what their legal status is. So these are estimates that are put together through indirect means of one sort or another.

It may seem that this range of 70,000 to 125,000 is pretty broad, but there have been times in the United States when there have been estimates that the number of undocumented immigrants in the country, as a whole, ranged from 2 million or 3 million at one end, to 20 million at the other. So this is, in comparative terms, a smaller range.

I've spoken with the people at the Census Bureau who put these estimates together -- the 70,000 estimate -- and it's interesting to get their reaction. They are not at all inclined to treat 70,000 as a very precise number. In fact, they're even reluctant to have these numbers referred to as estimates; they prefer to have them referred to as indicators. The more I talked to these people, the more they seemed to back away from this table of numbers they had assembled.

So, if I had to pick between the Immigration and Naturalization Service numbers and those that we have here on the chart from the Census Bureau, I might tend to give more weight to the INS numbers than to those of the Census Bureau.

ASSEMBLYMAN MIKULAK: You said that some illegal immigrants have been found to have a positive impact on the job market. Could you explain that?

DR. ESPENSHADE: The evidence suggests that if there is a positive impact, it's very small. I tried to explain it in terms of immigrants taking jobs that native workers would prefer not to take. The rationale here is that there are different groups in the labor market that are complements in production. In other words, the more you have of one, the more you need of another. The more prisoners you have, the more wardens you need and so forth. So the larger the number of undocumented immigrants working in the labor market, the larger the number of complementary workers you would need. That would increase, slightly perhaps, the demand for native workers in allied industries and occupations.

ASSEMBLYMAN MIKULAK: So it's more like a neutral impact, with a slight possible benefit.

DR. ESPENSHADE: I think that the conservative way to put it is that there isn't strong evidence that undocumented immigrants have a negative impact on the earnings or employment opportunities of native workers. It's either neutral or slightly positive.

ASSEMBLYMAN MIKULAK: Thank you.

ASSEMBLYMAN ROMA: Further questions? (no response)

Thank you, Doctor.

We're going to call Mr. William Tillman, who is the Deputy Director of Immigration and Naturalization Services.

Good morning, Mr. Tillman.

W I L L I A M R. T I L L M A N: Good morning.

ASSEMBLYMAN ROMA: Thank you for being with us. Much of what we've heard and what we are learning deals directly with INS, and perhaps your testimony will give us further information. We expect to have two to three hearings across the State, as we coordinate this information. We understand that at the present time, there are a number of Federal initiatives that are being undertaken to not only put together the information that is necessary, but also the deterrent aspect, in terms of making sure that people who come to this country come to the country legally.

There is somewhat of an inconsistency, if you can appreciate the fact that one must need certain documentation to get into the country, yet the minute that someone is here illegally, they are entitled to a vast array of services and benefits. I know, in your testimony, you will cover some of those areas.

MR. TILLMAN: If not today, perhaps at some future session. I am very pleased to have an opportunity to appear before you this morning. I thank you for the invitation.

To begin, let me describe the overall structure of the immigration service and try to give you some idea of where my office fits within that structure. The control of the service is centered in Washington, D.C. All policy procedures are developed at our office headquarters there.

INS divides the United States into three regions. The Eastern Region covers the Atlantic Coast, from the Atlantic Coast to the Mississippi River. What we call the Central Region covers the central part of the country, from the Canadian border to the Mexican border, from the Mississippi River over to the Rocky Mountains. The Western Region covers the West Coast. Within each region, each of those three regions, we have district offices.

Each district covers a specific geographical area. My district, which is called the Newark district, covers the State

of New Jersey. Within that geographical area, I'm responsible for a number of activities. They fall into, basically, two types: enforcement activities, and the granting of immigration benefits.

We inspect all individuals arriving from a foreign country by airplane or ship, before allowing them to come into the United States. We grant benefits, such as lawful permanent residence, citizenship, and employment authorization. Our enforcement efforts include: the targeting of employers who hire aliens that are in the United States illegally; efforts to apprehend and deport aliens that are here illegally; and efforts to seek out and prosecute the rings that are involved in criminal violations of the immigration laws.

As you know from previous testimony, New Jersey is a magnet for immigration, both legal and illegal. It's the State with the sixth largest population among the states. It's not surprising that New Jersey also ranks fifth or sixth in respect to most categories of immigration. We're fifth in terms of the numbers of arriving immigrants each year. In Fiscal '92, we had a little over 48,000 immigrants arriving in the State of New Jersey. We're fifth in terms of the foreign-born population of the State -- foreign-born persons within the State.

The 1990 census had New Jersey at about 966,000 foreign-born persons. We're about sixth in terms of the number of illegal aliens in the population. Immigration and Naturalization Service's current estimate of the illegal alien population is 128,000.

Let me give you some idea of the workload that the New Jersey Office of INS handles in a typical year: We inspect about 1.5 million arriving passengers at Newark International Airport. We expect that that figure will probably rise by 1995 to about three million arriving passengers, with the expansion of the International Arrivals Terminal at Newark

International. We grant citizenship through the naturalization process to about 16,000 to 17,000 aliens, each year. We grant about 12,000 aliens permanent residence. We give green cards to about 12,000 aliens each year. We grant employment authorization to another 13,000 eligible aliens.

On the enforcement side, in fiscal '93, in New Jersey in the State Prison System -- various prison systems throughout the State -- we interviewed a little over 1500 incarcerated aliens. We initiated deportation proceedings against a little over 1200 of those incarcerated aliens. In that same year, we deported or removed about 200 of the criminal aliens, who were in the prison system.

Our employer sanctions operation, resulted in fines against 57 employers in fiscal '93. The total amount of the fines was a little over a half a million dollars. In addition to that, we issued 47 criminal arrest warrants; conducted 19 searches pursuant to warrants; succeeded in convicting 12 perpetrators of criminal violations of immigration laws; and seized about 40 vehicles in enforcement operations of one sort or another.

Our priorities, in terms of enforcement are, first of all, the location and deportation of criminal aliens -- aliens who have been convicted of a criminal offense.

Secondly, the monitoring and fining, if appropriate, of employers who violate the employer sanctions laws.

Finally, the prosecution of rings, fraud rings involved in activities that are designed to circumvent immigration laws against fraudulent documents and the smuggling of illegal aliens.

I am very proud of our working relationship with the State of New Jersey. For at least the last five years, we have worked very closely with the New Jersey Department of Corrections. We have agents assigned to all penal institutions within the State. We interview foreign-born inmates to

determine if they should be deported. We receive, on a monthly basis, computer printouts of all inmates within the State prison system. This enhances our efficiency and enables us to interview only those individuals whom we have previously missed or who have been recently incarcerated. We also work very closely with the Department of Probation to determine if any aliens who are on probation, or are about to be released on probation, may be subject to deportation.

In addition, we work very closely with the New Jersey Department of Labor in relation to employer sanctioned activities. We accompany State investigators and Federal Department of Labor investigators on joint operations of employers suspected of violating both State and Federal laws.

As recently as last Friday, we held a training session for State investigators to help them improve their ability to identify fraudulent immigration documents. Fraudulent document training has also been given to almost every county welfare department in the State. As we speak, the Union County Welfare Department is receiving this sort of training. It's designed to help them determine the eligibility of their applicants for welfare benefits.

I hope that this overview has been helpful. If you have any questions, I'll be pleased to try and answer them at this point.

ASSEMBLYMAN ROMA: I have a few questions. During the brief period of time that I was going through immigration law and getting some understanding, there are a number of preferences in terms of how one processes the necessary documentation to come into this country.

We have a first preference where there is a relationship to an existing relative, work preferences, trade preferences, and things of that nature. Then we have a number of areas that are deportation offenses, in terms of drug

activity, things of that nature. It would seem to me that anyone who is here illegally to begin with would be deportable under Federal law. I mean, is that not the case?

MR. TILLMAN: It's true that if they are in the United States illegally, they are deportable. But for fairly obvious reasons, I think, in view of the size of the illegal alien population in the United States, INS prioritizes its enforcement efforts -- the enforcement efforts that it directs against the illegal alien population.

ASSEMBLYMAN ROMA: I guess the question would be: There are a number of people out there. We've heard about how some of the illegal aliens are paying taxes. I'm sure there's a vast number of people who are not paying taxes, and we're losing that revenue. It shouldn't be a question of the revenue, but, at the same time, we seem to have two different systems in effect. We have people who are being asked to comply with the law, our citizens, and, at the same time, people who are violating the laws.

From the standpoint of the deportation aspect, if I understood you correctly, we have approximately 1500 people who are illegal aliens within our correctional system?

MR. TILLMAN: We interviewed approximately 1500 last year.

ASSEMBLYMAN ROMA: Then we know for a fact that they are illegal aliens and that there are 1500 of them, and yet, we're only deporting 200 of the 1500?

MR. TILLMAN: I think that it may be that the figures are a little misleading there. These are people who are serving their sentences in the State prison system. We interviewed 1500, and approximately 1200 turned out to be deportable. The others were probably people who had been naturalized, or maybe were misidentified as aliens in the first place. Of the 1200 or so that we identified and then initiated proceedings to deport, about 200 actually got deported, because

about 200 of them finished their sentences in the course of that year. Now the remainder of the 1200 that we identified and processed will eventually be deported, in future years, as they finish their sentences.

ASSEMBLYMAN ROMA: So we have to wait until they finish their sentences before we can deport them? Is that what you're saying?

MR. TILLMAN: In most cases, yes. Now, Professor Espenshade mentioned a system -- a newly devised system -- in Florida. I'm not aware of it myself. I know New York State had something of that nature a few years back, where sentences were reduced -- criminal sentences being served by the prisoner for his criminal offense were reduced -- in order to allow him to accept deportation and go back to his home country. That's a system that's been tried in several states. I'm not really aware of the results of the trials. But it is a -- it's something that has been done.

ASSEMBLYMAN ROMA: One of the areas that we're going to be looking into will be to refine those statistics, in terms of those people in our jail system who are illegal aliens. At a time when we have Federal judges waiting to issue orders because of overcrowding, it seems to me that we should have a better way of handling the people that are in our jail system. We're looking at having boot camps, having violent/nonviolent offenders, but if we have a classification of the jail population that is illegal to begin with, I cannot understand why we allow them to stay within our jail system and have the taxpayers subsidize their cost.

This is an area perhaps with Corrections, and Law and Public Safety, that we can look at, and perhaps we can step up the deportation proceedings.

MR. TILLMAN: I think another problem that we're dealing with here is information -- the accuracy of the information we have regarding who is in the prison system. INS

-- I guess it's not specifically INS -- but the Department of Justice and the Office of Management and Budget have recently commissioned a study that will focus on that type of information. It's going to be conducted by the Urban Institute, under contract. The Urban Institute is a nonprofit, nonpartisan, resource organization in Washington, D.C. It will focus on the impact of illegal immigration on education, welfare, and the penal system. I think that the seven largest states -- New Jersey is one of them-- The New Jersey State prison officials are presently working with representatives of the Urban Institute in conducting that study.

ASSEMBLYMAN ROMA: I know you can appreciate the sentiment, at a time when we are looking for ways to be able to fund the various programs, being at a State level or at the Federal level. I'm wondering what additional moneys might be forthcoming. Yet, at the same time, there is a potential area where we might save money by changing Federal or State law.

I understand there are at least three different bills that are being considered right now. There is a welfare reform bill; then, I believe there is a Senate bill that prohibits unlawful aliens from accessing AFDC, Medicaid, food stamps, SSI, and Unemployment Insurance. It seems a little inconsistent that someone who is illegally in the country is then eligible for a variety of benefits, including workmen's compensation. I mean, either a person is here legally or not here legally. I guess what might be appropriate--

I know that you are working with other agencies, but we're getting so many inconsistent statements, in terms of what information is out there. We want to be in a position to help you acquire that data. So perhaps you might take this back with a view towards recommendations. Where both at the State and Federal level, that we could work with you to better identify these areas.

Questions from the Committee?

ASSEMBLYMAN GARRETT: Yes. I just have two. This is all new to me, so-- You mention also, in Florida, that they have the question regarding the immigrants and the jail system and trying to address that issue. What happens if you were to deport an immigrant that was in the Florida jail system before his jail time is up? If you deport him to his home country, what happens to that individual?

MR. TILLMAN: I'm not familiar with the system in Florida. I heard about it for the first time from Tom Espenshade. The New York system -- again I don't know the results of that trial -- it was an arrangement with the Mexican Government, which allowed the prisoner to serve out the remainder of his sentence in a Mexican jail.

Now, the pitfall of that approach, obviously, is you depend on that country of which the alien is a native, to punish him for the crime that he has committed in the United States. You don't really control that punishment. He might wind up back in the United States two weeks after he's been deported. You never know.

ASSEMBLYMAN GARRETT: The second question is: There was a program on TV about a year ago. I know they did a follow-up on it recently -- about the INS program -- about what goes on in New York State, as far as the immigrants coming here and claiming political asylum. I can't remember what program that was, but I'm sure you heard about it.

MR. TILLMAN: It was "60 Minutes."

ASSEMBLYMAN GARRETT: There you go. Are there recommendations coming out of your Department to address that situation?

MR. TILLMAN: We have recommendations. We have proposed regulations that will streamline the assignment process. Let me say, in respect to that, that's not obviously, a New York problem. It's a New Jersey problem, as well. We

don't get the same volume of applicants at Newark International Airport that we get at New York, but it's basically the same system.

There are two ways of attacking that problem: One is to streamline the asylum process, so that we can get those asylum claims disposed of quickly; Not to grant employment to the asylum applicants while their asylum interviews are being granted, so therefore, to eliminate that as a lure -- as one of the lures that brings them here.

The other way to approach the problem is to make sure we have the space to incarcerate -- the detention space to incarcerate the asylum applicants while they're pursuing their applications for asylum. That also is a disincentive to come here and make an asylum application. We are about to get a detention facility, a 300-bed contract detention facility, in Elizabeth, New Jersey. That will increase by four the space that we've got for that purpose, for the detention of applicants for admission who are not eligible for admission, including asylum applicants.

ASSEMBLYMAN ROMA: Thank you.

Assemblywoman Haines.

ASSEMBLYWOMAN HAINES: I'm not sure you probably could answer this-- Do they have rights by the appeal process?

MR. TILLMAN: Yes.

ASSEMBLYWOMAN HAINES: Okay, I just--

MR. TILLMAN: It's an extensive-- Procedural rights for aliens vary from case to case, depending on whether they are already in the United States or whether they are applying for admission.

ASSEMBLYWOMAN HAINES: Right.

MR. TILLMAN: But they are extensive.

ASSEMBLYWOMAN HAINES: Well, I'm talking about the ones that have been found -- that are here that are found that they should be deported. Do they have some type of process?

MR. TILLMAN: Yes.

ASSEMBLYWOMAN HAINES: They do?

MR. TILLMAN: They have the same rights to due process that most --

ASSEMBLYWOMAN HAINES: Why?

MR. TILLMAN: By law. There have recently been laws enacted which make it more difficult for a criminal alien to avoid incarceration, while he's in deportation proceedings. Some of the criminal grounds for deportation have been termed aggravated felonies. In the case of an aggrieved felon, INS is required to keep him in custody while we pursue the deportation.

ASSEMBLYWOMAN HAINES: So he would be housed in a different facility. He wouldn't be incarcerated in the State prison or county prison?

MR. TILLMAN: He would be housed at INS expense, unless he was still in prison when we initiated the proceedings. We try to conduct the proceedings while they are still serving their criminal sentence -- get them moved out of the way so that they are ready to be moved out of the country.

ASSEMBLYWOMAN HAINES: Do you know what the cost is for INS to house them, per person?

MR. TILLMAN: In this State? It ranges from \$80 to \$100 a night that we pay.

ASSEMBLYWOMAN HAINES: Do you know the average cost it would be to house them in a State or a county facility?

MR. TILLMAN: I don't know that figure. I can only tell you what we pay. We pay about \$80. We use county facilities.

ASSEMBLYWOMAN HAINES: How long does the process normally take for someone that's waiting to be deported, or their appeal? What is the average length of time that it would take, plus, that we're housing this individual?

MR. TILLMAN: It's really very difficult to answer that question. It varies enormously, depending largely on how much of a fight the alien wishes to put up -- how many of his rights he wishes to avail himself of. He can drag it out for an inordinate length of time if he wishes -- many months. Sometimes 18 months to two years.

ASSEMBLYMAN ROMA: Assemblyman Mikulak.

ASSEMBLYMAN MIKULAK: Thank you.

The professor testified that in the U.S. the three countries that contribute to illegal flow are Mexico, El Salvador, and Guatemala. What would the three top countries of origin be in New Jersey?

MR. TILLMAN: You're talking about illegal aliens?

ASSEMBLYMAN MIKULAK: Right.

MR. TILLMAN: I can't answer that question right off the top of my head. It's--

ASSEMBLYMAN MIKULAK: Could you estimate? Give us a ball park?

MR. TILLMAN: I would say this, New Jersey is different--

ASSEMBLYMAN MIKULAK: Right, absolutely.

MR. TILLMAN: --from the national picture, substantially different, in that we may still have-- Mexicans may comprise the largest numbers of illegals -- probably Dominicans, in New Jersey. Where the difference lies is in the percentages. Instead of having 50 percent Mexican and the other 50 percent a conglomeration of everything else, ours is basically very small percentages of each nationality, maybe 10 percent at the most -- 10 percent Dominican, 9 percent Salvadoran, etc. It's a vast variety.

ASSEMBLYMAN MIKULAK: We have Chinese and Eastern European now.

MR. TILLMAN: Indians have gone up in recent years, not so much in the illegal population as in the legal

immigration. We also have a lot of Western European countries here, Polish and Italian, both illegal and legal. That's uncommon among other states.

ASSEMBLYMAN MIKULAK: How many rings have you recovered that issue fraudulent documentation in the last, say, 10 years?

MR. TILLMAN: We've initiated-- We've got current arrest warrants on some 47 individuals. Probably, I really can't answer your question, in terms of the exact number of rings, but I would judge from that, maybe 20 to 25 rings. Normally we would have one or two arrests in connection with each case that we work.

ASSEMBLYMAN MIKULAK: Thank you.

ASSEMBLYMAN ROMA: One last question. As a result of this hearing coming up, I received a number of phone calls at my office, and some of the people who were complaining were a little reluctant to come forward for various reasons. But this whole idea of being able to procure illegal documentation for \$40, \$50, or \$60-- I'm sure that within the enforcement that you're working, with the U.S. Attorney's Office and various other agencies -- I guess, as a result of Assemblyman Mikulak's question -- maybe you can give us an idea of how you get involved and what type of penalties are available to deter the usage of the false documentation?

I'm talking about someone who called, who lives in a large garden complex. She overheard a conversation where it's common knowledge to go down and see this particular person to be able to pick up the illegal documentation for \$40 or \$60. You want a driver's license? You want a passport? They have other types of documentation; you can pick it up and access all types of benefits. If that is part of the problem that we have here, I'd like to know what type of enforcement activities we have to deter that sort of activity?

MR. TILLMAN: We dedicate about a third of our enforcement resources to fraud, which is what you are talking about. It's true that you can get a document that would appear to authorize employment or indicate permanent resident status for fairly small sums. The quality of the document is much inferior, though, to the ones that are available for much larger sums. That's one aspect that we might want to consider. In terms of our efforts to prosecute these people, they're so numerous, the activities so widespread, it has to be a pretty sizeable case before we can expect to get it prosecuted in the U.S. Attorney's Office.

However, we have had a lot of success here in New Jersey, working with local police and county prosecutors, to initiate criminal actions and criminal proceedings in local courts. We've found that they are often much more receptive than the Federal courts.

ASSEMBLYMAN ROMA: By analogy, if somebody was counterfeiting money, it would be of great concern. It seems to me that from another standpoint, it's a priority of law enforcement in terms of shifting resources to be able to combat another problem. But if it's widespread and perceived that the penalties are not there, or the enforcement is not there, we can only expect more of the same.

MR. TILLMAN: Another way that INS is approaching that problem is to enhance the security features: well, first of all, to limit the number of documents that we issue that authorize employment, to try to reduce the number of documents on the street put there by us that would indicate some legal status; also to improve the security features of the documents that we issue, so that we've got a little better control over the process.

ASSEMBLYMAN ROMA: Thank you.

I believe Assemblyman Petrillo has some questions.

ASSEMBLYMAN PETRILLO: I have a question based on some earlier testimony. Can an illegal alien in New Jersey qualify for State temporary disability benefits or worker's compensation benefits?

MR. TILLMAN: Assemblyman, I'm not in a position to answer that question. You would need to talk to the people who are administering the benefit program.

ASSEMBLYMAN ROMA: Assemblyman, I believe we have a representative from the Department of Labor. There was some preliminary information that we received. It's my understanding that those disability benefits or those workmen's compensation benefits are, in fact, paid to illegal aliens. That was one of the areas that we were going to look into, but in terms of coordinating the information and identifying the areas, that is an excellent question. We certainly want to hear from the Department of Labor.

ASSEMBLYMAN PETRILLO: One other question. The Professor who testified before you, as I understand his testimony, said that the overall effect of illegal aliens on the New Jersey economy is either neutral or slightly positive. Do you either agree, disagree, or have any opinion on that?

MR. TILLMAN: That's a subject of much discussion. The spectrum of arguments on that issue is just incredible. It goes from one side arguing basically in favor of open immigration; that the economy in the United States will benefit enormously from immigration in large, vast numbers -- uncontrolled immigration essentially. To the other extreme: lock the doors, keep them all out. We'll all be better off if we do. So that it's very difficult for someone from INS to comment on that. We don't have a position, an official position, on that.

ASSEMBLYMAN PETRILLO: Thank you.

ASSEMBLYMAN ROMA: Further questions? (no response)

Thank you, Mr. Tillman. Thank you for being with us.

Our next speaker, Mr. Jon Dunlap, Policy Associate from the National Conference of State Legislatures. We're very happy to have you with us this morning.

As many of you are aware, in terms of the policies that are initiated among the different states, we've worked with the National Conference of State Legislatures to build a consensus, or to put together legislation. NCSL has been extremely helpful. We thank you for your comment, and we also thank you for being here.

J O N A T H A N C. D U N L A P: Mr. Chairman and members of the Committee, I'd like to thank you for the opportunity to come before you and testify on the issue of undocumented immigration or illegal immigration, and its impact on state governments, particularly the State of New Jersey.

Again, my name is Jon Dunlap, and I represent the National Conference of State Legislatures today. I'm also a member of the NCSL's Immigrant Policy Project. This is the one particular area that I work on for NCSL.

I'd like to address four main issues in my remarks this morning. I'll abbreviate them, so we can get to some of the others as well, and then take your questions.

The first issue I'd like to talk to you about is just to give you an introduction to the Immigrant Policy Project -- some of the things that we do. We are a resource that's available to you and your Committee, as you look further into this particular issue.

Second: I'd just like to briefly address the complex issue of immigrant law and the different immigrant categories.

Third: talk about some of the specific impacts of illegal immigration in other states, particularly California, Texas, and Florida, that have done some fairly in-depth analysis on the issue of these particular costs, as was alluded to in the earlier testimony.

For over a decade, NCSL has been very involved in issues related to immigration and its effect on state government. In 1990, NCSL helped to create what is called the State and Local Coalition on Immigration. It's a group of five member lobbying organizations, which have formed one group. It consists of NCSL, the National Governor's Association, the U.S. Conference of Mayors, the National Association of Counties, and the American Public Welfare Association. They have all joined together to lobby with a common voice on immigration matters as they affect or impact state and local government.

As part of this particular coalition, it received a grant from the Mellon Foundation in 1991, which sponsors the Immigrant Policy Project, which has a staff of two people; it includes myself and one other person. We are housed at NCSL, and we're employees of NCSL.

The Immigrant Policy Project is charged with researching immigrant policy issues related to the resettlement of newcomers, immigrants, refugees, etc, then to disseminate the information that we collect to Federal, state, and local officials. Our primary object then is to do research and provide education on these matters. We do not lobby as members of the Immigrant Policy Project, although with this particular coalition of the five organizations, that's their primary duty.

I would just like to talk briefly about what the project has been up to. We've recently completed five particular immigrant policy papers. The first of which I've made available to each of the Committee members today. It's a primer on immigration law and the Federal responsibilities. There are four others, and I'd be happy to make those available to the members of the Committee, if there's an interest.

ASSEMBLYMAN ROMA: If you would forward that information, we would thank you.

MR. DUNLAP: Certainly.

We've also held a series of regional meetings across the country, in settings just like this one, with state legislators and others who are interested in these particular issues. We have collected some information, which we have made available through the papers. Then we held a national conference in San Diego this past July, as a way of offering opportunities for interested parties to network and learn about the different pieces that we publish and so on.

In the next phase of the project, we'll be focusing primarily on welfare reform and job training reform, and how those particular issues will affect newcomer populations, such as legal immigrants, refugees, and so on.

Let me just quickly address something that we've become concerned about with regard to the complex nature of all the different categories of immigrants that are admitted for entry into the United States, particularly because there seems to be a lot of confusion within the media, a blurring of the distinctions between legal immigrants and undocumented or illegal immigrants. It's something that we feel needs to be very carefully delineated when you're talking about all the various costs, who is eligible for what, and so on.

If I could just turn to that quickly, there are really three sorts of immigration that I would like to break down into categories for you.

The first is what you would consider normal legal immigration. Approximately 700,000 individuals per year are allowed to legally immigrate into the United States. They are eligible for just about every Federal program and state program, welfare benefits and so on. They would come to reunite with family members, and the other reason would be to be employed by companies in the U.S. that are looking for exceptionally skilled foreign-born workers.

The second category is a humanitarian immigration. They are also lawfully afforded residency in the United

States. Examples of this category would be people like refugees: those seeking asylum, those paroled into the United States by the Attorney General, and others. What is significant about this category is that they are fleeing persecution from their home countries, and so we extend asylum to these particular individuals as a way of offering them safety and so on. These particular humanitarian immigrants are, for the most part, eligible for all Federal programs and benefits with the refugees, in particular, having their own Federal program which provides cash and medical assistance to help them meet the special needs that they have, because they are often victims of torture and so on, and need some extra assistance.

The third category is really the category that we are concerned about today, and that is the undocumented immigrants, illegal immigrants. As we have heard, INS figures estimate that about 300,000 undocumented individuals will come to stay permanently in the United States on an annual basis. The total numbers range between 3.5 million and 4 million undocumented individuals in the United States, and again, that's a figure that's debated. It always makes sense to talk about that in a range, as opposed to having just one particular number.

The interesting or the important thing, I think, to note about the undocumented population is that they qualify for very few Federal and state programs. You could probably list them on one hand if you needed to. Just to give you an idea, they would qualify for K through 12 public education. That's the mandate the Supreme Court has required states and localities to provide undocumented children with K through 12 public education.

Secondly, undocumented individuals are eligible to receive emergency medical assistance through the Medicaid program. They receive or they have eligibility for a number of

nutrition programs, such as the WIC program and school lunch and school breakfast, and would also be eligible for and would require, in some cases, corrections' costs. Those are sort of the main things that states should be concerned about in regard to the undocumented population. Those are the major costs. They are not qualified for programs such as AFDC, SSI, or some of the major welfare programs that are either Federally funded or a Federal/state program.

I would like to just talk briefly now about the three states that I have mentioned, and some of the reports that they have conducted over the last year to year and a half. Starting with California, they estimate that the undocumented population costs them approximately \$1.7 billion annually, just to provide the public education for undocumented children.

As far as emergency medical care, their estimates show that they spend approximately \$300 million for emergency Medicaid services to the undocumented immigrants. Again, that doesn't get at the whole cost for the Medicaid program, but the Federal government has given us some reimbursement. They provide the match for the Medicaid program, and then states would be responsible for the additional -- in California's case, \$300 million.

As far as corrections' services go, California estimates that it spends approximately \$300 million annually, to pay for the corrections' incarcerations costs and so on.

Turning to the Florida study that has been mentioned recently, I would like to just make one addition to some of the comments that have been passed on to you before. The \$884 million figure that we're talking about is an aggregate figure, which includes the cost of legal immigrants, as well as the undocumented. So you need to be very careful when you are separating the cost for the undocumented, because they did include some of the cost for legal immigrants.

ASSEMBLYMAN ROMA: Well, how much of that then, would be attributable to illegal, or are you getting into that?

MR. DUNLAP: Okay. Yes, I'll give it to you right now.

ASSEMBLYMAN ROMA: Thank you.

MR. DUNLAP: For public education, the State of Florida estimates that it spends about half a billion dollars -- about \$517 million dollars -- educating undocumented children.

For the emergency Medicaid program, it estimates that it pays about \$12 million.

For corrections, the Florida estimate is about \$26 million. Again, these are all estimates. They have used a methodology that won't give you a specific figure, but it gives you an idea at least, so it's a ballpark. So for those three programs, you begin to see that it's somewhat less, although very substantial.

ASSEMBLYMAN ROMA: We're pretty close to \$884 million.

MR. DUNLAP: I think about \$300 million, \$250 million short of that figure.

Let me turn to the State of Texas, which is the third state. I wanted to just briefly give you their cost estimates, also with the caveat that while California and Florida are looking at gross costs, they don't include the tax revenue that's provided by the undocumented, or in the Florida case, the undocumented and legal immigrant populations. The Texas analysis is a little bit unique because it attempted to get at a net cost or a net benefit. So it took into consideration the tax revenue that was provided, the other user fees and service fees, and so on that would be paid by the undocumented population.

Again, for public education, starting there, Texas estimates that the net cost for providing public education to the undocumented is about \$300 million. For the emergency Medicaid program Texas estimates a cost of \$16 million. Then

finally, for providing corrections' services and so on, Texas estimates a net cost of \$52 million. So, again, very significant amounts of cost for state government.

I'd like to mention another program. I had told you earlier that the undocumented are not eligible to receive Aid to Families with Dependent Children, or AFDC, but I would like you to know that once the undocumented cross the border, and they have children, those children are provided with citizenship of the United States, and, therefore, those children would qualify for AFDC. Now the check would go to the family or to the undocumented parents as the guardian of the particular child. That is another issue that you may want to consider as you're looking at the various programs.

Just briefly, I would like to talk about the state response to all of these costs and some of the directions that have been taken. Governor Chiles as has been mentioned, has come up with a fairly well-publicized response, threatening to sue the Federal government for the cost of the \$884 million -- again, including legal and undocumented immigrants. I should tell you also that has been tried before. California, some years ago, had attempted to bring suit against the Federal government to obtain some reimbursement, but was unsuccessful in doing that. I'm not quite sure of all the legal arguments and so on, but I do know that they have been unsuccessful in the past. Governor Chiles then did release this report which was outlining the specific nature of the over \$800 million in costs.

California Governor Wilson, for the FY 1994-'95 state budget, is requesting that the Federal government reimburse California for a total of \$2.3 billion, that was the cost estimate for California providing services to the undocumented, of the three programs that I had mentioned to you. In the California Legislature, there has been some legislation that was passed requiring applicants for state driver's licenses to show proof that they are lawful residents in the United States. The same is true with--

ASSEMBLYMAN ROMA: What type of proof?

MR. DUNLAP: I'm sorry?

ASSEMBLYMAN ROMA: What type of proof?

MR. DUNLAP: They could show a document such as a birth certificate. There are a number of different documents that would qualify them as being lawful residents, a green card, for example -- some other things. Again, that's not saying that fraudulent documents are not used as a way of getting around that. But that's an issue that needs to be addressed.

ASSEMBLYMAN ROMA: We don't mean to interrupt you, but we do have some questions as we're going through the information.

MR. DUNLAP: Sure.

ASSEMBLYMAN ROMA: Assemblyman Mikulak?

ASSEMBLYMAN MIKULAK: I think during the past legislative session, we revoked Motor Vehicles giving anyone a driver's license. We limited it to only U.S. citizens, legal aliens, because I think there was a period of time when Motor Vehicles in the past four years had just dropped the requirement. But we reinstated it, the past Legislature.

ASSEMBLYMAN ROMA: One of the areas where you can assist us, because you are looking at all of the states and from a policy standpoint, what we're very concerned about-- We talk about it here in New Jersey as State Mandate/State Pay, but we will call this Federal Mandate/Federal Pay. We're tired of paying for unfunded programs. The bottom line is that we have to balance the budget each year; the Federal government doesn't. That, perhaps, is the reason why we still have to get terms like \$4 trillion, and we have to develop new letters in the alphabet. The bottom line is that people simply do not have the ability to pay any more taxes or any more expenses.

If someone comes into this country legally, God bless them -- you know, we welcome them. But if somebody is coming

in illegally and we're paying that cost, we're just getting to a point where we can't afford it anymore. Probably the only thing positive that has occurred as a result of this recession is the fact that there has been so much scrutiny, in terms of cost and people looking at all these line items. Now, perhaps, we have an environment where something can be done. It's long overdue. So, from a policy standpoint, you might be able to help us with a number of these initiatives.

MR. DUNLAP: I'd just like to, again, reemphasize that is precisely the reason that this coalition and the five organizations were formed, as a way of acting together with states and local governments to inform the Federal government that we just cannot afford the Federal mandates to provide all these services without some assistance.

That leads me sort of into the last point that I want to make, which was to highlight the series of discussions between the seven states and the Office of Management and Budget, with Director Leon Pinetta (phonetic spelling). The five states -- or six states, excuse me -- on the board behind you, are states that were included in that particular conversation, with the addition of Arizona to make the seventh state. So New Jersey is a part of these conversations with OMB and is presenting at one level or another some sort of cost estimates and the methodology, which they used to obtain these estimates.

I'm not privy to those particular conversations, but I think that you should know that they are going on, and that represents a significant departure for the Federal government. Because what this is leading to is some sort of reimbursement for the cost of undocumented immigration. It has been hinted in these discussions, I've learned, that at some point in Fiscal Year 1996, we might expect some actual Federal dollars to help us absorb some of the costs. There would be nothing in this particular budget.

The issue is, let's come up with a common methodology so that we're not comparing apples and oranges, with different states having different methods. That's precisely what the Urban Institute will be charged with doing, coming up with sort of one way of estimating your cost. We will all go back to our program administrators and come up with the costs, and hopefully, there will be some Federal money in 1996 for us.

So there are some other things that I could talk about, what's happening with Congress, as far as immigration reform and some other things. If you have specific questions, I'll be happy to take those.

ASSEMBLYMAN ROMA: One of the questions would be, what are some of the measures being used in other states to stem the flow of illegal aliens?

MR. DUNLAP: Well, it's NCSL's position--

ASSEMBLYMAN ROMA: From a legislative standpoint here in this State, we recognize that Federal law would preempt us from doing certain things in particular areas, but what can we do with the State Legislature, in terms of zeroing in on particular legislative remedies?

MR. DUNLAP: It's my own opinion, and the position of NCSL, that the most important thing is to continue to work on the Federal mandates issue; to be able to document the cost, to present this to the Federal government, and to show just what the significant level of impact. As far as coming up, crafting legislation or so on that might have an impact on reducing the flow of undocumented immigration -- if I'm understanding you correctly -- there is discussion that providing generous welfare benefits is or does serve as a magnet.

I have not seen any credible proof demonstrating that there is a correlation between those two particular ideas; that undocumented immigration happens because we offer generous welfare benefits, although it's a logical conclusion. So I have to caution you, though, I haven't seen anything that would

indicate that. As far as other legislation is concerned, I'm sort of at a loss. There really hasn't been much that has been done by state government that I can point to.

ASSEMBLYMAN ROMA: Again, it's the environment that we have right now that's causing us to focus on a number of areas. We're in the middle of a debate on national health care, talking about all of these different areas. The numbers are going through the roof. With all of the programs that we're talking about: welfare fraud, the duplication of benefits-- Everytime that we turn on the TV or listen to a news account-- There has to be some procedure where we can decrease the abuse of the system.

When we're talking about someone picking up welfare benefits in two different states because they have two different Social Security numbers -- talk about a magnet. What better magnet can you have, in terms of bringing people into the system, than to attract the benefits of two or three different welfare checks? I don't use that only as one example. We have two different sets of rules in this country. Follow the rules or break the rules; you should not be rewarded for breaking a rule.

There should be a set procedure where the right signal is sent out to people. April 15th, a lot of people will be filling income tax. People should not be allowed to have an underground economy. Yet, we're saying, "You're not allowed into the country under this set of circumstances, but the minute you're in the country, then you're entitled to a vast array of benefits." It's inconsistent with what Americans are used to.

MR. DUNLAP: Again, I would just reemphasize one of the points that I made, which is that the undocumented, technically, are not eligible for many benefits. This situation is, that can then get them through fraudulent documents, can they get them in other ways? I would also point

out that there is a verification system which is called the SAVE program, which is supposed to screen out everyone who is eligible for these programs from -- AFDC, SSI, and so on -- and those that are not.

As far as doing something about fraudulent documents and so on, there are a couple of different approaches being taken at the Federal level, one of which is the tamperproof, counterfeit-resistant identity card, or Social Security card, or whatever.

ASSEMBLYMAN ROMA: Are you familiar with some of the details about that program?

MR. DUNLAP: I know just a little bit; that is, a proposal that has been sponsored by the House Republican Task Force on Illegal Immigration, in the House side (sic) Senator Alan Simpson has sponsored it in his legislation on the other side. My own research indicates that, at least from the FBI, that they're concerned that there may not be such a thing as a tamperproof card, so there are a lot of different issues that need to be taken into consideration.

ASSEMBLYMAN ROMA: Questions from the Committee?

ASSEMBLYMAN MIKULAK: No, I was just going to suggest that's one of the intangibles, the fraudulent aspect. You could study it, but you can't really put a number on it. But it exists, we all know that.

ASSEMBLYMAN ROMA: We're saying that it exists, but we're not quite sure what the scope of the problem is. So we don't have comparable data in order to be able to make an intelligent decision.

Well, thank you for being with us.

MR. DUNLAP: Thank you.

ASSEMBLYMAN ROMA: If I can, there is one slight change in the program today. If I could call Mr. Sam Perelli from the United Taxpayers Association of New Jersey.

Good morning.

S A M P E R E L L I: Mr. Chairman, am I the slight change?

ASSEMBLYMAN ROMA: We always have changes around here, Sam.

MR. PERELLI: Mr. Chairman, I thank you for the opportunity to offer comments in regard to this very important subject. My name is Sam Perelli. I'm the State Chairman of the United Taxpayers of New Jersey.

I comment, first of all on your salute to the flag, I think that's the first time that I have ever attended a hearing where I saluted the flag. I commend you for that. I hope that maybe you are setting a precedent here. I think it's a good idea, and I applaud you for it.

I am not, nor have I ever been an expert on illegal immigration. I don't appear here today in any capacity of that nature. I hope that at the very least, we can bring some commonsense comments on the subject that, in our view, deserves commonsense solutions.

Who in this room hasn't seen a newspaper article, radio or TV station program that hasn't constantly kept this issue before us? Just last night, they did a program on CNBC, and it was highlighting various television announcers and newspeople who highlighted various important subjects. One of them happened to be how easy it is, how easy and how simple it is, to get documentation that you were a legal immigrant into this country. How easy it is to get this green card, or any documents to prove citizenship.

How many of us have been shocked when we got on an airline and a cabin attendant went through the explanation of safety and said that if we happen to hit a depressurized situation, you will see these little items come flying out of the ceiling and they are for you to save your life? We get shocked when they say, if you have a young child, a little baby alongside of you, do not think like you normally would, protecting that child. It's a save yourself first, and then you will be capable of saving that child that you care for.

I guess here's the first commonsense sentence I'm going to throw at you, "America first, or down we go." The solution seems to be quite simple. We make a very compelling case here today for fingerprinting ID cards. I don't think there's a taxpayer in this State that would have any problem with fingerprint ID cards for anyone who the taxpayers are asked to help out. You notice I am not talking about welfare; I'm talking about anyone who we offer public assistance to should be documented with fingerprints. Anyone who enters the United States of America, in any way, shape, or form should be fingerprinted immediately.

These are tough solutions. They're simple solutions, and yet we'll sit here, and we will listen to experts. Well, if we have so many experts in the room, why don't we have more people get undocumented and sent back to the country of their origin?

The hardworking taxpayers of this State deserve a lot better. I'll tell you of a very simple story that I know, for a fact, happened in 1989. My friend's son was given round-trip tickets to England. It was very simple: he's a musician of note, and he had what they call a "weekend gig." He was playing two shows in England. He got off the plane, and he made the mistake of answering the question when the immigration officials said, "What are you doing in our country; what are you going to be doing?" He said, "Well, I'm just going to be playing two shows, and then I'm going back home on Sunday evening." They said, "You aren't doing it here. Goodbye." They put him on a plane, and he wound up back in New York. Simple. Simple. It's so damn simple that it hurts. "Go home," they said. "Go back where you came from. You will not work here."

You know, the taxpayers are sometimes characterized as not understanding how budgets add up, and the need for higher

taxes. I'm sure that you've heard the comments, "What does the average citizen of New Jersey understand about the complexity of budgets?" I was even concerned -- I sat back there -- and I heard the figure of 1200 prisoners, who are illegal aliens.

I think this figure is accurate. I asked a few people, I said, "Gee, these numbers aren't coming out right, would you just double check it." I believe it costs about \$30,000 to keep someone in our prisons, for one year. About \$30,000 times 1200, is that \$360 million, or are my figures wrong -- \$36 million?

ASSEMBLYMAN ROMA: It's a lot of money.

MR. PERELLI: How quickly they figured that out. That's a lot of money. If it means anything to you, I'm sure that I could arrange as many volunteers as you need to drive these prisoners to the airport. We can't afford to pay for the fare, but I bet you New Jersey can afford to pay for that fare. Another simple solution.

I wonder out loud how many of these undocumented immigrants are bona fide, dues paying members of some of the most powerful unions in this State? I have a feeling that a lot of these lawbreakers will not be caught by the unions because they wouldn't want to reduce their dues collections. In case anybody wants to challenge that comment--

I never cease to be amazed at how elected officials, when they feel the collective heat of angry taxpayers touching their backsides, can become very, very innovative and actually find solutions, and fast. I hope that you folks are feeling this heat. The fact that you are having these hearings is, to me, very, very encouraging.

In closing, I can quote my late friend, my old friend, Howard Jarvis, who is the father of Proposition 13 in California -- that taxpayer revolt out there -- that encouraged folks like myself to continue the good fight, as it were. Howard said, and I'll paraphrase it, that government at any

level always finds solutions when the taxpayers cut off the easy access to the money. As you know, taxpayers out here are finding it more and more difficult to pay for programs that they don't benefit from. Studies, studies, studies, studies, that's all we hear. We have a study about this, and a study about that. This is the year, 1994, and we should have solutions befitting the problems, and we should have solutions using '90s thinking and '90s technology. Let's stop the talk; let's get going; let's get the job done. The documented taxpayers and their children need a break.

Thank you.

ASSEMBLYMAN ROMA: Thank you, Sam.

Questions from the Committee? (no response)

There is a bill that you might want to take a look at that we have introduced, in terms of the fingerprinting of the entitlement programs. From what I understand in Los Angeles, this program was in effect for six months, and they saved about \$6 million in terms of duplicated services and fraudulent claims. So hopefully, that's an area where we will receive your support, and you'll be able to work with members of the Committee and other members of the Legislature.

Thank you for being here.

MR. PERELLI: You have our commitment to that legislation.

ASSEMBLYMAN ROMA: Thank you.

MR. PERELLI: Thank you.

ASSEMBLYMAN ROMA: Dr. Karen Woodrow, Demographer, Ramapo State College.

Welcome, Doctor.

K A R E N A. W O O D R O W - L A F I E L D, Ph.D.: Thank you very much.

I'm pleased to be here to address the members of the Committee on the topic of illegal alien populations in the United States. Before moving to New Jersey quite recently with

my husband, when he changed careers, I was a demographer at the U.S. Bureau of the Census for nine years. I authored and coauthored several national-level studies to measure the size of the undocumented population and trends in undocumented migration to the United States. My very first study of undocumented immigrants involved estimating the geographic distribution by state, based on the 1980 census. That study used aggregate data rather than individual-level data on legal status of immigrants, which are practically nonexistent.

My research, especially an analysis of undocumented residents in November 1989, was a major part of the effort to evaluate 1990 census coverage in mid-1991. I prepared a special evaluation of undocumented immigration for the 1980s, stating that the most likely point estimate was 3.3 million undocumented residents in 1990, with the true number most likely to fall between 1.9 million and 4.5 million, and an absolute upper limit of 5.5 million, again, for 1990. These figures were very preliminary, because the 1990 census count for immigrants had not yet been tabulated.

My more recent research supports these figures for the 1990 date except that I am reluctant to specify a number as the "best" or "point" estimate, preferring to specify ranges. The types of legal status and statuses that are neither legal nor illegal has multiplied so that defining the legally resident immigrant population has become increasingly complex for a demographer.

To summarize my assessment of undocumented immigration for the 1980s:

First, there was no measurable increase for 1980-1990 in the undocumented immigrant population residing in the United States.

Second, undocumented immigration continues to contribute to U.S. population growth in the 1980s.

Third, the explanation for this contradiction lies in the fact that the Immigration Reform and Control Act of 1986 -- IRCA -- led to the legalization of 1.7 million individuals who had resided here in an unlawful status since before 1982.

Unfortunately, there has been very little research to assess undocumented immigration during the 1990s. If past trends have continued and were measured accurately, the number of undocumented residents nationally could now range between two million and five million or six million.

Having worked on this topic for most of my professional career, I regret to say that there is a deplorable lack of data and resources for addressing the issue of undocumented immigration, which may seem extraordinary to you given its considerable importance, but this is less extraordinary given the complexity, the phenomenon in time, space and impacts.

The U.S General Accounting Office reviewed progress in the study of undocumented immigration during the 1980s, commending my research and other census bureau research for narrowing the range of estimates on the total number of undocumented residents. As Dr. Espenshade mentioned, some of the estimates in the early part of the 1980s and the latter part of the 1970s were very speculative and reaching into the double digit millions.

This report of the GAO noted several data limitations, especially that there is a lack of information on the geographic distribution of illegal and legal aliens. The value of such information is noted in the report for policy and program evaluation, estimation of local economic impacts, and assessment of cultural assimilation. But in the ten years since Jeffrey Passel and I published our research on the geographic distribution of undocumented residents, there has not been a single, real advance in facilitating such research. Immigration statistics are very much in a state of neglect as

was reported by the Panel on Immigration Statistics of the National Academy of Sciences. There are serious inadequacies for addressing the major policy questions, particularly for states and metropolitan areas.

There are, as we discussed today, two sets of numbers for undocumented residents, by state, that appear to be used for assessing costs of undocumented immigrants to the states. The first set is unofficial estimates of the U.S. Bureau of the Census. I caution that this distribution is not at all comparable in methodological origin to the estimates that Jeffrey Passel and I described as unofficial estimates of undocumented residents counted in the 1980 census. Those were based on a comparison of the census data on immigrants, with an independent estimate of legally resident immigrants, which was possible because the INS conducted an annual registration program at that time. I believe that these figures are basically a simplistically derived distribution that was used in an evaluation of 1990 census counts by state of birth. It appears to be based on assuming that undocumented immigrants are distributed by state, as in my earlier work. It is not really based on any calculation of actual undocumented immigration to states or an independent comparison of legally resident foreign-born persons with the census counted population.

I developed sets of national-level estimates for undocumented residents counted in surveys or living in the U.S. for several years, without disaggregating any of those analyses to the state-level. If appropriate data had existed, this would have been done, because there has been considerable demand throughout the past ten years. This is just not feasible because the INS no longer requires aliens to register their addresses annually. In fact, individuals may leave the United States without making this known to the INS.

Further, as expected, the actual numbers of applications for amnesty under IRCA differed from our estimates, especially in the states of Texas, New York, Florida, and, to a lesser extent, New Jersey. For New York and New Jersey, the majority of undocumented aliens probably arrived originally as legal nonimmigrants and are highly mobile, both in a geographic sense and in terms of legal status. Many of the aliens admitted as lawful permanent residents had been nonimmigrants, often as tourists.

Turning to the set of state-by-state estimates of undocumented aliens released by the INS, those estimates are partially based on, what I regard as, an extremely useful database, the Nonimmigrant Information System, or NIIS. Several analyses of nonimmigrant overstays have been made by the INS, but this set represented the first effort to use an estimate of net nonimmigrant overstays by country of origin as of a specific date.

As you may know, most nonimmigrants are admitted for a six-month duration period, so there is a time lag upon which INS can conduct these analyses. In my opinion, this series of estimates may be more accurate for states such as New York or New Jersey than for California because of assumptions that, I believe, are made about amnestied agricultural workers.

I have only seen a very brief description of the methodology, and I cannot fully address the limitations of these estimates. I do believe or feel that upper and lower boundaries should have been specified, given a number of judgement issues. There are certain groups for which there is very little information: Chinese who are granted permission to stay here temporarily, Salvadorans are in -- can be in a very vague status, and even Polish individuals.

An obvious shortcoming with the INS estimates is that the nonimmigrant overstay population changes rapidly. The nonimmigrant overstay population in April 1994 may barely

resemble this estimate as of October 1992. Nonimmigrant arrivals increased by nearly 10 percent in Fiscal 1992 over Fiscal 1991. I haven't seen these statistics for Fiscal 1993, but I would expect that there is a continuing increase.

Nearly 20 percent of these individuals arrive in New York or Newark, and, of course, many may leave very quickly, but others may overstay. If the NIIS data were maintained and processed appropriately, the INS could produce estimates of nonimmigrant overstays every six months, thus providing very timely information about this important source of undocumented immigration.

A second major flaw that I perceive in the INS is that the state-by-state distribution is not based on undocumented immigration to states, or on nonimmigrants to states who overstay their visas. Rather, the legalization applications by states, that is from 1987 to 1988, were used to allocate the illegal alien totals for countries of origin to states. For high air travel ports, such as New Jersey and New York, nonimmigrant overstays represent a more useful database than apprehensions at the southern border. I would like to see a better method used for developing state-level figures.

The INS estimates also make no allowances for foreign students who have discontinued their studies without departing. For New Jersey and New York, this component could be fairly substantial. The student data system is a weak point of the INS statistics.

In summary, I cannot offer a range or point estimate for undocumented aliens now in New Jersey, and I am critical of Federal figures that we have discussed today, particularly in focusing on an individual state rather than relative distribution. I think probably the six states that are highlighted here in the figure are the six states with the highest concentrations of undocumented immigrants. They have remained that way for the past ten years.

Undocumented immigration is likely to persist in the 1990s and into the next century, until there has been substantial economic development in sending nations. From some of my current research on the population legalized under IRCA, it is clear that family and household members may be of diverse legal statuses, including native born, so that making calculations of costs and benefits can be extremely complicated. Even understanding whether undocumented aliens might be benefitting from social programs can be complicated without understanding the true composition of the family or household.

I hope that debate about costs of undocumented immigrants will acknowledge the uncertainty limits on the magnitude of the population. Further, that there will be some recognition that undocumented immigrants may be present for brief periods of time and never part of the true resident population. Contributions, as well as costs need to be considered in this complex lifestyle and economy, which are pretty much unobservable.

Thank you.

ASSEMBLYMAN ROMA: Thank you, Doctor.

Questions from the Committee? (no response)

Thank you for your testimony.

DR. WOODROW-LAFIELD: Thank you.

ASSEMBLYMAN ROMA: We'll make sure to send a copy of that on to INS.

The next two speakers: Jim Smith, Acting Commissioner Department of Human Services; and Deputy Commissioner Leonard Katz, New Jersey Department of Labor.

A C T I N G A S S T . C O M M . J A M E S W . S M I T H :
Good morning, Mr. Chairman.

ASSEMBLYMAN ROMA: Good morning.

ASSISTANT COMMISSIONER SMITH: My name is Jim Smith. I have one correction. I'm the Acting Assistant Commissioner

for Human Services. Bill Waldman is still there. I left him a few hours ago; he's doing a good job.

ASSEMBLYMAN ROMA: We're always in the process of promotion. I was sure you wouldn't object.

ASSISTANT COMMISSIONER SMITH: It's a difficult job, Mr. Chairman; it's a difficult job. I've also, with your permission, Mr. Chairman-- Ms. Jane Burger is here also. Ms. Burger works with persons who enter our borders legally, and has done some work on the national side.

I was glad, Mr. Chairman and members of the Committee, to see Mr. Jon Dunlap here. He did not mention -- in terms of his writings but I think it's quite interesting -- "The Absent Federal Partner." If that is in your package of readings, I would certainly recommend that.

The problem that we are talking about today is certainly a Federal responsibility, and I'll get into that a little bit more. I will try to be brief and most of--

ASSEMBLYMAN ROMA: Well, can I, before we go ahead with that-- I realize that much of this is a Federal responsibility. You've heard the Federal Mandate/Federal Pay immigration policy. But the one thing that we're learning today is the fact that we do not have enough information in terms of data.

To have 1200 inmates sitting in a correctional facility, certainly there's a way of getting better information. Perhaps by each of the departments working together, we can get a better handle on how many illegal aliens we have in this State. Then the next part of the argument becomes, how much does that cost? We've heard different estimates, but we have conflicting data. The one area that we should resolve is, how we can better put together that information so we can translate it into meaningful data? Between all of the departments, I would hope that we would have a concerted way of acquiring the data.

ASSISTANT COMMISSIONER SMITH: In terms of some of the programs that we are responsible for on the welfare side, the AFDC program for welfare recipients-- As has been stated before, that is a program where illegal immigrants, undocumented aliens, do not receive benefits from the State of New Jersey. There is a segment of AFDC that is AFDC End Segment and that is a small portion of that program. That particular program is State-funded and does not receive Federal reimbursements. In the 1995 fiscal year budget, payment for illegal aliens, undocumented aliens in the AFDC End Segment, is being removed. Also you will see legislation coming before you shortly to put that in permanent statute.

Back in 1993, the general assistance population -- that is a program for individuals with no children and have to meet certain eligibility criteria -- that program in 1993 stopped assisting undocumented aliens. That was in 1993.

The Medicaid program, that particular program, as has also been stated before, for just general Medicaid, we do not service the undocumented. But there is a small segment for pregnant women and children, and that particular segment gives us the ability to provide emergency-- It's usually emergency labor and delivery for pregnant women and children. We estimate, once again, about \$325,000, and that's both State and Federal; that's a 50/50 match.

I would just like to go back. In terms of your general assistance population, we figure that the discontinuance of that in 1993, that cost was probably around \$750,000. Also the End Segment that will be ending the first of the fiscal year, that particular segment, we think, is around \$284,000. It's probably around 100 cases.

So those are some of the programs that we have. When I speak of the Federal responsibility, there are programs that we have, Mr. Chairman, certainly, you know, our Division of Youth and Family Services and mental health programs, where it

would be very difficult for us not to provide services in an abuse/neglect situation -- foster care, those types of things. Also in a very difficult mental health institutionalization or treatment process, we would say this part is definitely a Federal responsibility in terms of those particular person power hours that we have to give out. Also in the services that we provide, that we be reimbursed for the types of services that are provided in those types of examples.

Mr. Chairman, I'll end here and be available for questions.

ASSEMBLYMAN ROMA: Let me ask a question, slightly different, in terms of the Federal programs and the Federal mandates. We understand that much has to be done at the Federal level, but you mentioned those areas where someone who has the documentation, provides it to you, and they receive the benefits.

There's another aspect here. We have people that are illegal, and then we have people that are illegal and have fraudulent documentation. Maybe you should address the area of what you're doing in terms of screening those applicants to make sure that we don't have people applying for the benefits who should not be applying for the benefits. We've heard ample testimony that for a nominal amount of money, you can pick up the documentation and get into the system. How does your Department handle those people who fraudulently get into the system and access these benefits?

ASSISTANT COMMISSIONER SMITH: We utilize the SAVE system that was mentioned before. It's Systematic Alien Verification for Entitlements, and we need the alien registration numbers and date of entry, those types of things. I'm not--

ASSEMBLYMAN ROMA: Once you have that information, I mean, verification of a number-- Maybe you can walk us through what that means in terms of verifying that documentation? How

does someone get into the system and the safeguards that you put into place, because there appears to be a number of people that might be defeating the system? Are you doing something new, in terms of adding to the screening process?

ASSISTANT COMMISSIONER SMITH: You had mentioned the finger imaging. We're going to have a program come forth with the finger imaging. There's a request for a proposal that is just about ready to go onto the streets, and that will be coming out shortly. There is a problem in terms of the documentation. If it comes back, if everything checks out and you think you have good information from it, and then somewhere down the line you don't, that becomes a problem.

Also in terms of -- I guess it was mentioned before -- how much you pay, may be how good your documents are. At this particular time we can go through that a little bit.

Jane, in terms of the SAVE system, you might just want to give some information on SAVE.

J A N E B U R G E R: Alien registration numbers are a unique number that is given out by INS, who can speak better -- more to their procedures about that. The counterfeit documents, I'm not that familiar with them, but in terms of the number they use, the name, the birthdate, the alien number would have to be a match. So if you had a counterfeit document that-- You know, like dollar bills, it's the same serial number; they don't change it. That could very easily be picked up in the verification system.

ASSEMBLYMAN ROMA: Then how does someone procure this fraudulent documentation to get into the system?

ASSISTANT COMMISSIONER SMITH: Mr. Chairman, we don't know that, in terms of how those documents are out there on the street.

ASSEMBLYMAN ROMA: For the record, could you properly identify yourself?

MS. BURGER: Certainly. I'm Jane Burger. I'm with the Division of Youth and Family Services, and I'm the Refugee Program Manager.

ASSEMBLYMAN ROMA: Okay. Maybe I should go back to that question. We already know that the system is being abused. We know that we can develop a number, and yet, we point to that number and say -- once we have that number -- that's a pretty good way of verifying eligibility. What we're looking for are ways of improving the system and screening those applicants, and of course we have a proposal, which a number of the members of the Committee are cosponsoring. That automatic number doesn't solve the problem.

ASSISTANT COMMISSIONER SMITH: No.

ASSEMBLYMAN ROMA: So what else is being done to make sure that someone is not defrauding the system?

ASSISTANT COMMISSIONER SMITH: We'll have to go back really to, at this point, in terms of what the gentleman from Immigration had mentioned, in terms of things that he's doing. Also the trainings that are being done -- he had mentioned today that the training was being done at Union County -- I suspect that the types of things they are going over are looking at documents, verifications, and better ways to do that.

For us, today, in terms of recommendations how to improve that particular system, we don't have that. Today we can certainly go back and research that out for you. But I don't have those, in terms of how to improve documentation and, you know, that type of thing. We don't have that for you today.

ASSEMBLYMAN ROMA: Well, by June 30, as you're aware, we have some statutory deadlines. One of the purposes of this Committee is to find out if there are areas where there is fraud or abuse and to see if we can initiate legislation. I would suggest that this is the first meeting, but as we go back

to our respective departments, if there is something that can be done to fast-track some legislation to help out, now is the time to come forward.

Questions, Assemblyman Mikulak?

ASSEMBLYMAN MIKULAK: Yes. You spoke about a program that was ending that would save \$250,000. I didn't quite get--

ASSISTANT COMMISSIONER SMITH: This is the AFDC End Segment, and it's written into the Governor's budget now to discontinue that program. Also, we're drafting legislation to make that a permanent item.

ASSEMBLYMAN MIKULAK: That is-- AFDC is Federal and--

ASSISTANT COMMISSIONER SMITH: This is called AFDC End and the end is a State program only. So the other segments of AFDC are Federally reimbursable.

ASSEMBLYMAN MIKULAK: Right. What has this program been doing to date?

ASSISTANT COMMISSIONER SMITH: This would be families, and they do not necessarily have to have legal status here. But now with the language that's in the budget and also the way the legislation will be written and passed, they will have to have legal status.

ASSEMBLYMAN MIKULAK: Thank you.

ASSEMBLYMAN ROMA: Further questions? (no response)

Who's next?

A S S T. C O M M I S S I O N E R L E O N A R D K A T Z:
Mr. Chairman, Lenny Katz, Assistant Commissioner, New Jersey Department of Labor.

Mr. Chairman, members of the Committee, you've asked the Department of Labor to respond to some very important questions on this issue. If I may, I would like to just highlight some of our responses to amplify this problem.

ASSEMBLYMAN ROMA: Let me also compliment you for the timely responses.

ASSISTANT COMMISSIONER KATZ: Thank you.

ASSEMBLYMAN ROMA: We're getting used to the idea of having immediate responses to questions. In the past, they came a little later. Now we're getting them before the Committee starts. I want to thank you and applaud you.

ASSISTANT COMMISSIONER KATZ: Thank you, Mr. Chairman.

Mr. Chairman, as you are well aware, because you referred many such concerns to us on a day-to-day basis, the Department of Labor has been actively engaged in responding to complaints received from public officials, employers, union officials, and the general public concerning the employment of undocumented workers.

Because many undocumented workers are paid in cash, no legal record of their employment exists. We therefore encounter major problems in the enforcement of minimum wage, overtime requirements, uncollected unemployment and disability insurance payroll taxes. We have found through our dealings with undocumented workers, they do, in fact, ascertain and secure counterfeit documents for as little as \$60 to assist them in their fraudulent claims for unemployment and disability insurance, and for Department of Labor issued permits and licenses for certain employment occupations.

As I indicated, with few exceptions, the complaints do not come from the workers themselves. They come from employers who feel they cannot compete on a level playing field, if they comply with our minimum wage, overtime laws, and unscrupulous employers do not. They come from union officials and union members, whose people are unemployed because they are after some of these job opportunities, and they come from the general public who has, in fact, been deprived of employment.

I'd like to, again, just amplify some of my own personal experiences in my 25 years with the Department of Labor. Maybe that could give us some insight and some information as to what this problem is.

Historically, in the Department of Labor, we've dealt with the problem of undocumented workers in restaurants, on farms, and in the apparel manufacturing industry. We're now experiencing undocumented workers in what we call high hazard industries: asbestos, lead abatement, and even in construction projects.

I was lucky enough to be very much involved in our asbestos abatement licensing programs, some years back. At that time, the State decided to regulate asbestos abatement contractors because they were doing what was known as "rip and tear," creating a bigger hazard, not only to the workers themselves, but to the public who occupied the buildings and the homes where abatement had taken place. We, the State, decided to license these contractors, train the workers, issue identifications to both the contractors and the workers so that the public would know that they were dealing with properly trained, properly equipped workers and contractors.

At that time, there seemed to be a significant number of Eastern European contractors involved in asbestos abatement. Coincidentally, we found a significant amount of undocumented workers from Eastern Europe having our permits. Some of them had our permits legally, in other words they met the training requirements we had; some of them had counterfeit permits, which were better than the ones we had. The quality of the counterfeit permits was better than our own.

MR. WILLIAMS (Committee Aide): That's how you can tell. (laughter)

ASSISTANT COMMISSIONER KATZ: How could we tell?

MR. WILLIAMS: That's how you tell.

ASSISTANT COMMISSIONER KATZ: No, we were able to tell because, evidently in Eastern Europe, we learned Social Security numbers are not hyphenated; they just run straight across. So that's the mistake they made, and that's how we

were able to tell. But also, interestingly enough, we would not have been aware of this problem if some of the contractors from Eastern Europe did not come in and complain.

Seeing that at the time, you couldn't get out of Yugoslavia or Poland unless you paid off somebody from a certain district, so only certain Polish immigrants and Yugoslavian immigrants were coming in. The other people who were in the industry from other sections of Poland and Yugoslavia, who couldn't get their family out, came and complained about the undocumented workers to us.

What it was, as the professor indicated, some of these people were here on visas for the summer, but they were not authorized to work. But they, in fact, worked for the six months. Asbestos abatement was a fairly high paying area. A number of that work was done in our schools, which required payment of prevailing wages. So these workers were entitled to \$20 to \$25 as prevailing wages, and if they got \$10 or \$5, they were happy because they went home with a pocket full of money, and I assume that money equated to a significant amount in their home country.

We had some sweeps with the Attorney General's Office, with Immigration and Naturalization, with the U.S. Department of Labor, and I think we've gone a long way to making sure the permits and licenses we issue cannot be counterfeited. But of course, that was a significant cost to us to upgrade the quality of our own permits and put some types of computerized markings on them so they could not be counterfeited.

We, the State of New Jersey, will also be getting into fairly soon, a lead abatement certification program for contractors and employees. Hopefully the experience we've had with asbestos abatement will help us to deal with these types of problems.

We have never before experienced undocumented workers on construction projects, but we have recently found that. We

found some Chinese workers in Tinton Falls recently, on a school project that was brought to our attention by local union building construction and trades officials, whose members were not able to ascertain that work. We are preparing to refer that case to the Attorney General's Office for prosecution.

When New Jersey's minimum wage went to \$5.05 in April of '92 -- up until then we had a good working relationship with the Commonwealth of Puerto Rico. The farmers in New Jersey had a good working relationship with the workers coming up from Puerto Rico to pick their crops. That summer, no workers came up from Puerto Rico. Instead we found a significant amount of Mexican workers living out of their cars and out of buses; seeking employment to take advantage of that \$5.05 minimum wage. Farmers had prepared quality housing for these workers, for the workers they had expected to have from Puerto Rico, and a lot of that housing went for naught.

As I mentioned, in restaurants we have always had a historical problem with undocumented workers. If they are on the payrolls, they often aren't getting paid overtime, working long, hard hours for straight time pay.

That's just some of my experiences, as I said, in the Department of Labor, Division of Workplace Standards. I hope that provides some information. I'll be glad to answer any questions if I can.

ASSEMBLYMAN ROMA: I do have some questions. Some of the newspaper accounts have indicated that our Department of Labor believes the number of illegal aliens to be between 125,000 and 400,000. One of the problems that we're running into is that each of the states seem to have a different system for counting, and yet I also understand that there is some standardized system that is going to go into place within the year?

ASSISTANT COMMISSIONER KATZ: Mr. Chairman, we tried to track down that newspaper article in The Bergen Record, of

125,000 and 400,000. Our Public Information Officer called the reporter, and the reporter has not gotten back to us. But we can't find anybody in the Department of Labor who put out that figure. We've had to rely on the figures you've been presented with this morning, the 70,000 to 125,000.

ASSEMBLYMAN ROMA: Even with that in mind, the system that we're using, as compared to some of the other states, how does it differ?

ASSISTANT COMMISSIONER KATZ: I think we're using the same system as the other states, relying on INS and Bureau of the Census. I'm not aware of any other system that we have in the Department of Labor.

ASSEMBLYMAN ROMA: I don't know how many of the members are running into problems, where complaints are coming into their office, but let me first say that this may very well be an employee problem, an employer problem, it may be a tax problem, it may be a labor problem, or it could be any number of violations. Yet it seems that in certain communities there may be employers who are taking advantage of certain labor supplies, getting people for landscaping or construction or whatever it may be.

It seems to me that the Department of Labor has an interest in making sure that those people are not being victimized, but at the same time, if there is a law that is being broken, whether it is a labor law, an income tax law, or any number of different laws, there should be a way of monitoring some of these problems.

I, myself, have been getting some of these complaints at my district office. I can't respond to the constituents until I get a better handle from the Department of Labor. I'll share with you the correspondence, because I had sent that same information to the former Commissioner. I don't anticipate that is the only problem, but when that information comes into our hands, we have an obligation to try and respond to it. But

in certain areas of the State we might have 10, 15, or 20 people jumping onto the back of a truck, and from there they are put to work. Questions are arising as to whether or not they are being paid on or off the books, whether there are any labor law violations, and we need to do something.

ASSISTANT COMMISSIONER KATZ: Mr. Chairman, I'm aware of that situation, and we have, in fact, worked again, with INS and the U.S. Department of Labor and did some stake-outs in the areas where you are referring. We have identified over 100 different vehicles that people were using to jump on the backs of to go to landscaping and construction jobs throughout the State. We've tracked down between 25 and 30 employers, and we are going to follow up with payroll inspections.

If the individuals are not on the payrolls-- When we get into a situation where you have an employee and an employer in a collusionary relationship to violate law, it's difficult to enforce. We, the New Jersey Department of Labor, are not only prohibited from requiring that an employee or an employer provide us with a green card or a I-9 form, we can't even ask for it. We're prohibited by Federal law from asking for that information. So that's what--

ASSEMBLYMAN ROMA: Let me try to approach this in a different way. Ten or fifteen people jump on to the back of a pickup truck; they go to a particular site. Presumably there would be records that the employer would have that would show those people on the payroll. I guess as a follow-up--

ASSISTANT COMMISSIONER KATZ: Sometimes yes and sometimes no. If they are and it's an undocumented worker, what we've found that the hours indicated are less than what was really worked, and if the employee is not going to cooperate with us to-- We can't afford to sit there on that site, whether it's a construction site or a landscaping site, day in and day out to record for ourselves, the records. So if the employer and the employee are of the mind to violate the

law, without the cooperation from the employee and with our inability to stay on the site day in and day out, it's difficult to prove.

Many times the employees are not-- When we come out to the site. We follow them to the site. As soon as we pull up, they run into the woods, they run out the back door. When we've done sweeps in West New York and in Union, in the sweatshops that exist there down in the apparel industry, we have to bring enough people with us to cover all the doors. So when we go in the front door, they don't go running out the back door. It's still that type of a situation.

ASSEMBLYMAN ROMA: What do I tell some of the employers or employees at home, who are following the rules, when you have another group of people without a level playing field? And with business the way it is, someone has the unfair advantage of being able to tap into an illegal market.

ASSISTANT COMMISSIONER KATZ: I think that is absolutely our concern. That's why we had this training last Friday with INS. That is why we have a good working relationship with the U.S Department of Labor, because we need the weight that they can bring to bear to help in this situation. We absolutely need help from our Federal counterparts.

ASSEMBLYMAN ROMA: Is there something that can be done about changing the law to allow unions to help monitor work hours?

ASSISTANT COMMISSIONER KATZ: Sure, we could certainly consider that. In that regard, under our prevailing wage act which requires prevailing wages on public works projects, which are union wages in New Jersey, we have adopted a regulation about a year or two ago, to require that the public works contractor and subcontractor submit their payroll records to the public bodies, so that concerned union officials, concerned competitors -- who don't feel that there is a level playing

field -- have easy access to go check these payroll records out to see, first of all, that the same amount of workers on the job site are recorded on the payrolls; that the same number of hours that are actually worked are recorded on the payrolls; and to see what wages are being declared as having been paid; and that proper payroll deductions are being made. So that's one thing we've done to try and utilize our concerned citizens.

ASSEMBLYMAN ROMA: Maybe you should publicize some of the violations, and perhaps if enough people realize that there is a deterrent out there, they might be less likely to commit another violation.

ASSISTANT COMMISSIONER KATZ: Yes, we've--

ASSEMBLYMAN ROMA: The Internal Revenue seems to do it pretty effectively, even with their \$17 million computer. (laughter)

ASSISTANT COMMISSIONER KATZ: When we criminally prosecute -- which is what we are hoping to do on this situation with the undocumented Chinese workers on a school project in the shore area -- whenever we are successful in the criminal prosecution, we absolutely do publicize that. We get it out to the newspapers, whether they pick it up--

ASSEMBLYMAN ROMA: Assemblyman Mikulak.

ASSEMBLYMAN MIKULAK: Yes. In a related topic, this Committee released, and the Assembly passed, a bill by Assemblyman Collins and I, that says that 50 percent of the inspectors in the Bureau of Farm Labor -- and this would be through new hires -- must speak Spanish. Because, I think, you have inspectors that can't interview properly out in the field.

ASSISTANT COMMISSIONER KATZ: That's true, Assemblyman. But as I indicated when we had the situation with the Mexican workers two years ago -- the few Spanish-speaking inspectors that we have -- the Mexicans contended that they spoke a different dialect. Whether that was so or not, they just didn't want to talk to us.

ASSEMBLYMAN ROMA: Further questions from the Committee? (no response)

I want to thank you for being with us. If you could take back our collective thoughts-- As you're thinking about all of these different legislative remedies, now is the time that we can do something to help out. Where it's a Federal program, perhaps you can also give us that information that we might pass on to our Federal representatives. Collectively, we have to do something; we have to do it quickly.

ASSISTANT COMMISSIONER KATZ: Thank you, Mr. Chairman.

ASSEMBLYMAN ROMA: Thank you.

AFL-CIO, Charlie Wowkanech.

Good afternoon.

C H A R L E S W O W K A N E C H: Good afternoon, Mr. Chairman, members of the Committee. My name is Charles Wowkanech. I'm with the New Jersey State AFL-CIO.

The New Jersey State AFL-CIO welcomes this opportunity to address one of the most serious and financially draining conditions hampering New Jersey's economic recovery, the illegal alien.

Conservative estimates of the number of illegal aliens in the United States, made by the Immigration and Naturalization Service, is 3.2 million. Unfortunately for New Jersey's taxpayers, our State ranks among the top six destinations for these illegal border crossers.

Governor Pete Wilson of California claims it's costing his state \$3 billion a year to provide benefits for these illegal aliens. The massive influx of these illegals, willing to work for lower wages, exacerbates unemployment for any state that is struggling to dig itself out of a deep, punishing recession.

The problem here in New Jersey is so pervasive that an investigator at the Immigration and Naturalization Service in Newark is quoted as saying, "That you can go to any town from Mahwah to Cape May and find undocumented workers."

Typically, there is a wide variety of numbers of illegal aliens in New Jersey, ranging from 125,000 estimated by the understaffed INS, and as far reaching as 10 percent of our working population. However, regardless of the numbers, New Jersey's taxpayers foot the bills for health care, welfare, prison costs, and educational spending. Coupled with State and Federal budget constraints and the skyrocketing costs of providing aid to these illegals, New Jersey could soon find itself in a position where we may be unable to provide these same services to our legal residents.

The Federal Immigration Reform Act of 1986 contained two major provisions aimed at discouraging employers from hiring illegal aliens.

- 1) Employers were required to obtain and keep copies of legal status documentation.

- 2) A penalty of \$2000 per illegal worker for a wilful violation of the Act for a first offense, and \$10,000 per worker for a third offense.

The first provision was overcome when forgers began sophisticated counterfeiting techniques to supply Social Security cards, driver's licenses, and many other means of documentation.

One would think that the financial penalties called for in the Act would deter employers from hiring illegal aliens, but the fact of the matter is, it isn't working. To the unscrupulous employer, illegals are easier to exploit, work for lower wages, and work 80 or more hours per week; sleeping between shifts in over-crowded accommodations.

Sixty-three illegal aliens were rounded up in a predawn raid at the Monmouth Park Racetrack in August of 1986 and deported to their country of origin, and the INS was able to prosecute 30 employers.

Illegal aliens were arrested working security at Newark Airport, bakeries throughout the State, and in one

Passaic food processing plant, "Practically the whole company was arrested," Carole Ford, the Supervisory Special Agent at the INS in Newark, was quoted. Immigration officials admit that compared to the size of the illegal population, the enforcement efforts have been almost nil.

The construction industry has been especially hard hit with the illegal alien problems here in New Jersey. As many as 35 percent to 40 percent of our construction members have been unemployed for more than a year, only to find that contractors are violating the prevailing wage law on publicly funded projects. One case that reinforces that position happened on a school project in Tinton Falls, Monmouth County. The masonry contractor was caught using sandal wearing, illegal, Chinese workers, applying mortar with their bare hands. Investigators found that the contractor was paying \$7.50 per hour, from those illegals they were able to catch. Others fled to the nearby woods and escaped.

In conclusion, Mr. Chairman, we urge the State of New Jersey to take strong measures to curtail the severe drain this problem is having on our taxpaying citizens, and that swift action be taken against those 300 cases pending that have been gathering dust for far too long.

Lastly, nine investigators to enforce workplace standards, and wage and hour requirements are far too few, and should be increased to rid this State of these unscrupulous employers who continue to violate the law unabated on the backs of illegal aliens, and at the expense of every taxpaying citizen of this State.

Mr. Chairman, I just have a couple of comments:

- 1) I just feel it's necessary to address Mr. Sam Perelli's comments about organized labor. I know that you would understand because you have been long affiliated with the trade union movement.

ASSEMBLYMAN ROMA: Let me join with you in saying that if there is a violation, I believe that it's in that group of people who do not have organized labor members; that those are the people who are trying to use the labor supply in order to try to take advantage of them. I don't believe that we had such a violation within the trade union movement.

MR. WOWKANECH: I thank you for that. But I just want to get on the record that the New Jersey State AFL-CIO, and the affiliate unions across this State, don't approve or condone the use of illegal aliens. In fact, the trade union movement around this State and in this country, I think, has moved for the advancement of the worker, to raise their standard of living and in such other areas as health care.

But one other concern that was not touched in our testimony, and it goes along with the comments that you've just echoed: With privatization coming now, a lot of these services around the State are unionized services -- and I know we're under some severe budgetary constraints -- but one of our concerns is that in privatization, you'll be able to get some of these unscrupulous contractors to come in. As you have pointed out in many cases, and the Department of Labor has pointed out, it's our people, our shop stewards, our foremen on the jobs that call and make the complaints when we see these types of practices. So that's another concern that we have.

ASSEMBLYMAN ROMA: I don't know what the final answer is going to be, but in the balance of trying to determine if someone is illegal, we seem to have a number of areas where our hands are tied. Whether it requires Federal or State legislation, I know that you stand ready with the AFL-CIO in order to help out.

Because what we want to do is to improve the wages of New Jerseyans. We'd like to do it in a lawful manner, and you've always been very supportive. Perhaps you may also take this back to your membership, in terms of ideas as to what we

may focus upon to improve the system, not only in the area of prevailing wage but in all of the labor law that we have available. Perhaps there might be a couple of areas that we should beef up the enforcement.

MR. WOWKANECH: I just had one question. I heard you speak earlier about this bill coming out with the electronic imaging, and it kind of caught my interest because, as you may know, I've been involved in the health care problem for some three years now. In the Health Care Reform Act that was signed into law in 1992, they appropriated \$1.8 million dollars to New Jersey Institute of Technology along with Thomas Edison College to develop a working model -- which I understand is almost up and running -- dealing with what they call the "smart card," which is electronic imaging. I thought that maybe this might be something that we could piggyback on, being that they have spent a lot of time and resources on developing this program. The gentleman's name there is Bob Browen, (phonetic spelling) from New Jersey Institute of Technology. I think you might be interested in talking to him.

ASSEMBLYMAN ROMA: Absolutely. Questions from the Committee? (no response)

Thank you.

MR. WOWKANECH: Thank you.

ASSEMBLYMAN ROMA: Mr. Stan Repko, Director, Policy and Planning, Department of Corrections. Are you going to tell us how we can send back those 1200 illegal aliens?

S T A N L E Y P. R E P K O: One of the items that I'd like to talk to you about is that figure, once I get started.

Mr. Chairman, Committee members, on behalf of Commissioner Fauver I appreciate the opportunity to speak to you this afternoon, on this issue. To give you a little background about myself, I am a career State employee. I've been with the Department of Corrections for 23 years. I worked in a prison for four years. I've been in various

administrative posts for the last 19 years. I've been in this position for about eight years now. My responsibilities include: policy and planning, program analysis, classification, and MIS, Management Information Systems. I will give you some data here, during this testimony.

The first thing I would like to clarify very, very strongly, is that there are not 1200 inmates in our system today who are ready to be deported. The figure that was given by INS really is a figure of how many people we send forms to every year. It's somewhere between 1000 or 1200, but nowhere near that number are ready to be deported from our system. The best estimate that we have today is about 500. I'll explain during my testimony how we got that figure so you'll have a very good understanding. But we do not have 1200 inmates today, who are ready to be deported, or INS doesn't even have an interest in today. Yes, go ahead--

ASSEMBLYMAN ROMA: Was it correct that those inmates have to serve the sentence before they are deported?

MR. REPKO: That's basically what happens. Deportation hearings may take up to a year to 24 months, depending upon whether they have a green card or not. As a result, they are paroled from our system before the hearing is resolved. What happens to them is we only have about 500 inmates that INS has detainers on, which means that they have an interest in these people. Okay, I wanted to clarify that very quickly, because I know the number being bandied around is 1200, and that really is not accurate at all.

ASSEMBLYMAN ROMA: Five hundred would also alarm us.

MR. REPKO: Five hundred is not minimum. I'm not minimizing that at all, but it's a far cry from 1200.

I'd like to give you a little background about what we've been doing with the Attorney General's Office, the Governor's Office, and the U.S. Department of Justice on this issue. We have had several meetings with them, and as of March

18, we sent a computer disk to the U.S. Department of Justice identifying -- actually there's 485 individuals, but 500 is a round number -- specific information on these individuals that the Department of Justice had asked for, in order to get a handle on this situation.

As you indicated, during your testimony, Mr. Chairman, the biggest problems that we've had with this on a departmental and law enforcement level is there is no standard definition of an undocumented alien, and there is no information readily available to either identify or verify these individuals. There is no computer system today where there is a unique code which says this person is an undocumented alien. It's a major, major problem, not just through law enforcement, but after hearing the testimony through labor and everything else, to identify these individuals.

How we identify them in the Department -- and we work very closely with INS-- When an inmate is committed to our State institution, and again that's offenders serving a year or more, if we, through their PSI, that's their Presentence Investigation report, through court documents, or through the personal interview, find out the individual is foreign-born or they're not a U.S. citizen, we send a form to INS in Newark -- that's these 1100 or so a year that we send to INS, which Deputy Director Tillman made reference to. If they have an interest in the individual, then they send a detainer back to us. That tells us they have an interest in the individual. We put that into our computer system, and before the person is released, we notify INS. They usually start the proceedings, the hearings before the person is paroled, but if they don't, we cannot release the individual until INS takes action on the detainer.

As I said before, the majority of inmates are-- That they started work on their proceedings, the deportation proceedings they are paroled to detention centers. So that a

lot of them flush out of our system before the hearings are ever resolved. So that's the process. We work very closely with them.

In coming up with the figures that we reported to the U.S. Department of Justice, what we did was, we had to run several different computer programs in order to compile data. I'll give you information on the numbers of foreign-born, the numbers that are not U.S. citizens, and the numbers that INS indicate they have an interest in.

Out of about 22,000 -- we have 24,000 inmates that we are responsible for -- there's about 20,000 that are in our prisons, today; the rest are in county jails. Fourteen hundred of those 20,000 inmates, or about 6 percent, are foreign-born. There are about 850 that are not citizens of the United States. Either they are reported that they're not citizens or we have documentation to show that they are not citizens. Of that number, 485, or almost 500, Immigration and Naturalization say they have an interest in the individuals.

That's the group that, if they are undocumented aliens or if they are to be deported, that's the group that INS has earmarked, so there's only 500. There's not 1200. Okay, so there's 1400 foreign-born. There's about 850 that are not citizens, and there's about 500 that INS definitely says they have an interest in.

Assemblyman?

ASSEMBLYMAN MIKULAK: There were 200 that were deported, approximately, last year?

MR. REPKO: That wasn't last year. The most recent data they have-- When Mr. Tillman was giving his figures -- after the hearing I went out to talk to him -- that was 1991 data.

ASSEMBLYMAN MIKULAK: Right.

MR. REPKO: That's the most recent data they have.

ASSEMBLYMAN MIKULAK: Okay.

MR. REPKO: Our data is March 14, 1994. A lot of people get flushed out of the system. What we have remaining, as of March 14, is about 500, roughly. So they're a couple years behind in their reporting to us.

Now to give you a feel for the types of individuals these 500, what their characteristics are: nationality, about 340, or 70 percent are from Latin America or Caribbean Island countries. This kind of conforms to what Mr. Tillman had said about the overall population.

We don't have a very large percentage of Mexicans, Assemblyman, as you asked, in our prison population. We probably don't have as large number of Mexican aliens in our statewide population as well.

Another 17 percent are from South America. We have 70 percent from Latin America and the Caribbean Islands and another 17 percent from South America. You will see, when I give you offense information, they're primarily drug-related offenses, as you would imagine.

We have about 6 percent of our inmate population from Europe. It's a very small percentage of the-- Again, we're only talking about the undocumented aliens -- we're not talking about total prison population.

We have another 2 percent or 3 percent from Asia, mostly Vietnamese. With respect to the offenses, as I indicated, about 50 percent of the people we consider undocumented aliens -- or at least INS has an interest in -- at least 50 percent are in for drug crimes and the distribution of drugs.

So if you associate the Caribbean countries -- Caribbean Islands -- with South American Countries, there's a big drug cartel down there. A lot of the people that get committed to our department are in on drugs. Another 42 percent to 43 percent are in on violent crimes: murder, rape, robbery, and assault. If we had the manpower to look at these

figures in detail, they probably are drug related assaults and murders. A lot of it has to do with the drug trade, which supports where the foreign nationals, where those individuals are from.

The average term is about seven years for those that do not have parole and eligibility terms; for those that do have parole and eligibility terms, the average term is about 12 years to 13 years with the five year parole and eligibility term. On the average, these people will stay 36 months to 60 months depending upon their offense.

The average age is about 34 years of age. They tend to be older inmates than we normally have in our system. The average age of our inmates is about 26 or 27.

What does it cost? The figures that were bandied around by Mr. Dunlap -- we estimate the average cost is \$25,000 to \$26,000 per year, per inmate. That converts to roughly \$13 million to \$15 million per year. That's just the operating costs. If he looked at construction costs for a 500-bed facility, it would be in the neighborhood of \$25 million to \$40 million, depending upon the custody status, whether it's a minimum, medium, or maximum facility.

Now, Mr. Dunlap had given some information on California DOC, and \$300 million is what they are estimating their costs at. The first point I'd like to make is, there are about 110,000 inmates in California; we have about 22,000, to 24,000 today. Florida was \$26 million; that's what they estimated costs. They have about 50,000 inmates. Similarly, Texas has about 50-- They said the costs were about \$52 million. They have about 50,000 inmates, as well.

At about 24,000 inmates, our operating costs of \$15 million to \$20 million, in that range, it's comparable to the types -- the populations that are out there as well. I don't know where California got their figure from, the \$300 million.

Are there any-- This issue, again, of the 1200 inmates versus 500 inmates, does every Committee member understand what I'm saying on that? That--

ASSEMBLYMAN ROMA: I understand what you're saying. I'm not sure the members do. In terms of what we've heard thus far, we're not quite sure if everybody has the best system of measuring who is an illegal alien.

MR. REPKO: The big difference there, and again it's a major point, because 700 inmates difference is not a minor thing--

ASSEMBLYMAN ROMA: But there could be more.

MR. REPKO: Excuse me?

ASSEMBLYMAN ROMA: There could be more.

MR. REPKO: It probably could not be more, because we have detainers for every one of those 500 inmates from INS.

ASSEMBLYMAN ROMA: If, for some reason, they don't give you a detainer, how would you identify that person as an illegal alien?

MR. REPKO: That's the only way we can identify them, that's the issue. Because of the lack of--

ASSEMBLYMAN ROMA: My point being, that information is not necessarily correct.

MR. REPKO: In that respect, you're right. That there may be more-- The only thing that we can really hang our hat on today is, who INS tells us is an undocumented alien.

ASSEMBLYMAN ROMA: We have seen so many different types of figures that, unfortunately-- It's not your fault; it's a combination of factors, we don't know the size of the problem. We're working off some numbers that have been reported. Nobody seems to dispute most of the numbers, and yet, we find that the problem could be a lot worse.

MR. REPKO: You're right, if it's never reported to INS or to law enforcement authorities that they don't have a green card, that they have falsified information -- you're right it could be more in that respect.

I have presented my information, are there any questions I can answer?

ASSEMBLYMAN ROMA: Questions from the Committee? (no response)

MR. REPKO: Mr. Chairman, I can assure you that our Department will do whatever we have to with the Department of Justice and with the Attorney General's Office to get this information to INS.

ASSEMBLYMAN ROMA: How many deportation hearings do you anticipate this year?

MR. REPKO: INS controls the deportation hearings.

ASSEMBLYMAN ROMA: How many are eligible?

MR. REPKO: Well, we know there's 500 that have detainers. We probably submit somewhere between 900 to 1000 a year to INS that they have to look at. Based upon their review, they then tell us whether they want to have deportation hearings, how they want to proceed with it. Keep in mind that all of the deportation hearings are really a factor of INS. We simply report the information to them; they get back to us on how far they want to go with it.

ASSEMBLYMAN ROMA: One other, which is partly related, because we're always talking in terms of violent criminals versus nonviolent. Some of us had occasion to go up to see the boot camp or shock incarceration camp up in Summit, New York. I'm sure information will be coming through your department, through the Department of Corrections, as a legislative proposal.

MR. REPKO: We've had, just this past week, some of our higher level administrators have gone up to New York State to look at their boot camp program up there, which has been in existence for quite a while. One of the major concerns of boot camp, and I realize that's not what we're talking about, is really the after care program. After the boot camp is done, what happens to the individual? Do they just release him to

parole with minimal supervision, or is there an intensive support program after that? That's a key factor that seems to come out in most boot camp studies.

ASSEMBLYMAN ROMA: They seem to have a pretty good program up there, and perhaps this would allow us additional space for some of the more violent people in the adult population.

MR. REPKO: I think, conceptually, that's the idea, to get the less serious offenders into these intermediate programs and save the more secure bed space for violent offenders.

ASSEMBLYMAN ROMA: Questions from the Committee? (no response) Thank you.

MR. REPKO: Thank you for the opportunity.

ASSEMBLYMAN ROMA: Mr. Emmanuel Leventhal, Associate Director, New Jersey Region, ILGWU.

Good afternoon.

E M A N U E L L E V E N T H A L: Mr. Chairman, honorable members of the Committee, I have a prepared statement, but when I finish with it, I'd like to make some comments.

My name is Manny Leventhal. I am a Vice President of the International Ladies Garment Workers Union and the Associate Director of the New Jersey Region.

I want to thank you for the opportunity to testify today. As you probably know, the garment workers union like the garment industry, is populated for the most part by immigrants. So the topic of today's hearing is of particular interest to our union.

I want to begin my testimony by telling you something of a story of the garment industry and the garment workers union. Our industry, the garment industry, is and always has been an immigrant industry. The industry was populated at first, at the turn of the century, predominately by Italian and Jewish immigrants. Of course there are very few Jews and Italians working in the garment industry today, but that's not

because anybody stole their jobs. It's simply because they moved out, moved on, and they moved up. As the Jews and the Italians moved out of the garment industry and up into other industries, Puerto Ricans and African-Americans, who are, of course, not immigrants, moved into the industry. Then, later, as Puerto Ricans and African-Americans moved out of the garment industry and, again, up into other better industries, Cubans and Dominicans moved in. Today, as Cubans and Dominicans move out, Ecuadorans, Mexicans, and Chinese are moving in, and who knows who will move into the industry after the Chinese move out.

In short, what we have in the garment industry -- as in many industries, as in much of America -- is the replacement, not displacement of one generation of immigrants by another. I repeat the replacement, not displacement of one generation of immigrants by another. The difference is crucial.

There's something else. The new generations of immigrants not only don't take anything away from older generations, they actually give something to those older generations. They bring old world skills to the United States. The newer immigrants make it possible for the garment industry to survive and even to thrive in America. That's the real service to older immigrants, to you, and me. Because manufacturing jobs, like the jobs performed by members of the ILGWU, create service and professional jobs. Because every dress sown by a seamstress in a factory, say in Union City, has to be sold by a salesperson in Trenton, and has to be accounted for by an accountant in Jersey City, and so on.

What I have been relating to you anecdotally has been studied formally. It has been studied by the Council of Economic Advisors, by the Department of Labor, by the General Accounting Office, by the Urban Institute, and by the University of Wisconsin, among others. They all conclude the

same thing: The overall economic contributions of immigrants, legal and illegal, exceed their economic liabilities.

As the Council of Economic Advisors put it, "The net effect of immigration is to increase the aggregate income of the native born population." Specifically with regard to this replacement phenomena that I have been talking about, the results of a study conducted under the auspices of the United States Department of Labor's Bureau of International Labor Affairs, the office found among other things, that immigrants:

A) Keep some United States industries competitive by increasing returns to capital;

B) Increased wages and mobility opportunities for many groups of United States workers.

But it is often argued that although immigrants on the whole may be good for the country, illegals are not good for the country, and they certainly are not good, it is argued, for the specific localities in which they settle.

Again, I must argue to the contrary, like Julianne Simon's study, "How do Immigrants Affect the United States Economically?" For example, Simon found that undocumented immigrants pay at least five times more in taxes than they receive in services, and the study conducted in the State of Texas reached a similar conclusion.

In Texas, a state with certainly more illegal immigrants than New Jersey, taxes paid by the undocumented were greater than the cost to the state providing public services, and not by just a little bit. Taxes paid by illegal immigrants in Texas exceeded the costs of providing them services, services such as the ones we are talking about here today: education, health, welfare, and correction, which would be jail.

This phenomena, the excess of revenues over expenditures, may be explained in part by the fact that illegal immigrants are simply ineligible for most benefit programs. According to the National Immigration Law Center, illegal

immigrants are eligible for only very few Federal programs. They are eligible only for the most basic programs like emergency medical services, school lunch, and WIC -- that's Women, Infants, and Children. Surveys show us that illegal immigrants, even those who are eligible for various public assistance programs, do not make great use of such programs.

Chris Hodgeland and Karen Rosen studied illegal immigrant women in San Francisco. Twenty-three percent of Latino women they surveyed had United States-born children, who are eligible for Aid to Families and Dependent Children, yet only 5 percent of these women had access to these benefits. The majority of the women apparently did not seek services for fear of being reported to the INS.

The United States Department of Justice found much the same thing when they surveyed the illegal immigrants who applied for amnesty during the legalization program in 1987 and 1988. The legalization applicants had, while they were illegal, apparently not made as much use of either taxpayer supported or employer supported social services as had the general United States population during the same period.

Less than 1 percent of the legalizing population had, at the time of their application, received general assistance, Social Security, Supplemental Security Income, Worker's Compensation, or Unemployment Insurance, which is to say that the study found very little illicit use of benefits among those illegal immigrants who were then legalizing.

Less than one-half of 1 percent had obtained food stamps or AFDC without being eligible for those programs. The reason may be as simple as that proposed by the United States Department of Labor's Bureau of Labor Statistics: immigrants came here to work, not to go on welfare. Thus they use substantially fewer services than people born in the United States.

There have been no studies that I know of with regard to the costs or benefits of illegal immigrants in New Jersey, specifically. I see no reason, however, to assume that our situation is much different than that of the places where these things have, in fact, been studied. Thus, I think it is safe to assume that immigrants, legal and illegal, are a net positive to New Jersey, to the New Jersey economy. As to their effects on the New Jersey State coffers, I have no reason to assume that illegal immigrants cost any more than they pay in taxes.

I want to make some comments before I conclude.

ASSEMBLYMAN ROMA: I realize that, but you seem to almost indicate in your remarks there, that it's okay because it's not costing additional money. I really dispute that type of testimony. You have a right to be here, if you go through the channels and process the necessary paperwork. By virtue of the fact that you come here illegally, does not entitle you to any of the benefits, pure and simple. We have a system here, of laws, and you seem to be saying that it doesn't really cost that much or they are bringing some additional moneys into the coffers, so therefore, it seems to be okay.

MR. LEVENTHAL: What I'm saying--

ASSEMBLYMAN ROMA: I hope that's not what you are saying.

MR. LEVENTHAL: Let me make some comments. We're not aware, in our own industry--

ASSEMBLYMAN ROMA: Because we don't have the data, and that's one of the problems that we're running into.

MR. LEVENTHAL: Right, but let me make some comments. In our industry, the unionized part, we would not have any knowledge that someone is an illegal alien.

ASSEMBLYMAN ROMA: And if they were?

MR. LEVENTHAL: Okay.

ASSEMBLYMAN ROMA: If they were?

MR. LEVENTHAL: The only time we can do--

ASSEMBLYMAN ROMA: What steps would you take if they were?

MR. LEVENTHAL: Well, firstly, we've instructed all our employers to double check when they get someone in who seems to be foreign-born to make sure that they have all the legal documents that they're supposed to have. So our employers would not know, if they checked the green card and they have a Social Security card and whatever else, they would not know that they would be illegal if they had bought some counterfeit documents. There would be no knowledge of that.

We, then, enforce our agreement so that they get the same wages as anybody else, according to our agreement. We also cover them for Blue Cross and Major Medical, so they're not on the dole with the State.

I cannot say that pertains to the nonunionized part. In those cases, they are exploited by unscrupulous employers. That does affect the legitimate employers, so I cannot testify on that behalf. But I can tell you that we have cooperated with the New Jersey Department of Labor and the United States Department of Labor, because we do have organizers who survey the area.

We find nonunion shops, and where we find that they have employers who have illegal aliens, okay, undocumented, where we find that the employers are working them over 40 hours and not paying them time and a half, they're not paying them the minimum wage, or they don't even have time cards, we inform the Department of Labor to investigate that because we don't have any jurisdiction there. We also inform the Federal Department of Labor; sometimes they cooperate together.

I, personally, have attended seminars between the New York State Department of Labor and the New Jersey Department of Labor to find out how to audit books to see that if an employer is shipping out 5000 garments a week and he only has 10 employees, then there's something wrong.

We instructed them on how to inspect the books, because you couldn't possibly ship 5000 garments with 10 employees. You're either doing home work, you have a whole staff of home workers, or you have more people and it doesn't show up. It doesn't say that we don't even have trouble with some of our own employers, but at least our members will inform us and we will then watch the shop carefully.

We can then check the shop if they are violating the wages and the hours, simply by -- some of them punch a whole bunch of cards and they have a set of time cards which they duplicate at the end of the week. Now if you don't catch them at that point, prior to their making the payroll up, you will never know it. But we do have people in the shops who will inform us, and we catch them. We protect our members to the best of our ability.

I believe that possibly-- Maybe the State ought to hire some more, for the Labor Department, people checking out to see if the laws are being enforced, because they do not have enough people. I would believe that if you put more teeth into the laws, where people can be fined immediately, where they can be put in jail, so that these unscrupulous employers will not violate the law. I do not believe that an undocumented worker really wants to work below the Federal minimum or be exploited. What happens is that the unscrupulous employer makes a field open for the illegals to work, and maybe if they didn't have that available, a lot of them wouldn't come here.

Any other questions, I'd be happy to--

ASSEMBLYMAN ROMA: Questions from the Committee?

ASSEMBLYMAN GARRETT: I guess what I can take from your statement is, it's not whether somebody is an illegal alien that's a problem for the economy, it's just whether they are not complying with the law in general. If they're working off the books, then obviously, they're not paying taxes on that individual whether he's an illegal alien or not.

MR. LEVENTHAL: He couldn't work off the books if the employer wouldn't let him.

ASSEMBLYMAN GARRETT: Right.

MR. LEVENTHAL: So the employer is cooperating. They are in collusion. As far as the health benefits go, most of the nonunion part of our industry does not supply health benefits or, for that matter, the retail industry has many part-timers and they don't cover them for benefits, either. That's why they have part-timers.

I will tell you one other thing, that with the exporting of our jobs in our type of industry both to Mexico, the Caribbean basin, and the Far East you will have more problems on health because many of our own members who are covered by Blue Cross and Major Medical will eventually fall out as those plants close. That will be a problem for the State. That will be a legal problem because these are legal people.

ASSEMBLYMAN ROMA: Thank you for your testimony.

MR. LEVENTHAL: Thank you.

ASSEMBLYMAN ROMA: Dr. Iliana Okum, Director, Bilingual Education, Department of Education. (no response)

Mr. John Pesce, Ms. Pamela Dickson, and Mr. Oliver Bartlett.

J O H N P E S C E: Good afternoon, Mr. Chairman. My name is John Pesce. I'm Director of Hospital Payment Issues for the New Jersey Hospital Association. Oliver Bartlett is also from the New Jersey Hospital Association, and Pam Dickson is from the New Jersey Department of Health.

I am pleased to appear before you today to discuss the issue of illegal aliens or undocumented persons as they impact on health care providers and health care costs in New Jersey. The issue of the use of health care services by undocumented persons is of great concern to our member hospitals. As you may or may not know, New Jersey hospitals are guided by both

the legal and ethical mission of treating all patients, regardless of ability to pay or ability to produce identification or documentation. Unfortunately, as you have been able to attest to today, there is no current reliable information regarding the magnitude of the problem.

The New Jersey Hospital Association has cited information, as you've heard today, from the Department of Labor. I believe that information was derived from the Department of Health. It said, in 1990 there were approximately 70,000 illegal aliens in New Jersey. That had the potential to cost the State over \$200 million in health care services, since, as you know, these illegal aliens are undocumented persons, and for the most part do not have health insurance.

Of major concern to New Jersey hospitals is the fact that they currently do not get reimbursed for the health care costs that these undocumented persons do not pay for. Beginning in 1993, Chapter 160 -- which is the Health Care Reform Act, which basically deregulated New Jersey Hospitals -- that particular law established a fund which only reimburses hospitals for the cost of charity care services. Under current regulations, illegal aliens are most likely to be kept classified as a bad debt expense for failure to produce documentation. They may be more correctly classified as charity care because of their employment, income, and asset status.

In 1993, total statewide uncompensated care costs for New Jersey hospitals were estimated to be around \$1.2 billion from our most current figures. Of this amount, approximately \$500,000 was attributable to charity care services, and about \$700,000 was for bad debt expense. The 1994 charity care subsidy which was established in the aforementioned Chapter 160 Law, will only pay hospitals \$450,000 for charity care services in 1994. If the Department of Labor estimates are accurate, a

significant portion of hospital bad debt is therefore attributable to undocumented persons for which hospitals do not recover any reimbursement.

Just on a national perspective, NJHA is also currently involved with the state hospital associations of Michigan, Florida, Arizona, Illinois, New Mexico, New York, Texas, and California in ongoing discussions related to the funding of the delivery of health care services to undocumented persons in the United States.

If I may read a memorandum dated February 23 from the so-called Border States Coalition, it is from the Texas Hospital Association and talks about data collection and the aggregation to identify the financial scope of uncompensated hospital care attributable to undocumented persons. The background goes, "Significant media coverage has focused recently on the escalating problem of illegal immigration in the United States. Providing social services to the growing numbers of undocumented persons is adding to the strain of already overstrained public coffers.

"Health care providers, both public and private, in certain states and especially in urban areas of the country, are seriously affected by the unreimbursed costs of emergency and delivery services they provide to the undocumented population. Particularly affected are hospitals and physicians in the border states of California, Arizona, New Mexico, Texas, Florida, as well as Illinois and New York, and most recently, New Jersey has been added to that list.

"In Texas and in other states bordering Central America, many undocumented persons cross over the border for health care or to deliver babies. Often these patients present themselves with no prenatal care, no patient history, and inaccurate or falsified information. Cross border billing for services is impossible. Affected hospitals are faced with inadequate financial and human resources to handle the

increasing volume of immigrants, the poor health status of immigrants, vulnerabilities to malpractice litigation, and poor communication linkages with the Mexican government.

"The problem is multifaceted, ranging from inconsistent Federal policies, inadequate Federal enforcement of laws restricting illegal immigration, to insufficient funds for undocumented patient's health care. Current law provides that states are required to pay for care and services received by an alien who is not lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law, and who is otherwise eligible for Medicaid under the state's plan, if the care and services are necessary for the treatment of an emergency medical condition, which by Federal definition includes labor and delivery services.

"Federal medicaid matching payments to the states for these emergency services are made at each state's regular matching rate. However, due to Federal and state laws regarding the provision of emergency services including delivery, hospitals are restricted from ascertaining, prior to the provision of service, whether the individual would be otherwise eligible for the state's medicaid program. The implication of this restriction is magnified by the tendency of undocumented persons to provide incomplete or inaccurate information and their general failure to return for follow-up visits.

"The most impacted states have been unable to adequately fund their respective share of these costs for medical services, thus requiring health care providers to shift some of the unreimbursed costs to private sector payers and absorb the balance as losses."

So that's as a way of background on the national coalition. It has been estimated that the group of hospitals in that coalition had a health care cost for these undocumented

persons of about \$2 billion in 1993. The National Association of Public Hospitals testified on January 25 that the Vulnerable Population's Assistant Pool or the so-called VPAP, which was created by the Health Security Act and currently funded at \$800 million, should perhaps be at a level of \$3 billion for adequate funding. However the political climate may be unfavorable on a national level for this incremental funding when it is uncertain whether health care reform will include universal coverage for all citizens.

In closing, the New Jersey Hospital Association certainly sees a need for a statewide study regarding the issue of these undocumented persons and health care costs, and we would be most supportive of these efforts.

Pam, I don't know if you have anything to add to that?

P A M E L A S. D I C K S O N: Thank you. I really have little to add to Mr. Pesce's excellent summary of the issues. I'll just highlight a couple of them.

First of all, in terms of trying to estimate the impact on health care costs in New Jersey of this population, we have been working with a range and it's really only what you would call a ballpark range, since obviously, these people do not provide any hard data that we could use to document this. But the range had been between \$70 million and \$200 million.

Here's how these numbers were roughly calculated: on the high end, the \$200 million was based on the estimate of 70,000 population multiplied by what we calculate as the most recent per capita health care expenditure level of \$3000. So that gives you about \$200 million. Now I think that is probably too high, because I think it's legitimate to assume that most undocumented persons do not access the same level of health care services the average New Jerseyan does.

On the low side, we did as John did; we worked from the estimate of the total of uncompensated care costs at New Jersey hospitals. Again, these are just hospitals, not all

providers for the low range estimate. We were actually using an earlier figure of \$800 million as being the total bad debt and charity care cost and just did a ratio; 70,000 undocumented persons compared to 800,000 uninsured gives you about 8.5 percent; 8.5 percent times the \$800 million gave us about \$70 million for the other estimate of what the health care costs consumed by these people are.

The only other point I would emphasize that John made for you, is that we are, sort of, on a track down toward an inevitable conflict. We do require health care providers -- and this really lands on the shoulders of the hospitals, 90 percent of the time -- to treat anybody who shows up and who needs health care, and I'd have to support that as a social policy of the State. But as we move toward universal coverage and people who are in a position to get insurance -- either from a subsidized, if they can't get it from their employer, or from their employer get coverage-- As the managed care networks that cover these people get more aggressive about negotiating with hospitals what their rates are, there is less and less room for providers who still have to treat those people who show up at the door. They are going to have fewer tools on what to do with those costs.

Like John, I'll be happy to answer any questions you have.

ASSEMBLYMAN ROMA: Questions? (no response)

First group that doesn't have questions.

O L I V E R B A R T L E T T: I would just like to go on record and say that it's so nice to see the New Jersey Hospital Association and the Department of Health up here together, working together for a common outcome. I must say that's good for the new administration.

Thank you again for being here.

ASSEMBLYMAN ROMA: Thank you for being with us.

Ms. Regina Purcell, New Jersey Catholic Conference.

Regina, would it be appropriate to have Mr. George Piegaro from Catholic Community Services?

R E G I N A P U R C E L L: George had to leave, Mr. Chairman.

ASSEMBLYMAN ROMA: Okay.

Thank you.

MS. PURCELL: Thank you.

On behalf of the New Jersey Catholic Bishops, I am pleased to have the opportunity to testify today on immigration and the impact of undocumented aliens on New Jersey's economy. This is an issue of great importance to the Catholic Church, which has a long history of welcoming service to immigrants and is deeply concerned with the growing hostility nationwide toward immigrants.

As Archbishop Theodore E. McCarrick of Newark, Chairman of the National Conference of Catholic Bishops' Committee on Migration, has stated, "In the context of Catholic social teaching and in the light of our Judeo-Christian heritage, such an attitude is not acceptable."

Our biblical tradition, the social teachings of the Church, and our nation's history all provide a strong basis for support of immigration. Jesus' own words, "I was a stranger and you welcomed me," should be our guiding ethic and action. At a time of continuing recession and general anxiety about the future for so many, the temptation to blame immigrants is all too easy. The Bishops call us to resist this temptation. Rather than reject immigrants, they say, we should reject the political cynicism of the antiforeigner sentiment. This sentiment is often fueled by misconceptions and erroneous reporting about immigration, both legal and undocumented.

As we found out today, accurate data about undocumented immigrants is very hard to come by. One economist, Rice University's Donald Huddle, claims that legal

and undocumented immigrants cost \$42.5 billion more each year than they pay in taxes. Others, such as Jeffrey Passel of the Urban Institute, which was mentioned earlier today, say that Huddle's numbers are completely wrong and that immigrants, in fact, pay \$28.7 billion more in taxes than they cost in services, such as education and welfare. The truth is that no one knows exactly how much immigrants cost or benefit society. That's because information about individual's income, taxes, and use of social services isn't available for immigrants or for anyone else. Social scientists make estimates and different estimates produce different results.

By law, undocumented immigrants are barred from receiving Federal welfare payments and a range of other benefits, including food stamps and unemployment compensation. According to an April 1992 report published by "Congressional Quarterly," "Fearing deportation, few undocumented aliens file for the income tax refunds owed them, and the vast majority are too young to apply for Social Security benefits, even if they dared. They come to the United States to work, not to go on welfare." It is of concern that taxes paid by undocumented aliens flow to the Federal government, while the services they do use are at the state and local levels. We support the redistribution of Federal revenues to states that are particularly affected by immigration.

In conclusion, we wish to stress that respect for human dignity and human life is not debatable. Human dignity is not determined by social class, citizenship, race, or ethnicity. We join Cardinal Roger Mahoney, Archbishop of Los Angeles, in stating that, "Immigrants living in this country, documented or undocumented, need to have access to those things necessary to sustain and develop life in all its dimensions. This includes access to all basic necessities for a decent living." We must recognize the immigrant as a sister or

brother, not the enemy; as an opportunity to strengthen our community, not a problem to be solved.

Thank you.

ASSEMBLYMAN ROMA: Thank you. Questions from the Committee?

ASSEMBLYMAN GARRETT: I guess then your position is simply that there should be-- Yours is a larger issue -- a Federal issue, I guess-- That there should not be any restrictions whatsoever then on--

MS. PURCELL: No, that's not our position. The Catholic Church does believe that there is a need for an effective and just system to regulate immigration.

ASSEMBLYMAN GARRETT: And what is that?

MS. PURCELL: That is something that I think all parties across the nation are struggling with.

ASSEMBLYMAN GARRETT: Also up here, we got the brief history -- that I find sort of interesting -- how the U.S. immigration policy changed over 200 years, as far as the restrictions as they got tighter and then opened up.

MS. PURCELL: That's right.

ASSEMBLYMAN GARRETT: But you're in favor of at least having some restrictions, correct?

MS. PURCELL: Yes, we're not in favor of open borders.

ASSEMBLYMAN GARRETT: Open borders-- But then if you do have some restrictions, is there, then, anything we should be doing on the state level that's appropriate with whatever those restrictions-- We can't meet the Federal restrictions, obviously, but whatever they come out to be, we're dealing with the ones that we have right now. Is there anything that we should be -- in your mind -- appropriately doing to deal with the situation?

MS. PURCELL: I have nothing to add to that argument. We had discussion about that earlier, and I think it's something that is difficult to answer.

ASSEMBLYMAN GARRETT: Okay. Thank you.

ASSEMBLYMAN ROMA: Thank you.

Joyce Phipps, Esq. Seton Hall University. (no response) I believe there was testimony that was left with our staff.

Mr. David Mallach. United Jewish Federation of MetroWest.

D A V I D M. M A L L A C H: Good afternoon. Thank you for inviting me to speak today. I'm going to abbreviate my prepared remarks, both because of the time and also because many of the points that I've raised have been discussed.

I would like to begin by noting that I totally associate the view of the Jewish community with the vision of human concern that was expressed by my colleague from the Catholic Conference in her preceding remarks. Now, while we've debated about it -- about what proportion of the population of New Jersey, whether it's 70,000 or 120,000 are undocumented -- a few generalizations about this population, particularly in New Jersey, I believe, are in order.

First, they're distributed throughout the foreign-born community. There are substantial numbers of Irish, Polish, Chinese, Indian, and Italian undocumented. They are predominately not Latin American or Caribbean in our State. A number of informal studies that I've seen suggests that Ireland is very high up on the list, as well as Canada, after Mexico and El Salvador. The undocumented have been with us from the first Immigration Act, which was designed to limit Asian immigrants in the latter part of the 19th century.

I would imagine that if we studied the backgrounds of most of the people in this room, who arrived after the Immigration Law, we would find aunts, uncles, grandparents, who arrived here under questionable legal circumstances. In my own family -- and we view ourselves as fairly law-abiding taxpayers in the State of New Jersey, as I just went over with my

accountant and discovered how much that is true; we're not sure yet, we're finding out this week -- I know my wife's grandmother and one of my aunts arrived here in a manner, which since they have both passed away, we can say were clearly illegal.

The foreign-born, in general, are a self-selected group of people who are willing to take initiative, comfortable with uncertainty and change, and take risks in their lives. It's precisely this population which tends to be highly productive economically, mobile for job opportunities, and generally add to the positive elements in our labor market and society.

The undocumented are, and this has been well-done in many of the studies cited, fundamentally no different in terms of economic behavior from the other segments of the foreign-born. In addition, the importance of the undocumented in filling a significant role in the labor market, one that's not adequately met by native-American labor, is appreciated by anyone involved, particularly in the service economy in New Jersey.

I will say this in a nonpartisan manner, so as no one will accuse me of anything, but one might consult with Brenda Bacon, Cary Edwards, and the Governor specifically, as to the need for undocumented in employment in the service sector. I happen to believe that all three people made significant efforts to try and hire legally qualified workers. What we must recognize is that these three prominent individuals and their stories are very typical. They are not different from tens of thousands of other people in our State. Informal conversations with people in large office complexes, casinos in Atlantic City, and other similar large facilities suggest the reliance on the undocumented to provide necessary services is a major factor.

The decisions of a variety of successive Federal administrations to provide relatively little enforcement of border controls is a subject of legitimate concern to the State Legislature of New Jersey. I would hope that this Legislature would call on the Congress to expand the area of border control and border supervision, as the primary way of dealing with the issue of undocumented in our country.

I'm troubled, however, that the State feels it needs to engage in specific policy actions with regard to this population. I believe that the legitimate concern of the State is whether there is an economic drain on the State Treasury, not the illegal issue itself. I think the evidence there is very complex, very unclear, and at best, suggests the drain is probably minimal. Any individual who is living and working in our country should receive some level of health care, regardless of their status, if only because of the public health implications.

The fact is, that we've-- Much of the food industry in New Jersey is provided by the undocumented, and as long as we wish to eat in restaurants and in hotels the need for appropriate health care for this population should be clear. In addition, New Jersey is a State where people drive to work. If we believe that limiting the availability of driver's licenses to people without citizenship, without legal citizenship will prevent them from employment, I would suggest that is erroneous. What we will create is a group of untrained, uninsured, and far more dangerous drivers.

The issues of the large numbers of the undocumented in the State and the question of their availability to receive welfare have been dealt with repeatedly by others, and I will skip over that.

I would like to conclude with just two or three additional comments, in response to some points that have been raised. The Department of Corrections does not determine legal

documentation or illegality. The deportation orders can also be issued against legal people in the United States. Having a green card and committing a felony does not make you immune from deportation. So the number of 485 people who are under consideration for deportation or have orders from the INS, is not a reflection of the total number of illegals. It includes illegals; it also includes people who are here legally but who have committed certain actions that make them eligible for deportation.

Also, there has been a great deal of discussion on the issue of forgery, forged documentation, and forged forms. We can note that this issue goes way beyond the question of legals/illegals. In the area, for example, of asbestos abatement, which was discussed by the Department of Labor, there are many individuals who are legal American residents with perfectly legal status, who have engaged in fraud in the areas of asbestos and lead abatement. Production of forged documentation is necessary in order to be eligible for a variety of State contracts and other benefits. This issue should not be looked at as an issue of the documented or undocumented immigrants, but rather as a larger issue for our society. As the FBI has noted and had been quoted here before, this is a major problem for which they have no solution.

In conclusion, I feel that the specter of an economic and social threat caused by undocumented foreign immigrants is more a myth than reality. They cause no significant drain on our social services. They do provide a positive element in the labor force, pay taxes, and invest in our communities. To the extent that we feel there is a need for control, it must rest with the Federal government, which assumed the responsibility for border control, citizenship, and immigration and should live up to it's obligation in this area. I do not believe it is the responsibility or obligation of the State of New Jersey to fill in where Washington has failed to meet its responsibility.

Thank you. I'd be glad to answer any questions that you may have.

ASSEMBLYMAN ROMA: In other words, for some reason the Federal government is not moving ahead, we should sit back and not take any steps?

MR. MALLACH: No, I believe we should take two steps. One is you -- not me obviously, as a citizen, but the Legislature -- have a constitutional responsibility to petition the Federal government. I believe that is the first appropriate step.

The second is to determine, and I think that's where these hearings provide a very positive value, if there is any economic damage being done to the State of New Jersey. I believe, based on my research and listening to many of the people who have spoken here, that there is no economic damage to our State. Therefore, if there were, one potential would be to take the approach certain other states have, to sue the Federal government in court or to undertake various legislative actions, to attempt to redress that.

But given the fact that there is no damage, that the issue of citizenship is Federalized, I believe that it is not-- That potential actions, such as the licensing limitation for undocumented could cause significant public harm, or certain health care restrictions, also. That we should avoid doing harm in those situations.

ASSEMBLYMAN ROMA: One of the things that we've heard repeatedly here this morning and this afternoon is that we don't have enough information; that, in fact the problem could be much worse than we thought it was. And yet, yourself and a couple of other speakers spoke in terms of the economic damage or not having that economic damage, but without the data how can you make such a statement?

MR. MALLACH: Well, I think that we do not have exact data. I think we have a great deal of data. If we take even

the highest estimate, the 125,000 people, and if we assume -- which is patently absurd -- that every single one of them is a member of the labor force; every single one of them is working; and every single one of them has taken a job from a native born American, we still account for about one-third of the unemployed in New Jersey. So it's just, even in the most extreme with assumptions that are obviously far beyond reality, the impact on our unemployment rate if every undocumented person were removed would not be a significant one. The social service expenditures are very limited. So I believe that the information we do have suggests that the impact is very minimal and probably positive.

ASSEMBLYMAN ROMA: If New Jersey workers are being displaced, we should take no action?

MR. MALLACH: If New Jersey workers are being displaced -- which is questionable, but a possibility -- the Federal government, since it is the Federal government that has chosen to regulate this area--

In the 1890s, the Federal government took over control of this area. If I can draw an analogy for those of you from Edison and that area, the Federal courts control interstate commerce, and the issue of whether or not that pipeline should be reopened is a Federal issue. The State courts have apparently, I understand, been pre-empted from jurisdiction in this area. I'm not sure that makes the people in Edison feel very good, but I think that is the Constitution. I think the Federal government has a responsibility, and should live up to it's responsibility and we shouldn't undertake another unfunded mandate, in effect, to make up for the Federal government's lack of action.

ASSEMBLYMAN ROMA: Assemblyman Petrillo.

ASSEMBLYMAN PETRILLO: I thought I heard you give a terse percentage breakdown of countries of origin of the undocumented aliens?

MR. MALLACH: Well, I didn't give a percentage breakdown. It's been suggested that a number of countries including Ireland, Poland, China, India, Italy, and Canada provide significant undocumented in New Jersey. But there's not a percentage breakdown. This is much more a general impression.

ASSEMBLYMAN PETRILLO: My question was, what is the source of that information that you gave us, and is there available a percentage breakdown as far as the estimated numbers of undocumented aliens in New Jersey and their countries of origin? Are you familiar with any of that?

MR. MALLACH: The data I've seen are a number of studies which have not been published, some of which have been done by the census bureau, some of which have been done by researchers. What they do suggest, and this was alluded to before, that we don't have the dominant nation situation that we find in Texas and California, where 30 percent to 50 percent are Mexican; that even Mexico accounts for maybe 10 percent, and I know that was mentioned before. Also based on the deportation and arrest data from the INS and other survey around, there is no hard data on the country of origin.

The other area, one simply talking to a lot of employers, and while that's impressionistic, I think that, as we all live our lives, a lot of it is by the impressions from people we talk to.

ASSEMBLYMAN PETRILLO: So, are you saying that you just don't know, or are you saying that the information is not available, or are you saying that in New Jersey there's no true dominate country or countries of origin?

MR. MALLACH: I'm saying that there's a consensus of all the people who work in this field, there is no dominate country in New Jersey, and there are about seven or eight countries, including Western European, Mexico, Salvador, Dominica that account for -- each account for somewhere between 8 percent, 10 percent, or 12 percent.

ASSEMBLYMAN PETRILLO: Do you feel that there is any correlation between the percentages that the corrections people gave us, as far as their numbers, to what the actual numbers are of the undocumented aliens, obviously, who are not incarcerated living in New Jersey? Do you feel that his percentages are skewed because of the drug trafficking between South America--

MR. MALLACH: Well, he spoke about 485 people, this year, out of a total prison population of 24,000 to 25,000?

ASSEMBLYMAN PETRILLO: Twenty-two thousand to twenty-four thousand.

MR. MALLACH: Now, my quick math isn't that good. I'm not sure what that comes out to -- a fairly low percent. I would assume that probably similar to what 100,000 out of 8 million is? I mean, that's what we're talking about, in terms of the total population. Now, it's probably slightly higher because obviously, children tend not to be offenders in any case. You tend to get more males coming in as undocumented, and you tend to get more male offenders. So I would assume it's higher than the percentages total. But I think that the prison population as an indicator of much else is probably a poor sample. I think there are too many -- particularly if we're only dealing with a total of under 500 individuals out of 8.2 million.

ASSEMBLYMAN PETRILLO: Are you aware of any studies that we could see that would give us percentage breakdowns of countries of origin?

MR. MALLACH: Not any formal studies that any one would be willing to have entered as a-- Because it's such a murky area. The problem, of course, is going up and asking people who are, by definition scared of giving information; who are seeking not to create a paper trail; asking them to answer an honest question. That's a major research problem. That much of this data has to somehow get the information without

asking people because, you know, they have no interest in cooperating.

Thank you very much.

ASSEMBLYMAN ROMA: Thank you.

According to my list we have two additional speakers, a Mr. Dennis Johnston?

UNIDENTIFIED SPEAKER FROM AUDIENCE: He's gone.

ASSEMBLYMAN ROMA: Nick Montalto? (no response)

How about a show of hands? Is there anyone else who wishes to testify?

If you would, please come forward and identify yourself.

D O R I S M A R T I N: I'm Doris Martin. I coordinate the New Jersey Immigration Policy Network. We're an organization of the leading service providers, immigration attorneys, civil rights/human rights groups, as well as grassroots groups in New Jersey. We have over 250 people as part of our membership mailing. We have 17 members of our Steering Committee, including United Jewish Federation of MetroWest, Lutheran Social Ministries, and the Catholic Community Services.

I just wanted to call your attention primarily to the bill, which is in process -- I think it is now in the Assembly Appropriations Committee -- to establish a council for undocumented aliens. Hopefully, the work we have done today in gathering research can be a part of that council, which I'm not exactly sure why it went to the Appropriations Committee, since it doesn't have an appropriation element in it. It is composed now of 14 members who, two of whom would be experts on immigration.

I have a copy of the Senate Bill No. 303, which is the same bill; I don't have the Assembly bill in hand. But that would be a way, I think, of bringing forth some of this important work. I really urge you, especially, to be a champion of the whole of New Jersey, in the sense of the

undocumented person comes in so many shapes and sizes and not to make it an us and a them, but an attempt to really find out what is and to talk more and more to people who actually know some of these people and have regular dialogue with them. I'm sorry that some of our people that do this had to go.

Thank you very much.

ASSEMBLYMAN ROMA: Thank you.

Is there anyone further that wishes to testify? (no response)

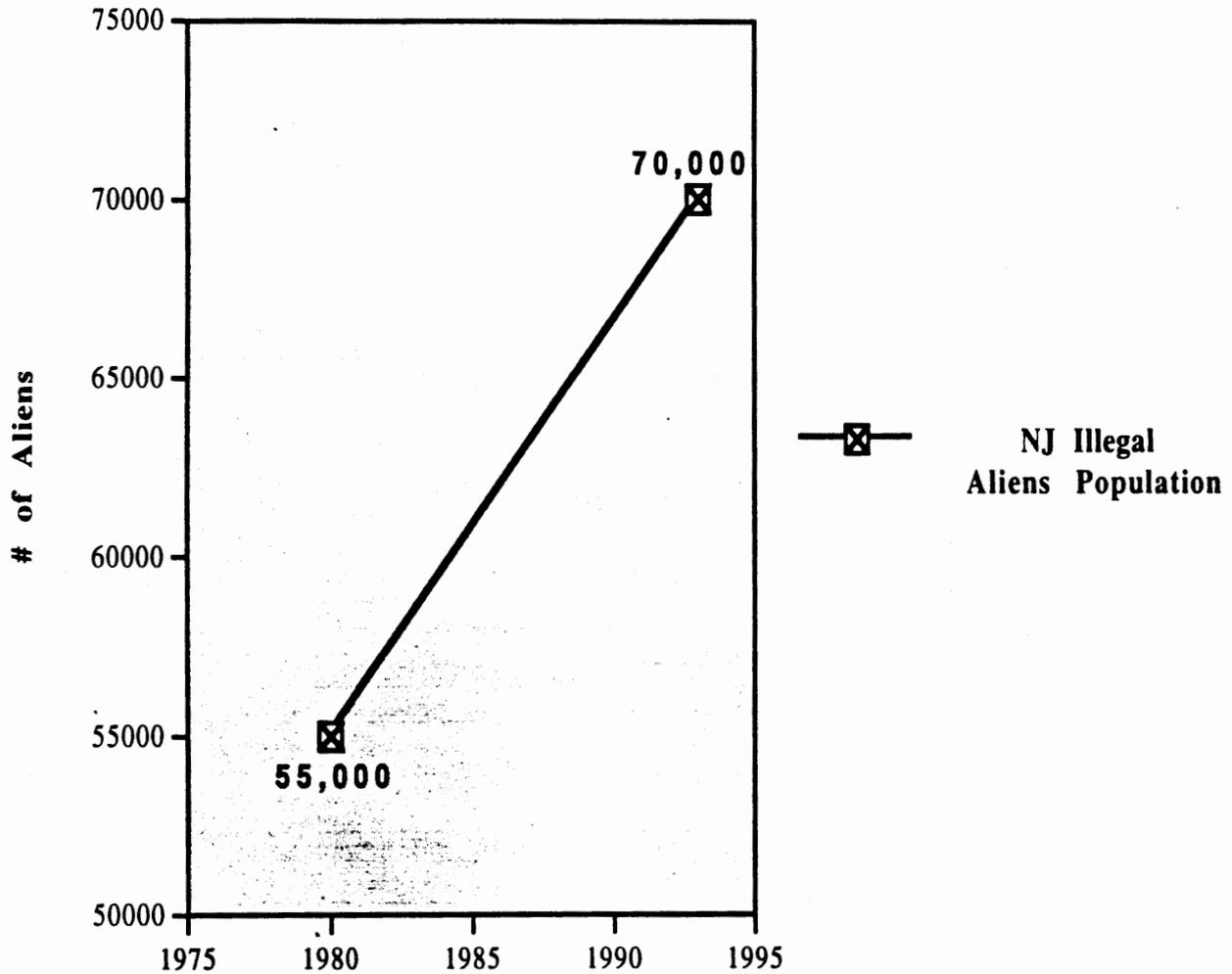
I would like to thank everyone for being here. This will be the first of a number of hearings. I think the next hearing will probably be scheduled over the next month. Probably one in South Jersey, perhaps a couple of other hearings. We will take this information and give it to the administration. Also, we requested the Attorney General to put together a lot of this information to see if there is a basis for a lawsuit against the Federal government for reimbursement. But all of this information, I believe, is extremely important, in terms of making our case.

Thank you.

(HEARING CONCLUDED)

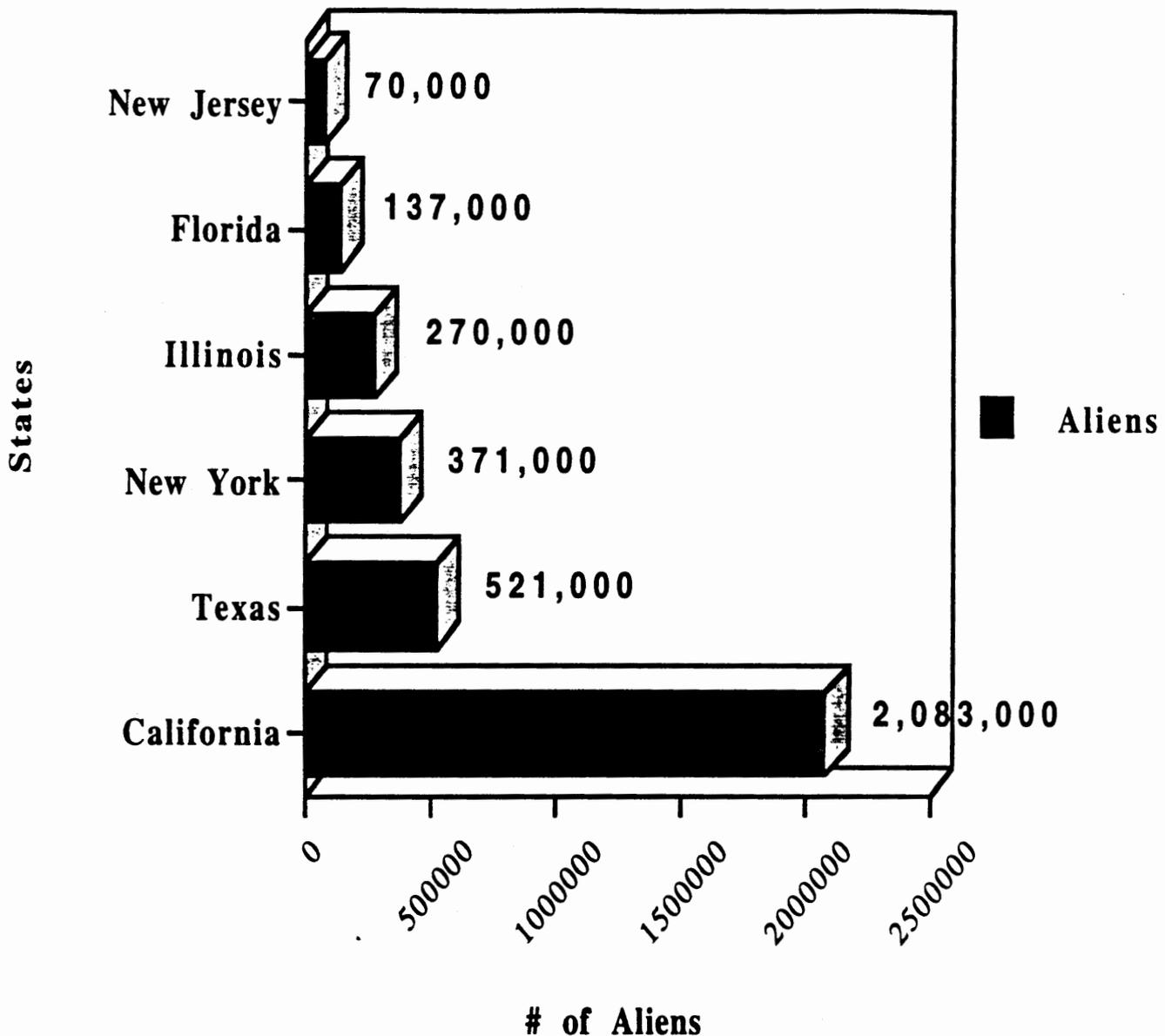
APPENDIX

NJ Illegal Aliens Population 1980-1993



NOTE: The above figures for New Jersey represent a rough estimate of the total number of illegal aliens residing in the state during the years of 1980-1993. These estimates are preliminary and unofficial and are based on independent research by the U.S. Census Population Division.

U.S. Illegal Aliens Population Data



According to the estimates above, New Jersey ranks sixth in the nation in regards to illegal alien population.

NOTE: The figures above, represent unofficial estimates of the undocumented population in the United States and individual states (in 1993). These estimates, calculated by the U.S. Census Population Division, are derived from the estimation of the number of undocumented aliens counted in the 1980 census from various national surveys and administration data on undocumented aliens who applied for amnesty under the Immigration Reform and Control Act (IRCA).



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STATE AND LOCAL IMPACT OF IMMIGRATION

ISSUE

As a result of trends in federal immigration policy, (rising numbers and diversity of immigrants, declining federal assistance, and additional unfunded mandates), states and localities are bearing disproportionate responsibility for integrating newcomers into the social, civic, and economic life in the United States.

BACKGROUND

1. Intergovernmental Roles

The federal government has sole jurisdiction over immigration policy (the terms and conditions for entry into the United States), but states and localities are the public entities largely responsible for providing services. Federal decisions have increased admissions, expanded eligibility, and reduced targeted funding for immigrants.

2. Legislative and Judicial Mandates

New legislative and judicial mandates are extending state and local responsibility for providing services to immigrants. Federal funding for the few programs serving newcomers (refugees, newly-legalized and immigrant education programs) has been cut substantially or delayed. The federal government has established new immigrant categories with limited or no eligibility for federally reimbursed services.

Newly legalized: The SLIAG program was created to provide state and local government with federal assistance for public health, public assistance, and education for nearly 3 million immigrants legalized by IRCA (and who were barred from accessing federal programs such as Medicaid, AFDC, and food stamps for 5 years). This 5 year bar ended in May 1993, allowing this population access to all federal assistance programs. State and local officials anticipate increasing demands for these services and corollary services such as interpreters, document translation, and multicultural, multilingual training for service providers.

Refugees: Federal reimbursement has been completely eliminated for refugees eligible for AFDC and Medicaid; reimbursement for refugees ineligible for AFDC and Medicaid has been reduced from 36 months to 8 months. Refugee arrivals have

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increased and large numbers of "refugee-like" migrants have been admitted with no corresponding federal funding.

Education: Funding for the Immigrant Education Act, the only impact aid for immigrant education, fell by half over the course of the 1980s. Funding for Title VII bilingual education for limited English proficient children fell by half over the 1980s. The Refugee Education Assistance program has been unfunded since 1988. The 1982 U.S. Supreme Court case, *Plyler v. Doe*, extended public education benefits to undocumented children.

Health: OBRA 1986 required states to pay for emergency services for illegal immigrants under Medicaid (if they meet financial and category standards).

3. Services and Fiscal Impacts

Immigrants are beneficial to the national economy. Newcomers pay \$90 billion in taxes each year, according to one estimate. However, economists have demonstrated that a revenue imbalance exists: 2/3 of newcomer revenue flows to federal level through income and social security taxes, and only 1/3 to states and localities, while 2/3 of costs (particularly for health and education) are funded at the state and local level.

To make up for federal resources that are insufficient or not provided, states must provide health care, education, job training and placement, and other social services when federal aid runs out. As states and localities face budget deficits, this shift in federal responsibility for resettlement costs to its partners in the intergovernmental system creates a fiscal burden that limits availability of critical services. Newcomers also face cultural and language barriers in accessing benefit programs and community services. State and local government will need to provide special services to ensure access, such as English language training, and interpreter and translation services.

4. Community Relations

State and local fiscal constraints have already compelled reductions in cash and health assistance programs. The lack of federal resources for newcomers means that their assistance will compete with assistance for earlier residents, exacerbating community tensions. As changing demographics bring more people together of diverse racial and ethnic backgrounds, it will be of increasing importance to promote the social, civic, and economic integration of newcomers. There will be a need for national, state and local leadership to build community out of diversity.

ISSUES AHEAD

The lack of a comprehensive federal policy to adequately provide for the resettlement of refugees and immigrants is compelling state and local government to create immigrant policy, but without

adequate resources. Economists show that two-thirds of income provided by immigrants flow to the federal level, while only one-third flows to state and localities. Yet the demographics of the new arrivals cause states and localities to incur significant costs for education and health care. Federal jurisdiction over immigration must be corrected to equitably respond to the needs of the new immigrants, and the needs of its partners in the intergovernmental system. State and local governments to not have adequate resources to continue acting as a "safety net of last resort". Coordinated discussions between the new Administration, members of the 103rd Congress, states, localities and private sector organizations will build a collaborative relationship that can develop creative solutions to these new fiscal and social challenges.

TIMEFRAME

The Refugee Act is pending reauthorization. The Elementary and Secondary Education Act (bilingual ed) is up for reauthorization this year. The Commission on Immigration Reform was established by the Immigration Act of 1990 for 7 years. Health care reform may not include immigrants in coverage; welfare reform proposals would deny benefits to "noncitizens", including legal immigrants and humanitarian entrants; the crime bill includes a variety of provisions affecting immigrants.

JURISDICTION

Agencies

U.S. Department of Health and Human Services: Office of Refugee Resettlement and Division of State Legalization Assistance; U.S. Department of Justice: Immigration and Naturalization Service, and Office of Community Relations Service; U.S. Department of Education; and U.S. Department of Labor.

Congress

House Appropriations Subcommittee on Labor, Health and Human Services, and Education; Senate Appropriations Subcommittee on Labor, HHS, Education and Related Agencies; House Judiciary Subcommittee on International Law, Immigration and Refugees; Senate Judiciary Subcommittee on Immigration and Refugee Affairs.

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The Absent Federal Partner

State and local government is bearing a disproportionate share of the responsibility for the United States' open-immigration policy. State officials are calling for dramatic changes in federal policy.

by Jonathan C. Dunlap

As the federal government allows the number of undocumented immigrants to increase, state and local governments are being challenged to handle the influx. With little federal assistance, states and localities are faced with meeting the needs of natives as well as legal newcomers and the undocumented, raising community tensions and issues of equity. This is because the federal government has ignored its responsibility to pay for what it has created.

It is taken for granted that the federal government has the sole authority for controlling immigration across the nation's borders. But this has not always been the case. As late as 1870, Massachusetts, California, New York City and others were placing head taxes or surcharges on immigrants as a means of regulating immigration. (Cose 1992) It was not until the 1875 Supreme Court decision *Henderson vs. City of New York* that state immigration laws were ruled an unconstitutional violation of the federal power to regulate foreign commerce. (Weissbrodt 1989)

The Federal Government Takes Charge

With the *Henderson* decision, the federal government began to consolidate its authority over immigration policy and to restrict U.S. immigration. The Chinese Exclusion Act of 1882 was the first law to permit the federal government to exclude immigrants because of race. In 1917, Congress gave the federal government broad authority to exclude and deport certain classes of immigrants. In 1924, a quota system based on national origins was established by Congress. The system increased federal ability to exclude and deport immigrants for reasons of race and ethnicity.

In the early 1950s and 1960s the restrictionist trend weakened, but federal authority and responsibility for immigration policy was firmly established. The enactment of the Immigration and Nationality Act of 1952 unified all existing immigration laws under one statute and eliminated the exclusionary prejudices against immigrants on the basis of race and ethnicity. However, the act continued to promulgate the legal bias favoring European over non-European immigrants. It was not until the Immigration and Nationality Act Amendments of 1965 that the national origins system was abolished and immigration became more available to non-Europeans.

Even the most adamant states' rights supporters would be hard-pressed to disagree with the federal government's responsibility for immigration policy. Clearly, the federal government has the economies of scale and other advantages that make it the most efficient and effective administrator of immigration policy. There also are constitutional reasons why the federal government must be responsible for controlling entry into the United States. Article 1, Section 8 of the Constitution gives the federal government authority to provide for the defense of the nation, to regulate foreign commerce and to create a uniform rule of naturalization.

But while the federal government has concentrated on U.S. immigration policy, it has ignored immigrants' needs when they arrive. The federal government has no comprehensive immigrant policy on language, orientation or education to help newcomers adjust to a new society. The federal government provides limited benefits to a narrow and shrinking proportion of the newcomer population, namely refugees and legalized aliens.

Unlike the federal government, states and localities do not have the luxury of ignoring the needs of newcomers. The public health and welfare of many state and local communities depends upon successful newcomer transitions. By federal default, states and local governments have become the stewards of immigrant policy.

During the last 50 years, state and local governments have been burdened by the federal government's failure to control undocumented immigration.¹ As early as the 1940s, significant numbers of undocumented immigrants were entering the country. By the 1950s, the Border Patrol was regularly apprehending more than 500,000 illegal immigrants each year. These high numbers prompted the Border Patrol to conduct what was called "Operation Wetback," a massive, controversial deportation campaign in which thousands of undocumented immigrants and legal residents were rounded up and deported to Mexico.

As a result of this and other factors, such as fewer employment opportunities, illegal border crossings were greatly reduced for the next 10 to 15 years. Nonetheless, beginning in the early 1970s, undocumented immigration began a dramatic increase. By 1985, estimates of the total undocumented population in the United States ranged between 4 million and 6 million.

The Federal Government Acts Again

In response to these rising numbers, Congress enacted the Immigration Reform and Control Act of 1986. For the first time, businesses employing undocumented immigrants became subject to sanctions, including stiff monetary penalties. Also an amnesty program was created that offered permanent resident status to all undocumented immigrants who had resided in the United States since 1982, as well as to some undocumented agricultural workers. Nearly 3 million persons were given amnesty under the program.

Finally, the act mandated the national adoption of the Systematic Alien Verification for Entitlements (SAVE) program. This mandate requires state agencies to verify that non-citizens applying for Aid to Families with Dependent Children, Medicaid, Food Stamps, unemployment compensation, federal housing programs and Title IV education assistance are eligible for these benefits through a data base administered by the Immigration and Naturalization Service (INS). (Zimmerman 1990)

Regardless of future federal border-enforcement policy, states and localities are faced with a large population of undocumented immigrants already in their communities.

Ironically, SAVE has been something of a misnomer. A number of studies, including one by the U.S. General Accounting Office, found SAVE's administrative costs outweighed any savings earned by detecting illegal program participation. Also, as a result of the Omnibus Budget Reconciliation Act of 1993, federal reimbursement for SAVE's administrative costs was cut in half, raising costs for states.

After a brief decline in border apprehensions following the passage of the 1986 immigration act, the numbers are once again increasing. Estimates of the undocumented population permanently residing in the United States range from between 3 million and 4 million. In 1992, the INS estimated that

3.2 million undocumented immigrants resided in the United States. A similar estimate by the General Accounting Office puts the number at 3.3 million. Both the Urban Institute and the GAO estimate these numbers are growing by between 200,000 and 300,000 people each year.

Regardless of future federal border-enforcement policy, states and localities are faced with a large population of undocumented immigrants already in their communities. The most obvious impact on state and local government is the increase in the use of resources and services, such as parks, roads, libraries, street cleaning and sanitation. However, there is a positive side to undocumented immigration. By providing a low-wage work force, working in jobs that natives will not take, and adding consumer demand to state and local economies, undocumented immigrants can contribute to a state's and community's economic health. The Border Patrol's recent "Operation Blockade" provides one example. After the Patrol concentrated a large number of agents on the border near El Paso, Texas, undocumented immigration was greatly reduced, contributing to a substantial decline in the city's economy.

Other impacts on states and localities are more specific to the undocumented population. While data on the undocumented population is sparse, we can make some assumptions about it by looking at the former undocumented immigrant population that was legalized under the 1986 immigration act. Data indicate that this population is likely to have little education, inade-

quate access to health care and limited English proficiency. Also, undocumented immigrants are an underground population because they must avoid the government's detection. They are unlikely to use public services or even call the police.

This creates the potential for a variety of social problems. For example, if undocumented immigrants are not immunized to protect themselves from contagious diseases, such as tuberculosis and hepatitis B, whole communities can be affected. Similarly, if these immigrants do not receive basic education, they are more susceptible to exploitation by employers and to the temptation of crime as a means of supporting themselves and their families. More generally, if states and localities do not meet the basic equity concerns of undocumented immigrants, there may be community tension in the future. These are the immediate concerns confronting state and local governments.

The Supreme Court and Congress have decided that some services must be provided to the undocumented population to protect the health and welfare of states and local communities. In the landmark 1982 case *Plyler vs. Doe*, the Supreme Court mandated that K-12 education must be available to all school-age children, regardless of their immigration status. This was the first time the federal government mandated that states provide assistance to undocumented immigrants.

Similarly, in 1986 the Congress passed the Omnibus Budget Reconciliation Act, mandating that undocumented immigrants be eligible for emergency health care, including pregnancy services, under the Medicaid program. Citizen children of undocumented parents, by virtue of their birth in the United States, are eligible for all services available to other citizens. This includes welfare programs. In California, this is the fastest growing population receiving Aid to Families with Dependent Children.

There are other services, in addition to those mandated by the federal government, that state and local governments must provide to undocumented immigrants to maintain community health and welfare. One is correctional facilities and services for undocumented criminal aliens. States pay the cost of incarcerating undocumented criminal immigrants in state prisons and localities do the same in their local jails.

Feds to States: Do our Bidding

Unfortunately for state and local governments, the federal government has failed to recognize its responsibility to pay for these services. As a result, states and localities provide education, emergency health care, law enforcement and other services without reimbursement.

Just how costly is this? Estimates are difficult to make. As the Congressional Research Service reported, "The data necessary to calculate such costs are generally not collected, either because the undocumented aliens are participating in a program legally and no distinction is made between them and other program participants, or because they are participating

illegally and their status is unknown." (Violet 1993) In one case in California, the state court barred state Medicaid administrators from asking people who apply for emergency services about their immigration status. (U.S. GAO, Delfico 1993) Similar policies exist or have existed in New York City and Massachusetts.

Nonetheless, some state and local governments have attempted to make ballpark estimates of these costs.² In recent testimony before Congress, the General Accounting Office stated that the total cost to state and local governments for providing kindergarten through 12th-grade education, emergency Medicaid, welfare to citizen children of undocumented parents, state corrections and Food Stamps in California, Texas, Illinois, New York and Florida was estimated at \$2.39 billion in 1992. California alone absorbed an estimated \$1.7 billion of this total. (U.S. GAO, Delfico 1993)

A recent report by the Texas Office of Immigration and Refugee Affairs estimated that the net state and local cost of serving the 550,000 undocumented in Texas is \$166 million annually. In California, San Diego and Los Angeles counties released their own estimates. The San Diego study estimated that in 1992 the net state and local cost of providing corrections, public education, public health and welfare to citizen children in that county was about \$146 million. In Los Angeles it was estimated that the net state and local costs of providing similar services was about \$400 million in 1992.

The Politics of Undocumented Immigration

The political landscape on this issue is shaped by the fact that a few states have a disproportionate share of the undocumented immigrant population. The INS estimates that in 1992, 85 percent of all undocumented immigrants lived in six states: California, New York, Florida, Texas, Illinois and New Jersey. California alone has an estimated 40 percent to 50 percent of the total.

There are a number of reasons for this skewed distribution. These six states contain many of the nation's international ports of entry. Additionally, California, Texas and Florida have long international borders, which are difficult to monitor and patrol. But beyond geographic considerations, these states are home to the majority of legal immigrants to whom many undocumented immigrants are related. As a result of this skewed distribution, most federal officials view the effect of undocumented immigration as a parochial issue. In fact, most congressional legislation on this issue is sponsored by members from the six most impacted states.

However, when viewed from a social service standpoint, undocumented immigration is anything but a parochial issue. Undocumented immigrants reside in every state. Even areas with comparatively few undocumented immigrants face a difficult task in dealing with this population. While states with a large undocumented populations often have a multilingual social infrastructure to serve immigrants, other states do not. This makes

it difficult to let the undocumented know about services and to help them when they arrive at the emergency room or school house.

California Calls for Help

State officials have renewed their calls for federal reimbursement of state and local costs by serving undocumented immigrants. Echoing earlier petitions, Gov. Pete Wilson has called for the federal government to reimburse California \$1.4 billion for the mandated social, health and correctional services the state has provided to undocumented and documented immigrants.

California also is trying to address the tension between offering minimal services to prevent the development of an undocumented underclass and the possibility that these precautions are an incentive to enter the state illegally. Wilson and California legislators, like Assemblyman Richard Mountjoy, have proposed a variety of ideas to reduce incentives for undocumented immigrants. They include paring back or eliminating services for undocumented immigrants, denying citizenship to the children of undocumented parents born in the United States, developing a national identification card and requiring local law enforcement to cooperate with the Border Patrol in apprehending undocumented immigrants.

Others are worried that these proposals might have harmful consequences for both native-born and newcomer populations in the United States. Los Angeles Mayor Richard Riordan has pointed out that if all the undocumented immigrants in Los Angeles were deported, the city's economy would face a recession.

Virginia Enters the Immigrant Arena

Virginia has historically received smaller proportions of the undocumented and legal immigrant populations. However, starting in the 1980s, the state experienced growth in both populations, particularly Asian and Latino immigrants in the northern part of the state. By 1992, Virginia had the 10th largest population of undocumented and documented immigrants. That year the Virginia Legislature created a subcommittee to investigate the needs of the foreign born.

This subcommittee, chaired by Delegate Karen Darner, has spent the last two years documenting the impact of immigration on local governments and investigating ways the state can help meet immigrant needs. The subcommittee has discovered that little federal money is available for services like translation in schools, courtrooms or hospitals. As such, it has

The U.S. Immigration and Naturalization Service estimates that in 1992, 85 percent of all undocumented immigrants lived in six states: California, New York, Florida, Texas, Illinois and New Jersey.

been difficult for the state to serve the undocumented. However, some programs have been developed.

The Arlington County Cooperative Extension Service's Bilingual Outreach Program is one example. The program provides legal and undocumented immigrants information in multiple languages about services. The program also gives immigrants a general orientation to life in the United States. "In Arlington county, we felt we had to be proactive," says program Director Mary Copenhaver. "The Bilingual Outreach Program was a workable, cost-effective way to draw this population into the community." Since its creation in 1984, the program has received awards from the Ford Foundation and the National Association of Counties.

Conclusion

The federal government is responsible for the high and increasing numbers of undocumented immigrants living in the United States. Yet, the federal government has shifted the cost of providing basic education and health care for the undocumented to the states and localities where immigrants live by mandating that these services be provided with little or no federal assistance.

In turn, states and localities are taking different approaches to this issue. States and local governments are looking for a more permanent and effective solution to the problem of undocumented immigration.

Will we ever solve this question while the federal government's mismanagement of immigration enforcement is subsidized by state and local government? Until the federal government is required to pay for the results of its own immigration enforcement policies, it has little reason to get serious about the problem. States and localities, however, do not have that luxury. □

Notes

¹ Measures of the undocumented are problematic. Apprehensions by the Border Patrol is one measure, but this may very well overestimate the population as individuals are commonly apprehended more than once, sometimes in the same 24-hour period. It is also possible that this measure understates the total as it is unknown how many people are not apprehended. Recent data released by the INS suggest that illegal border crossings account for a little more than half of the undocumented population. A significant number of undocumented immigrants enter the country with valid temporary visas and then remain in the United States after their visas expire. In sum, these methods have significant problems, but they can provide a relative measure of undocumented immigration.

² Although methodologies vary, most cost analyses are based on varying estimates of the undocumented population, rates of service utilization, and the demographic makeup of the amnesty population. Since many assumptions are made in these cost assessments, they are often contested. In testimony before the House Ways and Means Subcommittee on Human

Resources, Jeff Passel and Michael Fix of the Urban Institute testified that the Texas, San Diego county, and Los Angeles county studies each had methodological problems, ranging from overstating the number of undocumented immigrants to understating the tax revenues immigrants pay. (Fix, Ways & Means testimony, November 1993)

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IMMIGRANT POLICY NEWS..... (INSIDE THE BELTWAY)

Immigrant Policy Project
State and Local Coalition on Immigration

Vol 1, #1 2/22/94

Legislative Outlook

◆ Crime Bill

The Crime Bill, S. 1607/H.R. 3355, includes three Senate provisions that affect immigration policy. An amendment by Senator William Roth (R-DE) requires state and local government personnel to cooperate with the Immigration and Naturalization Service (INS) in its efforts to find and deport undocumented immigrants. This would bar localities from creating sanctuaries for undocumented entrants and potentially require local police, schools, and health facilities to report any information concerning the whereabouts of undocumented immigrants. States and localities in violation of this requirement would lose new crime bill funds.

An amendment by Senator James Exon (D-NE) codifies current federal program eligibility rules that bar "persons not lawfully present in the U.S." from receiving most federal benefits. "Persons not lawfully present in the U.S." are defined as those who do not have one of the following statuses: citizen, LPR, asylee, asylee applicant, refugee, parolee, nonimmigrant, TPS, temporary residence, or Family Unity Protection status.

An amendment by Senator Bob Graham (D-FL) authorizes the Attorney General (at the request of a state or locality) to take custody of incarcerated criminal aliens or to reimburse states or localities for the cost of their incarceration. Reimbursement is subject to the availability of appropriations.

STATUS: Passed the Senate in November; the House Judiciary Committee will hold hearings the week of February 21.

◆ Welfare Reform

The House Republican welfare reform bill, H.R. 3500, proposes to end eligibility for services to all "noncitizens," a term that includes all immigrants legally residing in the United States, but not yet U.S. citizens. Immigrant categories affected include: lawful permanent residents (who enter for family reunification or work), parolees, asylees, and refugees after six years. The bill lists 61 programs for which all noncitizens will become ineligible, including public health programs, food and nutrition programs, immunizations, supplemental security income, Community Service Block Grant funds, homeless and housing assistance programs, and Aid to Families with Dependent Children. Immigrants over age 75 who have resided in the United States for five years are exempt. Refugees are exempt for six years after arrival. Aliens remain eligible for medical emergency services. One hundred and sixty Republicans cosponsored H.R. 3500.

The bottom line for states and localities is that needy, legal immigrants will be barred from federal assistance programs and will turn to state and local benefit programs, where available, for basic health and emergency services.

(Continued on page 4)

Welcome to the Immigrant Policy Project's new venture: a brief newsletter highlighting federal activities in the immigration arena. Our goal: to inform interested state and local officials of current events in Congress, the White House, and federal agencies related to immigration policy, services, and funding with a particular focus on implications for state and local governments. Publication will be periodic and in response to federal activity. The Project will also publish a state-local report on immigrant policy. Please call Ann Morse (202-624-8697) or Jon Dunlap (202-624-8684) with any comments, recommendations or information for future issues of these two newsletters.

Appropriations & Budget News

◆ Limited Earthquake Relief Available to Undocumented Immigrants

Undocumented immigrants will be eligible to receive only limited assistance from the \$8.6 billion federal earthquake aid bill, H.R. 3759. After a number of amendments to prohibit undocumented immigrants from all earthquake assistance failed, a compromise amendment offered by Rep. Esteban Torres (D-CA) was subsequently passed. Under the compromise, undocumented immigrants are eligible to receive only emergency aid (food, temporary shelter, medical services, hazard removal, and safety services). The bill was signed by the President on February 12.

◆ Refugee Program

The refugee program is slated to receive a rare increase in the President's FY1995 budget, from \$400 million to \$414 million.

◆ State Legalization Impact Assistance Grant (SLIAG) Update

The President's FY 1995 budget contains \$243 million in budget authority for SLIAG. The budget authority will allow the federal government to reallocate unexpended SLIAG funds to states with outstanding SLIAG bills. These states may then use the reallocated funds to pay for program costs incurred prior to September 30, 1994. HHS estimates that after the reallocation process is completed and all SLIAG bills have been paid, the program will have a surplus of approximately \$75 million.

◆ Clinton announces \$368 million Border Security and Illegal Immigration Control initiative

As part of an initiative to "reinvent INS," the Clinton Administration announced a two year strategy to fight undocumented immigration. Attorney General Janet Reno called for 1,010 more Border Patrol agents to patrol the southern border by the end of 1995 at a cost of approximately \$181 million. The initiative also includes a reorganization of INS, resources to deport criminal aliens (\$55 million), better enforcement of employer sanctions (\$38 million), asylum reform (\$64 million), and funding to encourage naturalization (\$30 million). The deportation provisions should provide fiscal relief for several states with large alien prison populations. The naturalization program will assist with the three million newcomers eligible for citizenship as a result of the Immigration Reform and Control Act of 1986. (There is an existing immigrant population of five million also potentially eligible for this provision.)

From The Bar - Residency requirement for public benefits found unconstitutional.

The U.S. Supreme Court chose not to hear a Minnesota appeal of *Mitchell v. Steffan*. The Minnesota Supreme Court ruled in *Mitchell* that the state law's six-month residency requirement for general assistance was unconstitutional. The Minnesota Court said that denying benefits to new residents violated the constitutional right to travel.

Regulations

On December 8, the Office of Refugee Resettlement issued a final rule that eliminates the public comment period for reducing the number of months refugees may receive benefits. ORR may now reduce refugee cash and medical assistance (currently set at 8 months) at any time by issuing a notice in the Federal Register. ORR will first pay for the unaccompanied minors program and the private sector matching grant program before allocating funds to states. States may incur additional unreimbursed costs; may become liable to lawsuits if unable to provide sufficient notice of benefit reduction to refugees; or may be forced to shut down programs if insufficient funds are provided. ORR received, but largely rejected, 45 opposing comments to the rule.

The Guest Column

The guest column will be a regular feature of this newsletter. Opinions expressed are solely those of the author. If you would like to write a column or would like to recommend an author, please contact us.

The Criminal Aliens Federal Responsibility Act of 1994 by Senator Bob Graham (D-FL)

The United States Constitution makes the federal government responsible for our nation's immigration and naturalization policy. But time and time again, it's been the state and local governments that have had to foot the bill for illegal aliens.

The most egregious example of this imbalance is the burden of criminal aliens on states and localities. When illegal aliens commit crimes, the federal government should be responsible for imprisoning or deporting them. Instead, it's the states that have to find room in their prisons for these aliens.

Hoping to resolve this inequality, I offered an amendment to the Senate crime bill last November that would require the federal government to bear its responsibility for illegal immigrants convicted of felonies. Under this amendment, the federal government would have to take custody of, or provide payment for, criminal alien felons. A revised provision similar to my amendment was eventually included in the Crime Bill, but it was discretionary not mandatory, allowing – not requiring – the Attorney General to transfer criminal aliens to federal facilities or to reimburse states.

In February, dissatisfied with this watered down provision, I introduced the Criminal Aliens Federal Responsibility Act of 1994, cosponsored by Senators Alfonse M. D'Amato (R-NY), Connie Mack (R-FL), Dianne Feinstein (D-CA), Richard Bryan (D-NV), Barbara Boxer (D-CA), John McCain (R-AZ), and Kay Bailey Hutchinson (R-TX). A companion bill will be introduced in the House of Representatives by Congressman Gary Condit (D-CA).

Our legislation has two basic concerns:

- * The federal government should be a partner with state and local governments and assist them in the effort to attack our nation's crime problem.
- * The federal government has failed to accept its responsibility for immigration policy, and thereby, criminal aliens.

According to Harry Singletary, secretary of the Florida Department of Corrections, about seven percent of the state's prison population -- 3,433 out of 50,000 inmates -- are illegal aliens. These criminal aliens cost Florida about \$58.6 million each year. Other states with high immigrant populations are suffering as well. Governor Mario Cuomo, who has already endorsed our bill along with many other state and local elected officials, estimates that 2,600 criminal aliens are housed in New York prisons. The National Conference of State Legislatures, the National Association of Counties, and the Association of State Correctional Administrators also support the bill.

But I think it was my co-sponsor, Senator Dianne Feinstein, who best summed up the need for this bill. "The Criminal Aliens Federal Responsibility Act... will replace warm words with cold cash -- funds sorely needed by California and many other states and localities across the country." Working with Senator Feinstein and senators from other states that now bear the financial burden of illegal aliens, we hope to garner enough support to pass this bill -- and to help restore the proper balance between the federal government and the states.

Immigrant Policy News is published by the Immigrant Policy Project of the State and Local Coalition on Immigration. Coalition members are: the National Governors' Association, the National Conference of State Legislatures, the United States Conference of Mayors, the National Association of Counties, and the American Public Welfare Association. The Project is located in the Washington, D.C. office of the National Conference of State Legislatures.

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Welfare Reform: continued from page 1:

In the Senate, S.1795 prohibits "unlawful" aliens from accessing AFDC, Medicaid (except emergency services), food stamps, SSI and unemployment insurance. "Unlawful" aliens are those who are not 1) a citizen or 2) nationals of the U.S., lawful permanent residents, asylee, refugee, an alien whose deportation has been withheld, or a parolee who has been paroled for a period of 1 year or more. Those listed in 2) who receive benefits for more than 12 months must be reported to the INS and treated as a public charge. Aliens entering under family sponsorship will be "deemed" to have the sponsor and the sponsor's spouse income and resources available for purposes of eligibility and benefits for these five programs (until the alien achieves citizenship).

State AFDC agencies must provide information to the INS on illegal aliens "any of whose children is a citizen of the U.S." States are given the option to treat interstate immigrants under the benefits rules of the former state for 12 months. S.1795 is sponsored by Senator Hank Brown (R-CO) and 18 Republican cosponsors.

The Clinton Administration is considering denying SSI benefits to legal immigrants until they become citizens as a means of financing the welfare reform proposal, which is expected to be introduced in the spring.

- ◆ Immigrants' Supplemental Security Income (SSI) benefits delayed to fund extension of Unemployment Insurance benefits

In October 1993, the federal government funded the extension of unemployment benefits partly through limiting the eligibility of low-income aged, blind, and disabled immigrants for SSI benefits. Sponsored immigrants must now wait five years instead of three before they are eligible for assistance. The change is in effect from January 1, 1994 to October 1, 1996.

Expect a series of HHS regs within the next month on refugee program reform; and, in 2-4 weeks from Justice on INS reorganization.

The next hearing by the federal Commission on Immigration Reform will be held in El Paso, Texas on March 17 on border issues.

Next issue: The Urban Institute's Jeff Passel and Rebecca Clark discuss immigrant cost-benefit studies.

IMMIGRANT POLICY NEWS

Immigrant Policy Project

State and Local Coalition on Immigration

c/o National Conference of State Legislatures

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IMMIGRANT POLICY NEWS..... (INSIDE THE BELTWAY)

Immigrant Policy Project
State and Local Coalition on Immigration

Vol 1, #2 3/25/94

Legislative Outlook

◆ Illegal Immigration Bill Introduced by House Republicans

On February 10, 1994, the House Republican Task Force on Illegal Immigration introduced H.R. 3860, the Illegal Immigration Control Act of 1994. Sponsors say the bill will reduce the attractiveness of the United States to prospective illegal entrants by eliminating the two primary "magnets" that draw people to this country, namely access to jobs and government benefits. The total cost of the bill is approximately \$2 billion over five years and would be paid for by charging a \$1.50 border crossing fee.

The bill prohibits federally funded welfare benefits, other than emergency medical care, for aliens who are not lawful permanent residents, refugees, asylees, or parolees. The bill also limits subsidized housing to these four immigrant categories. This would exclude not only undocumented immigrants, but also those with temporary legal status and aliens permanently residing under color of law (PRUCOL) who are currently eligible to participate in federal welfare programs. The bill reduces by 20% federal aid to "sanctuary cities" that have an official policy to not cooperate with the INS or Department of Justice with respect to the arrest and detention of illegal aliens. The bill establishes a tamper-resistant social security card to be used only to verify employment eligibility.

The bill authorizes funding for 6,000 new border patrol agents, bringing the total number to 10,000 by 1998. The border patrol has indicated that it believes 10,000 agents will be enough to radically reduce illegal border crossing. The bill requires INS to install additional fences and ditches at the border to deter illegal crossing.

◆ Simpson Introduces Immigration and Asylum Reform Legislation

On March 2, 1994, Senator Alan Simpson (R-WY) introduced the Comprehensive Immigration and Asylum Reform Act of 1994, S.1884. The bill prohibits the distribution of federally-funded welfare benefits to illegal aliens, except emergency health care, short-term disaster relief, child nutrition, and public health programs. The income and resources of a family-sponsored immigrant shall be deemed to be the income and resources of the immigrant until the immigrant becomes a citizen. (AFDC and Food Stamps have "deeming" provisions set at three years. It is five year deeming for SSI).

S.1884 would require all federally-funded agencies (including state and local governments) to cooperate with the INS in its efforts to locate and deport illegal aliens. The bill establishes a national, counterfeit-resistant identification card that would be used to verify employment and federal program eligibility. The bill reduces the total number of legal immigrant visas annually available from 675,000 to 500,000 until FY2000 when the ceiling returns to 675,000. The bill also reduces the ceiling on refugee arrivals from 121,000 to 80,000.

(Continued on page 2)

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Legislative Outlook: *continued from page 1:*

◆ **House Democrats Release Immigration Reform Package**

On March 15, 1994, a group of seven California House Democrats introduced a package of immigration reform bills. Representatives Becerra, Beilenson, Farr, Filner, Roybal-Allard, Schenk, and Torres have introduced legislation that increases Border Patrol appropriations, reimburses states for the cost of incarcerating undocumented alien felons, addresses workplace discrimination, creates a federal immigration enforcement review board, reforms the naturalization process, and authorizes citizenship and language education services.

- Beilenson's bill, H.R. 4015, increases the number of Border Patrol agents to 6,000, increases the number of agents fighting alien smuggling rings, provides \$170 million for new Border Patrol equipment and additional funds for its upkeep and repair, and creates a civil rights and cultural sensitivity training program for agents.
- Becerra is sponsoring H.R. 4054 which requires the federal government to reimburse states for the cost of incarcerating undocumented alien felons or to place them in federal custody, similar to the Graham/Condit legislation highlighted in the newsletter's last edition.
- Becerra's second bill, H.R. 4053, creates added protections to prevent minorities from being discriminated against under the employer sanctions law.
- A third bill sponsored by Becerra, H.R. 2119, creates a federal review panel to oversee and investigate reported civil rights abuses made against the INS and Customs service.
- Farr's legislation H.R. 4042 requires INS to develop a plan to improve the efficiency of the naturalization process and to report on ways to expedite the processing of naturalization claims.
- Roybal-Allard is sponsoring H.R. 3754. This bill creates a \$100 million grant program to fund services previously provided by the SLIAG program to help immigrants meet citizenship requirements. These services include English classes, civics instruction, adult education, vocational education, literacy services and college preparatory classes.

◆ **Immigration Amendments to ESEA**

In floor consideration of H.R. 6, reauthorization of the Elementary and Secondary Education Act (ESEA), Congressman Dana Rohrabacher (R-CA) and Congressman Toby Roth (R-WI) offered immigration-related amendments. The first Rohrabacher amendment proposed to withhold ESEA funding from local education agencies unless they reported the number of illegal students in the school system and the number of legal students with parents not lawfully in the United States. Supporters maintained the amendment was necessary to document the costs of providing services to undocumented immigrants. Opponents maintained the amendment would impose high costs on districts for data collection and for teacher training as INS agents so they could determine who is legally resident in the United States. This amendment was defeated 329-78.

The second Rohrabacher amendment would have barred the use of ESEA funds to those who were not (1) citizens or nationals of the United States; (2) permanent resident aliens; (3) parolees, asylees, or refugees. Legal immigrants would have been affected by the provision as well as undocumented immigrants, such as those with temporary protected status or deferred enforced departure, asylum applicants, and those "permanently residing under color of law." The House rejected this amendment on a voice vote.

The Roth amendment proposed to eliminate the requirement that federal funds for bilingual education include instruction in both English and the student's native language. The House rejected the Roth amendment, 334-58.

(Continued on page 3)

Legislative Outlook: continued from page 2

The 1982 U.S. Supreme Court decision, *Plyler v. Doe*, requires states to provide education to all students regardless of immigration status. The 1974 U.S. Supreme Court decision, *Lau v. Nichols*, ruled that limited-English-proficient students are entitled to special assistance to allow equal participation in school programs.

The Rohrabacher and Roth amendments would have resulted in additional unfunded mandates for states and localities by barring federal assistance for mandated services. The amendments were opposed by the U.S. Department of Education, the Immigration and Naturalization Service, and the Office of Management and Budget, as well as state and local associations.

STATUS: The House has not completed consideration of H.R. 6.

The Ticker...

The next meeting of the federal Commission on Immigration Reform is on May 24, 1994 in Chicago, IL and will address naturalization and community relations.

Florida intends to file a lawsuit against the federal government for reimbursement of its costs for providing services to undocumented immigrants.

The House will delay debating and voting on its version of the crime legislation package until after the Easter recess.

Appropriations & Budget News

◆ **House Budget Committee Narrowly Rejects Restrictions on Immigrant Welfare**

By a vote of 22-21, the House Budget Committee rejected an amendment which would have incorporated the House Republican welfare reform proposal into the House Budget Resolution. As reported in the last edition of the newsletter, this welfare reform proposal would drastically reduce the welfare program eligibility for almost all legal immigrants.

In further action, the House Budget Committee inserted language into the House Budget Resolution which supports state and local government efforts to gain reimbursement for the costs of providing mandated services to newcomers. In section 7, Sense of the Committee on the Budget, the Committee acknowledges the federal failure to control undocumented immigration and recognizes the federal obligation to help fund the increasing state and local government costs resulting from ineffective federal immigration enforcement. The Committee further assumes that adequate federal funding will be provided to alleviate costs for: 1) elementary and secondary education to undocumented children, 2) emergency medical assistance to the undocumented, 3) law enforcement resources and personnel to incarcerate and supervise parole of criminal aliens, and 4) refugee admissions and resettlement.

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Washington Wire - Public Hearing of the Commission on Immigration Reform

The federal Commission on Immigration Reform met in Washington, D.C. on March 14, 1994 to review available data on the costs vs. benefits of immigration and federal program eligibility of, and utilization by, newcomers. Jeff Passel, of the Urban Institute, Donald Huddle, of Rice University, and Frank Bean, of the University of Texas-Austin, each presented the findings of their cost-benefit research. The meeting was attended by representatives of the Clinton Administration, the Departments of State, Justice, Labor, and Health and Human Services, Congressional committees, state and local government, academic researchers, and advocacy groups. Highlights from the meeting are:

- Legal immigrants are eligible for a wide range of federal programs but are subject to deeming and sponsorship limitations; undocumented immigrants are eligible for very few programs (i.e., K-12 education, emergency medical services, and limited nutrition and disaster programs).
- Reductions in federal Supplemental Security Income (SSI) eligibility for legal immigrants are shifting costs directly to state and local General Assistance programs, especially those that provide benefits to persons waiting to be approved for the SSI program.
- Passel stated that for an accurate picture of immigrants' use of public assistance, data must be disaggregated by immigrant status and by sending country. Refugees generally have higher rates of welfare utilization than the general population, while all other immigrants access welfare at rates significantly lower than the general population.
- Mary Jo Bane, co-Chair of the President's Welfare Reform Task Force, commented that three things were of particular interest to her: the high cost of providing K-12 education to undocumented children, the high rates of welfare use by refugees, and the high rates of participation in the SSI program by both immigrants and refugees.

Next issue: Definitions of immigrant status and eligibility for public benefits. The Urban Institute's Jeff Passel and Rebecca Clark discuss immigrant cost-benefit studies.

IMMIGRANT POLICY NEWS

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Common Immigration Terms

Who is an immigrant?

As a general term for new arrivals, this includes legal immigrants, refugees, asylees, parolees, and others. Legal immigrants are granted admission to the United States on the basis of family relation or job skill. The Immigration Act of 1990 permits up to 700,000 immigrants to enter in 1994.

Who is a Lawful Permanent Resident (LPR)?

A person who is here permanently and qualifies as a refugee, asylee, or immigrant, or who has been granted amnesty other than suspension of deportation. In short, an alien who has been lawfully afforded the privilege of residing permanently in the United States.

Who is a refugee?

A person who flees his or her country due to persecution or a well-founded fear of persecution because of race, religion, nationality, political opinion, or membership in a social group. Refugees are eligible for federal resettlement assistance. 122,000 refugees are allowed to enter the United States in 1994.

Who is an asylee?

Similar to a refugee, this is a person who seeks asylum and is already present in the United States when he or she requests permission to stay.

Who is a parolee?

The Justice Department has discretionary authority to permit certain persons or groups to enter the United States in an emergency or because it serves an overriding public interest. Parole may be granted for humanitarian, legal, or medical reasons. These entrants are granted temporary residence, are ineligible for special federal benefits and are not on a predetermined path to permanent resident status. In some cases, parolees do qualify for work authorization, depending upon personal circumstances.

Who is an "illegal alien?"

Now referred to as an undocumented person, this is someone who enters or lives in the United States without official authorization. In 1986, Congress granted amnesty to approximately 3 million undocumented persons under the Immigration Reform and Control Act. This law initiated a requirement that employers obtain proof of citizenship from all their employees or face stiff financial penalties.

Who is a nonimmigrant?

Aliens who are allowed to enter the United States for a specific purpose and for a limited period of time. Examples include tourists, students, and business visitors.

These definitions cover the majority of entrants to the United States, although the federal government has created a number of other categories with varying levels of federal assistance for specific populations. For example, Temporary Protected Status (TPS) provides a stay of deportation and work permit for refugees from a handful of countries, but not for special federal assistance

Immigrant Policy Project, NCSL



NATIONAL
GOVERNORS
ASSOCIATION

National
Association
of
COUNTIES



National Conference of State Legislatures



State and Local Coalition on Immigration Immigrant Policy Project

Immigrant Policy Project
of the State and Local Coalition on Immigration

Funded by The Andrew W. Mellon Foundation

SUMMARY

The State and Local Coalition on Immigration was awarded a renewal of the Immigrant Policy Project by The Andrew W. Mellon Foundation to address the role of state and local governments in the resettlement of refugees and immigrants. Members of the Coalition are: the National Governors' Association, the National Conference of State Legislatures, the National Association of Counties, the United States Conference of Mayors, and the American Public Welfare Association. The Immigrant Policy Project is housed in the Washington, D.C. office of the National Conference of State Legislatures.

The goals of the Coalition are to improve intergovernmental coordination and communication among the key state and local officials and other relevant actors in the immigration community, and to enhance the capacity of state and local officials to manage immigrant policy. The five organizations comprising the Coalition work together to shape federal immigration policy and other human services policy as it relates to immigrants (separate from the role of the Immigrant Policy Project.) The Immigrant Policy Project performs research and education activities, acts as a centralized source of information for the Coalition, and channels information to the Coalition's constituencies.

The First Term: 1992-1993

The Immigrant Policy Project conducted seven regional and national meetings with state and local policymakers and immigration experts to discuss the local impacts of immigration and to highlight initiatives and successful practices in serving immigrant populations. The Project published a series of issue papers entitled *America's Newcomers* that provide an overview of U.S. immigration and immigrant policy, and an examination of health care issues, employment and training programs, and community relations related to immigrants.

The Continuing Challenge for States and Localities

The public policy debate on immigration has become more visible and more contentious since the Project's inception. Media and public attention has surged, heightened by the civil disorder in Los Angeles, the bombing of the World Trade Center, the Chinese boat refugees, and the Haitian exodus. Meanwhile, federal proposals to curtail immigration and eliminate benefits for "noncitizens" are increasing. Federal jurisdiction over immigration policy limits the flexibility of states and localities to respond, while the demands on programs and services increase. With a steady decline in federal assistance, states and localities are faced with cutting back on programs and with meeting the needs of the native-born as well as the newcomers, raising issues of equity and community tensions.

New federal proposals may further limit immigrants' access to services, and leave states and localities scrambling to provide basic health services, social services and emergency assistance. In order to provide the necessary services, states and localities require accurate information on demographics, fiscal impacts, economic and social benefits, service needs, and barriers to services. The Project seeks to provide state and local policymakers with research and analysis for the approaching public policy debates on immigration and services for immigrants.

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Workproducts

1. Publication of a biweekly newsletter reporting federal action relating to immigration. The newsletter will provide timely information to state and local policymakers of bills introduced in Congress and the potential implications for states and localities. The report will also summarize federal regulations relating to benefits for immigrants, and fiscal or programmatic impact on state and local government.
2. Publication of a bimonthly immigrant policy newsletter focusing on state and local innovations relating to services for immigrants. Two additional issues will be published each year focusing on high priority issues and their implications for immigrants and state and local government, such as welfare reform.
3. Two issue papers will be published and distributed to Coalition constituents. One issue paper will focus on federal welfare reform proposals related to services for the immigrant population, to assess the service and fiscal implications for state and local government. The second issue paper will examine state and local job training reforms and welfare reform efforts related to immigrant populations, to identify successful programs that assist immigrants in overcoming employment barriers, such as acculturation, language skills, skills assessment, and accreditation.
4. Two workshops will be conducted to critique the issue papers. State and local officials and appropriate issue experts will be invited to a one-day workshop in Washington, D.C. to discuss and evaluate the issue papers prior to publication.
5. The Project will support technical assistance to states and localities to identify and solve barriers to effective integration of newcomers into the community (e.g., providing testimony to legislative committees or program administrators, studying specific barriers and policy conflicts for welfare and support systems for immigrants.)

National Advisory Board

The National Advisory Board is comprised of two governors, two state legislators, two mayors, two county commissioners, and two state human service directors. The National Advisory Board will be convened midway through the project to evaluate the Project's status in researching federal welfare reform and state/local job training reforms. The Advisory Board will also recommend areas for focused research during the second half of the Project's term. Members of the Advisory Board are kept apprised of the project's activities through mailings, conference calls, and individual contact as needed.

Administrative Structure

The project is administered by a governing board composed of the Executive Directors and immigrant policy specialists of the five national organizations; a project manager, and two advisory boards: a national advisory board of coalition constituents, and an expert panel of immigration specialists.

For more information, please contact:

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U.S. Conference of Mayors: Laura Waxman, 202/293-7330

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IMMIGRATION FACT SHEET

The attached *Immigration Fact Sheet* is a compilation of recent statistics and historical data on the national origin and residence of immigrants and the foreign-born population in the United States. The *Immigration Fact Sheet* was designed to provide INS personnel with ready access to a wide range of summary statistics, including information on the following topics:

- ◆ Immigration in fiscal year 1992, during the 1980s, and a historical table for 1820-1992. Data for fiscal year 1992 are shown by country of origin and state and city of U.S. residence. Note that immigration in fiscal year 1992 would have been just over 800,000 if IRCA adjustments had been excluded from the total.
- ◆ Data on the total foreign-born population, aliens and naturalized U.S. citizens, by country of origin and state of residence, from the 1990 census.
- ◆ Naturalization data, by country of origin and state and city of residence. The countries with the highest and lowest rates of naturalization are shown.
- ◆ Refugees and asylees approved in fiscal year 1992, by country, and refugee applicants approved during the 1980s.
- ◆ Nonimmigrants admitted in fiscal year 1992, by country, including data on tourists, temporary workers, and students.
- ◆ Estimates of illegal immigration, by country of origin and U.S. state of residence, as of October 1992, and alien apprehensions, by country, in fiscal year 1992.
- ◆ Emigration from the United States by decade during the 1901-90 period and emigration to selected countries during the 1980s.
- ◆ Summary data from the 1990 census, in graphic form, including statistics on the foreign-born population, educational attainment, median family income, and poverty rates of the native- and foreign-born population.

This *Immigration Fact Sheet* was produced by the INS Statistics Division. Sources for more detailed information are: the *1992 Statistical Yearbook of the Immigration and Naturalization Service*; *The Foreign-born Population in the United States*, 1990 Census, CP-3-1, U.S. Bureau of the Census. For additional copies or for additional information, contact the Statistics Division at (202) 376-3066.

IMMIGRATION FACT SHEET

COUNTRY OF ORIGIN:

Immigration, FY 1992:

Top Ten Countries of Birth

All countries	973,977
Mexico	213,802
Vietnam	77,735
Philippines	61,022
Soviet Union	43,614
Dominican Republic	41,969
China	38,907
India	36,755
El Salvador	26,191
Poland	25,504
United Kingdom	19,973

Immigration, 1981-90:

Top Ten Countries of Birth

All countries	7,338,062
Mexico	1,653,250
Philippines	495,271
Vietnam	401,419
Korea	338,872
China	270,581
India	261,841
Dominican Republic	251,803
El Salvador	214,574
Jamaica	213,805
Cuba	159,257

Immigration, 1820-1992:

Top Ten Countries of Last Residence

All countries	59,795,158
Germany	7,107,227
Italy	5,415,386
United Kingdom	5,157,842
Mexico	5,050,780
Ireland	4,741,776
Canada	4,337,057
Russia	3,512,332
Austria	1,835,352
Hungary	1,669,743
Sweden	1,287,223

Foreign-born, 1990 Census:

Top Ten Countries of Birth

All countries	19,767,316
Mexico	4,298,014
Philippines	912,674
Canada	744,830
Cuba	736,971
Germany	711,929
United Kingdom	640,145
Italy	580,592
Korea	568,397
Vietnam	543,262
China	529,837

Aliens, 1990 Census:

Top Ten Countries of Birth

All countries	11,770,318
Mexico	3,328,310
Philippines	420,460
El Salvador	393,898
Cuba	361,019
Canada	341,876
Korea	337,487
United Kingdom	322,342
Vietnam	311,463
China	296,438
India	293,196

Naturalized, 1990 Census:

Top Ten Countries of Birth

All countries	7,996,998
Mexico	969,704
Germany	512,018
Philippines	492,214
Italy	440,143
Canada	402,954
Cuba	375,952
United Kingdom	317,803
Poland	242,294
China	233,399
Vietnam	231,799

Persons Naturalized, FY 1992:

Top Ten Countries of Former Allegiance

All countries	240,252
Philippines	28,579
Vietnam	18,357
China	13,488
India	13,413
Mexico	12,880
Dominican Republic	8,464
Korea	8,297
United Kingdom	7,800
Cuba	7,763
Iran	6,778

Highest Pct. Naturalized ¹:

1977 Immigrant Cohort, Through 1991

All countries	38.7
Taiwan	75.7
Hong Kong	73.1
Romania	65.6
Egypt	64.1
Vietnam	63.1
Soviet Union	62.4
South Africa	61.1
Philippines	60.7
Lebanon	60.3
Israel	60.2

¹ Percent of immigrants 16 years or older.

Lowest Pct. Naturalized ¹:

1977 Immigrant Cohort, Through 1991

All countries	38.7
Australia	6.8
Canada	12.1
Germany	13.4
Japan	13.8
Italy	15.1
Spain	16.0
Mexico	16.2
United Kingdom	17.0
Dominican Republic	20.5
Brazil	21.0

¹ Percent of immigrants 16 years or older.

COUNTRY OF ORIGIN:

Refugees, FY 1992:

Top Ten Countries of Applicants Approved

All countries	115,330
Soviet Union	65,584
Vietnam	25,460
Laos	6,210
Cuba	3,886
Ethiopia	3,116
Iraq	2,381
Iran	1,823
Somalia	1,583
Afghanistan	1,455
Romania	1,176

Tourists, FY 1992:

Admitted—Top Ten Countries of Citizenship

All countries	16,450,099
Japan	3,488,917
United Kingdom	2,494,058
Germany	1,477,336
Mexico	1,192,415
France	685,213
Italy	544,104
Australia	376,824
Brazil	366,291
Spain	307,926
Netherlands	306,413

Illegal Alien Population, Oct. 1992:

Top Ten Countries of Birth

All countries	3,218,000
Mexico	1,002,000
El Salvador	298,000
Guatemala	121,000
Canada	104,000
Poland	102,000
Philippines	101,000
Haiti	98,000
Nicaragua	76,000
Colombia	75,000
Bahamas, The	72,000

Refugees, 1981-90:

Top Ten Countries of Applicants Approved

All countries	824,691
Vietnam	272,854
Soviet Union	132,625
Laos	116,074
Cambodia	109,756
Poland	37,416
Romania	34,272
Iran	32,275
Afghanistan	26,532
Ethiopia	23,482
Cuba	10,648

Temporary Workers, ¹ FY 1992:

Admitted—Top Ten Countries of Citizenship

All countries	441,078
United Kingdom	55,809
Japan	40,434
Canada	34,524
Germany	28,174
France	22,769
Mexico	19,813
China ¹	12,823
Philippines	12,762
India	12,759
Jamaica	12,184

¹ Nonimmigrants authorized to work (excluding students). Includes Taiwan.

Illegal Immigration: Ten Fastest Growing Countries

Average Annual Growth, 1988-92

All countries	292,000
Mexico	118,000
El Salvador	20,000
Guatemala	15,000
Italy	12,000
Bahamas, The	11,000
Canada	10,000
Haiti	10,000
Honduras	9,000
Dominican Republic	5,000
Trinidad & Tobago	5,000

Asylees, FY 1992:

Top Ten Countries of Applicants Approved

All countries ¹	3,919
Ethiopia	292
Soviet Union	263
China	211
Nicaragua	182
Iran	168
Cuba	151
Liberia	131
Romania	115
Somalia	105

¹ The country of nationality was not recorded for 1,179 of the 3,919 cases granted.

Students, FY 1992:

Admitted—Top Ten Countries of Citizenship

All countries	241,093
Japan	36,758
China ¹	29,916
Korea	20,453
India	14,965
Canada	12,182
Mexico	8,347
Thailand	6,087
Malaysia	5,890
Hong Kong	5,768
Indonesia	5,650

¹ Includes Taiwan.

Aliens Apprehended, FY 1992:

Top Ten Countries of Nationality

All countries	1,258,482
Mexico	1,205,817
El Salvador	7,433
Dominican Republic	7,361
Canada	6,569
Guatemala	5,614
Honduras	4,186
Colombia	2,023
Jamaica	1,805
China	1,392
Cuba	965

STATE OF RESIDENCE:

Immigration, FY 1992:

Top Ten States of Intended Residence

All states	973,977
California	336,663
New York	149,399
Texas	75,533
Florida	61,127
New Jersey	48,314
Illinois	43,523
Massachusetts	22,231
Virginia	17,739
Pennsylvania	16,213
Washington	15,861

Foreign-born, 1990 Census:

Top Ten States of Residence

All states	19,767,316
California	6,458,825
New York	2,851,861
Florida	1,662,601
Texas	1,524,436
New Jersey	966,610
Illinois	952,272
Massachusetts	573,733
Pennsylvania	369,316
Michigan	355,393
Washington	322,144

Aliens, 1990 Census:

Top Ten States of Residence

All states	11,770,318
California	4,441,215
New York	1,554,841
Texas	1,009,246
Florida	949,096
Illinois	528,607
New Jersey	495,674
Massachusetts	311,654
Maryland	186,489
Virginia	186,156
Washington	172,888

Persons Naturalized, FY 1992:

Top Ten States of Residence

All states	240,252
California	52,411
New York	43,447
Florida	21,129
Texas	17,631
New Jersey	16,598
Illinois	10,891
Massachusetts	7,381
Connecticut	5,070
Virginia	4,662
Maryland	4,620

Refugees, FY 1992:

Admitted—Top Ten States of Residence

All states	123,010
California	30,533
New York	28,469
Florida	5,200
Illinois	4,831
Texas	4,557
Washington	4,536
Massachusetts	3,968
Pennsylvania	3,716
Maryland	2,926
New Jersey	2,740

Illegal Alien Pop., Oct. 1992:

Top Ten States of Residence

All States	3,218,000
California	1,283,000
New York	490,000
Florida	345,000
Texas	319,000
Illinois	172,000
New Jersey	128,000
Massachusetts	48,000
Arizona	47,000
Virginia	37,000
Georgia	28,000

METROPOLITAN AREA OF RESIDENCE:

Immigration, FY 1992:

Top Ten Metropolitan Statistical Areas of Intended Residence

All areas	973,977
Los Angeles-Long Beach, CA	129,669
New York, NY	127,881
Chicago, IL	37,435
Anaheim-Santa Ana, CA	34,523
Miami-Hialeah, FL	31,630
Washington, DC-MD-VA	27,718
Houston, TX	27,101
San Diego, CA	24,459
San Jose, CA	23,642
San Francisco, CA	21,327

Naturalized FY 1992:

Top Ten Metropolitan Statistical Areas of Residence

All areas	240,252
New York, NY	36,292
Los Angeles-Long Beach, CA	12,363
Miami-Hialeah, FL	11,784
Chicago, IL	9,250
San Francisco, CA	7,580
Washington, DC-MD-VA	6,655
Houston, TX	6,231
Boston-Lawrence-Salem- Lowell-Brockton, MA	5,941
San Jose, CA	5,758
Oakland, CA	5,308

EMIGRATION:

Immigration and Emigration by Decade: 1901-90 (Numbers in thousands)

Period	Immigrants to the U.S.	Emigrants from the U.S.	Net Immigration	Ratio: Emigration/Immigration
Total, 1901-90	37,869	11,882	25,987	0.31
1981-90	7,338	1,600	5,738	0.22
1971-80	4,493	1,176	3,317	0.26
1961-70	3,322	900	2,422	0.27
1951-60	2,515	425	2,090	0.17
1941-50	1,035	281	754	0.27
1931-40	528	649	-121	1.23
1921-30	4,107	1,685	2,422	0.41
1911-20	5,736	2,157	3,579	0.38
1901-10	8,795	3,008	5,787	0.34

Source: 1992 Statistical Yearbook, Table 1; Warren and Kraly, *The Elusive Exodus: Emigration from the United States*, Population Reference Bureau, 1985. Emigration 1981-90, Department of Commerce, Bureau of the Census.

Emigration from the U.S., Selected Years, 1980s: Top Ten Countries of Destination

All countries	241,000
Mexico	55,000
United Kingdom	31,000
Germany	29,000
Canada	20,000
Japan	19,000
Philippines	19,000
Guatemala	13,000
Indonesia	9,000
Australia	8,000
Italy	4,000

Source: 1989 U.N. Demographic Yearbook, Table 28; Economic Commission for Europe, CES/710/Corr.

PERCENT FOREIGN-BORN:

Percent Foreign-born, Selected Countries: Around 1980 (Numbers in thousands)

Country	Total population	Foreign-born	
		Total	Percent
Israel	3,350	1,422	42.4
Hong Kong	5,396	2,193	40.6
Canada	25,022	3,908	15.6
Bahamas, The	210	24	11.4
Belgium	9,849	835	8.5
Belize	143	12	8.4
Barbados	244	19	7.8
Venezuela	14,517	1,075	7.4
United States	226,546	14,080	6.2
Trinidad & Tobago	1,056	60	5.7
South Africa	25,017	963	3.8
Mexico	66,847	269	0.4

Source: 1989 U.N. Demographic Yearbook, Table 31.

Total and Foreign-born U.S. Population: 1900-90 (Numbers in thousands)

Year	Total U.S. population	Foreign-born	
		Total	Percent
1990	248,710	19,767	7.9
1980	226,546	14,080	6.2
1970	203,210	9,619	4.7
1960	179,326	9,738	5.4
1950	150,845	10,431	6.9
1940	132,165	11,657	8.8
1930	123,203	14,283	11.6
1920	106,022	14,020	13.2
1910	92,229	13,630	14.8
1900	76,212	10,445	13.7

Source: Department of Commerce, Bureau of the Census, Ethnic and Hispanic Branch.

This Fact Sheet was produced by the INS Statistics Division. Sources for more detailed information are: the 1992 Statistical Yearbook of the Immigration and Naturalization Service; The Foreign-born Population in the United States, 1990 Census, CP-3-1, U.S. Bureau of the Census. For additional copies or for further information, contact the Statistics Division at (202) 376-3066.

Figure 1.
Foreign-born Population, 1900 to 1990
Census
 (Millions)

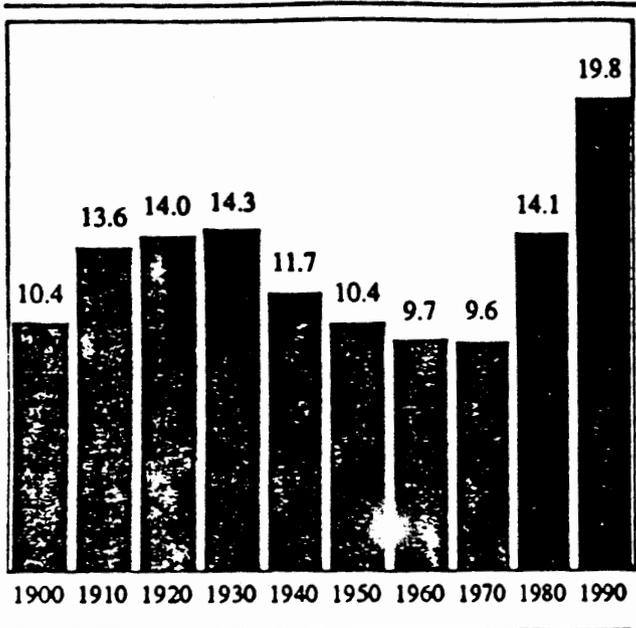


Figure 2.
Percent Foreign-born Population, 1900 to
1990 Census

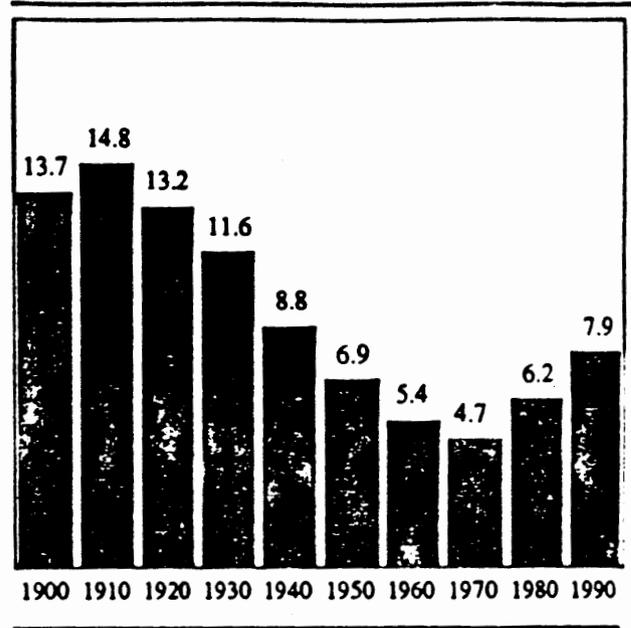


Figure 3.
Foreign-born Population by State of
Residence, 1990 Census:
Top Ten States
 (Thousands)

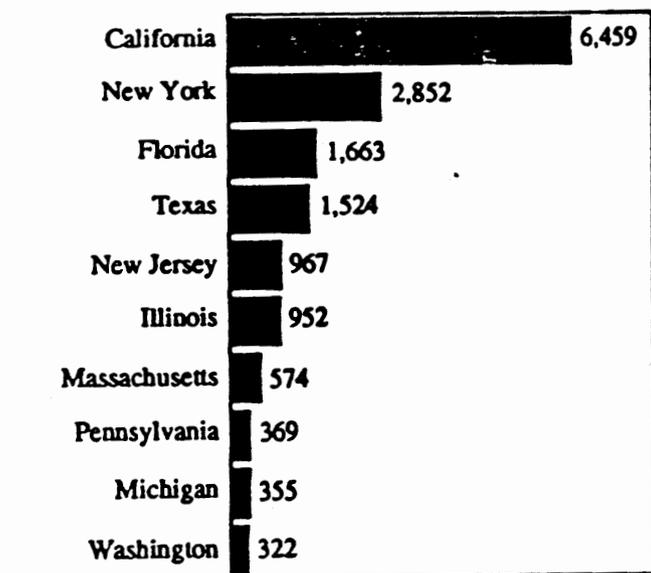


Figure 4.
Foreign-born Population by City of
Residence, 1990 Census:
Top Ten Cities
 (Thousands)

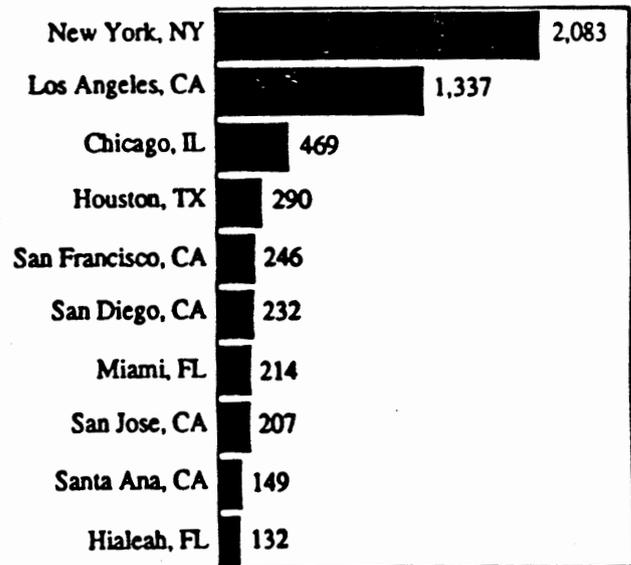


Figure 5.
Educational Attainment, 1990 Census:
 Countries with the largest foreign-born population
 (Percent of persons 25 years old and over with high school diploma or higher)

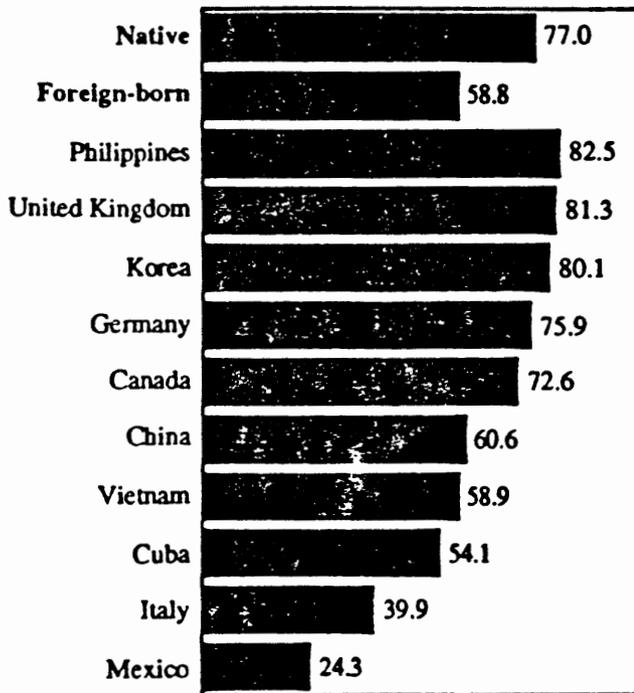


Figure 6.
Median Family Income, 1990 Census:
 Countries with the largest foreign-born population
 (In 1989 dollars)

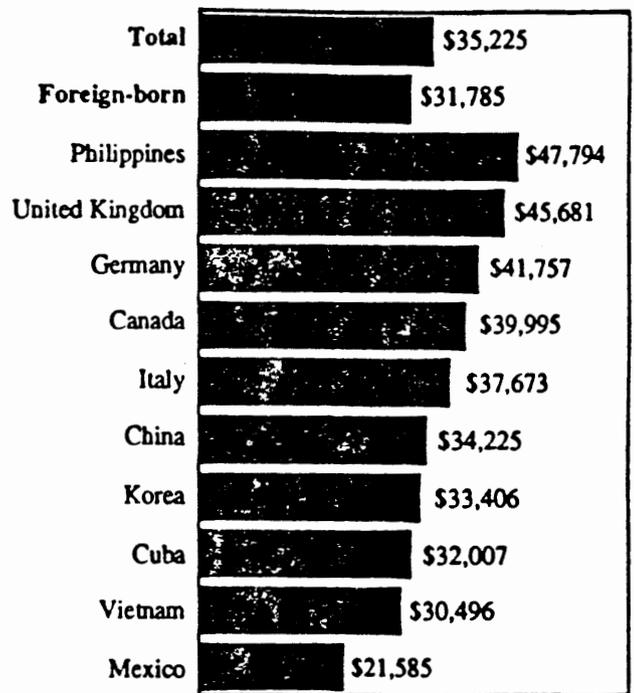
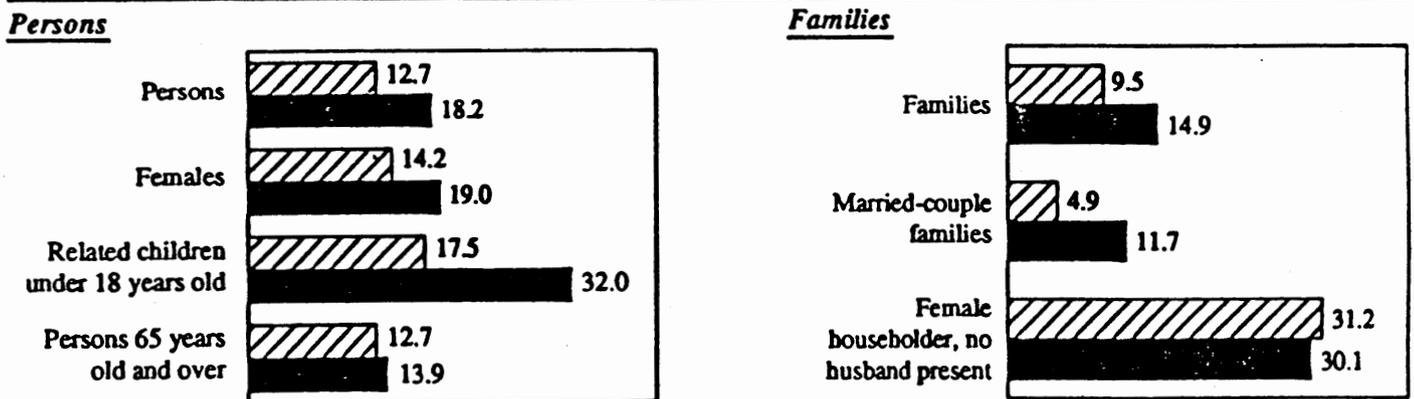


Figure 7.
Poverty Rates for Persons and Families, 1990 Census
 (Percent below the poverty level)



Figures 1 and 4-7 above are adapted from "We, the American Foreign Born," Susan J. Lapham, U.S. Bureau of the Census, September 1993.

AMERICA'S NEWCOMERS



A STATE AND LOCAL POLICYMAKERS' GUIDE
TO IMMIGRATION AND IMMIGRANT POLICY

32X

AMERICA'S
NEWCOMERS
A STATE AND LOCAL POLICYMAKERS' GUIDE
TO IMMIGRATION AND IMMIGRANT POLICY

ISSUE PAPER No.1

IMMIGRANT POLICY PROJECT
STATE AND LOCAL COALITION ON IMMIGRATION

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National Conference of State Legislatures
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February 1993

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Text printed on recycled paper.

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ISBN 1-55516-930-9

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PREFACE AND ACKNOWLEDGEMENTS

This issue paper was produced by the Immigrant Policy Project of the State and Local Coalition on Immigration, a collaboration of five national organizations representing state and local government:

American Public Welfare Association
National Association of Counties
National Conference of State Legislatures
National Governors' Association
United States Conference of Mayors

The Immigrant Policy Project is funded by The Andrew W. Mellon Foundation to address the role of state and local governments in the resettlement of refugees and immigrants. Through survey research, a series of regional meetings with state and local officials, and a series of issue papers such as this, the project seeks to document immigration trends, innovative policies and programs, and priorities for state and local government. Future issue papers will examine newcomer health, employment and training, and community relations.

This paper has benefited from the insight, advice, and technical expertise of many state and local officials and immigration specialists. The project is particularly grateful to our expert panel for their comments. Thanks are also due to the members and staff of the project's National Advisory Board for providing focus, to Stephanie Bell-Rose for providing guidance, and to a number of state and local experts who provided support and information, particularly David Rosenberg, Ann Dee Tucker, Charles Wheeler, Carol Wolchok and Wendy Zimmerman.

The majority of the research and writing was performed by Jon Dunlap, a member of the project staff. Edits and comments were provided by Ann Morse, Sheri Steisel, Michael Bird, and Karen Fisher. Any remaining deficiencies are the sole responsibility of the project. Readers are welcome to submit additional comments, suggestions, or clarifications.



EXECUTIVE SUMMARY

As 1990 census figures have revealed, the United States is in the largest wave of immigration since the turn of the century. One-third of the nation's net population growth in the 1980s derived from immigration. As the number of immigrants and refugees arriving in the United States increases, state and local governments are attempting to meet their needs for education, job placement, and health and human services. Recent trends in immigration policy are heightening the impact for states and localities.

Although the federal government has exclusive jurisdiction over immigration policy (the terms and conditions for entry into the United States), federal-level decisions have direct and indirect effects on the state and local governments — in the form of our budgets, the composition of our citizenry, the utilization and quality of our services, and the general social, political, and economic character of our communities. Though more immigrants are arriving, the federal government has reduced or constrained the few programs that assist new immigrants to integrate into the economic, social, and civic life of the United States. Finally, new legislative and judicial mandates are extending state and local responsibility for providing services to immigrants. For states and localities, federal immigration policy thus becomes state and local immigrant policy.

This issue paper is designed to provide an overview of U.S. immigration, federal legislation governing immigration, current immigration trends, and the impacts on state and local government. "A Nation of Immigrants" and "Two Waves of Immigration" review the history of immigration to the United States, attitudes of Americans towards immigrants, and effects of immigrants on the labor force and economy.

"Immigration Status" presents the definitions and variations in legal status of immigrants to the United States, including eligibility for services and work authorization. The "Newcomer in the 1990s" provides additional demographic information.

"How the System Works" outlines the federal responsibility for immigration, court decisions, state and local administration, and the role of the private sector. "Federal Immigration Law" describes the three major pieces of legislation reforming legal, humanitarian, and illegal immigration in the 1980s and their impact on state and local government: the Refugee Act of 1980, the Immigration Reform and Control Act of 1986, and the Immigration Act of 1990.

The number and diversity of the new immigrants are creating new fiscal and social challenges for state and local governments. The lack of a comprehensive federal policy to adequately provide for the resettlement of refugees and immigrants is compelling state and local government to create immigrant policy, but without adequate resources. Economists show that two-thirds of income provided by immigrants flow to the federal level, while only one-third flows to states and localities. Yet the needs of the new arrivals cause states and localities to incur significant costs for education and health care. The federal jurisdiction over immigration must be corrected to equitably respond to the needs both of the new immigrants and its partners in the intergovernmental system.



STATE AND LOCAL POLICYMAKERS' GUIDE TO IMMIGRATION AND IMMIGRANT POLICY

"It's very, very important that we in government, the private sector, the volunteer sector, recognize that newcomers to this country are assets, that we have a cultural diversity that should be held up and celebrated, and that we have an obligation as a government to design policies that foster that diversity."

Secretary David P. Forsberg
Massachusetts Executive Department
of Health and Human Services

INTRODUCTION

The United States is a nation of immigrants, from the first "boat people," the Pilgrims, to the latest migrants, who come here seeking political asylum, economic opportunity, and reunion with family members. The face of America is changing dramatically: one-third of the nation's population growth in the 1980s is attributable to immigration. This demographic change brings new challenges for state and local government in providing education, health care, and other services to a new and diverse community.

But even though more immigrants are arriving, the federal government has reduced or constrained the few programs that assist new immigrants to integrate into the economic, social, and civic life of the United States. Federal funding for refugees, legalized aliens, and for immigrant education programs has been cut substantially or delayed. For the most part, the responsibility for integrating immigrants into society has been left to state and local government, private organizations, and the immigrants themselves.

State and local responsibility for newcomers is also being increased by new legislative and judicial mandates for immigrant services. For example, the Refugee Act of 1980 requires states to provide cash and medical assistance to refugees; the Immigration Reform and Control Act of 1986 allows access to public

assistance, health and educational services to newly legalized aliens; and the 1982 U.S. Supreme Court case *Plyler v. Doe* extends public education benefits to undocumented children.

As a result of these trends in federal immigration policy (increasing immigration, decreasing federal assistance, and additional mandates), state and local policymakers are encountering new fiscal and social challenges. In response, they are creating "immigrant policy," programs and services that meet the needs of a diverse, multiethnic citizenry.

These new arrivals affect a range of government services, from education to community relations to health and human services, which in turn raises issues of funding, inclusion, and equity. Some states and localities have created offices or legislative bodies to address the needs of the foreign-born. Others have created innovative programs or adapted mainstream programs to serve a variety of languages and cultures. State and local policymakers have learned to coordinate resources from a variety of areas to assist immigrants make a successful transition to their new community. This guide has been developed to provide an overview of federal legislation and the immigration process and to illustrate the effects of federal immigration policy on states and localities.



A NATION OF IMMIGRANTS

Americans are proud of their immigrant heritage and the principle of freedom and opportunity symbolized by the Statue of Liberty. Our nation stands as a beacon for the world's "huddled masses yearning to breathe free."

Immigrants in our communities are often met with a mixture of welcome and reservation. Some citizens are concerned that immigrants threaten the nation's economic and social well-being. Immigrants are accused of abusing government assistance programs, contributing little or no tax revenue to the public coffers, taking jobs from U.S. citizens, and failing to adjust to new communities.

IMMIGRATION, THE LABOR FORCE, AND THE ECONOMY

There are a number of schools of thought about the effect of immigrants on the U.S. labor force and economy. A primary reason for differing opinion is that immigrants are such a diverse population. Each legal status (legal immigrants, humanitarian immigrants, and illegal immigrants) affects the labor market and the economy in different ways.

One school of thought has found immigration to have a positive impact on the labor market and the economy. A 1988 national study of Hispanic immigration by economist Gregory Defreitas found that this immigration had "no significant negative effect on wage levels of low-skilled native men" and that "recent immigration has not had substantial adverse wage or employment effects." Similar studies by labor economist Julian Simon of the University of Maryland and Ben Wattenberg of the American Enterprise Institute, among others, have come to comparable conclusions.

Additionally, the Alexis de Tocqueville Institute recently found that "immigrants do not just fill jobs, they create jobs. They do this by creating new businesses; through their spending; through the investment capital they bring with them; by migrating to areas where jobs are most plentiful; and by raising the productivity of United States businesses."

Other data compiled by economist George Borjas of University of California—Santa Barbara, and reported in *Businessweek* magazine (7/13/92) makes nationwide estimates

concerning newcomer income, tax contributions, and welfare use. According to this estimate, at least 11 million immigrants are employed, earning \$240 billion per year and paying \$90 billion in taxes per year. The data further estimate that immigrants receive \$5 billion in welfare annually.

However, other labor economists, such as Vernon Briggs of Cornell University, are somewhat less optimistic in their analysis of immigration (particularly unskilled, undocumented immigrants) and its impact on the labor market. Briggs' research has indicated that immigration of unskilled newcomers has a tendency to depress wages in low-skill job markets, thereby affecting other low-skill populations, both immigrants and citizens alike. A study by the Department of Labor found that heavy immigration in the Los Angeles area led to poorly enforced labor standards and increased inequity between the wealthy and the poor.

Perhaps a 1989 report by the United States Department of Labor best sums up the relationship between immigration and the economy: "There is no single bottom-line, 'labor market effect' of immigration. . . . The use of immigrant workers as low-cost labor may simultaneously constrain the wage rates and job opportunities of similarly qualified natives, improve the survival prospects of the employing firm and thereby secure the employment and earnings of better-trained co-workers, and lower costs to domestic consumers."



History shows that these reservations are not a unique response. During the mass immigration between 1880 and 1910, when almost 18 million immigrants entered the United States, high levels of immigration evoked similar concerns in the citizens of that day. Immigrants, it was feared, threatened the cultural and moral fiber of American society. Immigrating Italians, Poles, Germans, Slavs, and Jews were considered inferior and not likely to assimilate with their northern and western European predecessors.

But while the history books reveal a pattern of anxiety on the part of some citizens, they also indicate that these concerns are often misplaced and unfounded. For example, at the turn of the 20th century, newcomers served as a source of valuable labor, helping to build the country's infrastructure and to fuel the engine of America's Industrial Revolution. These immigrants proved to be hard working, honest, and often entrepreneurial citizens.

Today's newcomers, now mostly from Asia, Latin America, and the Caribbean, are proving many of our current concerns to be similarly unfounded. During the 1980s, 1.5 million immigrants with college degrees arrived in the United States. These newcomers fill needs for engineers, health care professionals, scientists, computer programmers, and managers. Other, less-educated newcomers make contributions as entrepreneurs, day laborers, child care providers, and taxi drivers.

Although immigrants have proved to be economic and cultural assets, they make demands on state and local governments. In California, newcomers have put a strain on public resources and infrastructure. More than one-third of all newcomers settle in the Golden State. In New York City, it is not unheard of to have more than 100 languages spoken in one school district. In Minnesota's Twin Cities, a substantial Southeast Asian population is compelling state and local social service delivery systems to accommodate new cultural and religious traditions. In many other states and localities, newcomers put additional demands on scarce public resources as well. These newcomers require health care, education, job training, police, emergency services, social services, and housing.

Although the United States has promoted a generous immigration policy, allowing many people to enter the country, the federal government has never been forthcoming with substantial resources for "immigrant

policy," that is, for immigrant resettlement. The aid the federal government does provide is targeted at narrowly defined groups (e.g., refugees, legalized aliens) that exclude many other immigrants. Those immigrants who fall outside the purview of federal resettlement programs are allowed to access federal and state-federal mainstream assistance programs after a three-year waiting period (see the "Three-year deeming" box). When these immigrants finally do get into these programs, the services they receive are not as specialized as immigrants need. For example, immigrants may need interpreters or instruction in English as a second language (ESL) in addition to basic services.

The lack of federal resettlement assistance is being exacerbated by a sluggish economy and decreasing tax revenues at the federal, state, and local levels. For example, the recession and the ensuing competition for limited government revenue have quickly reduced what little federal aid the government provides to needy refugees (see figures 1 and 2). Figure 1 demonstrates the decline in federal funding for refugee programs and the simultaneous increase in the number of refugees arriving in the United States. Figure 2 documents the reduction in federal reimbursement provided to states to subsidize the costs states incur by serving the refugee population.

On the state and local levels, spending for programs that normally assist immigrants, such as education, ESL, interpreter services, public assistance, indigent health care, and so on, are being reduced or eliminated. With fewer services, immigrants face significant barriers to becoming self-sufficient members of their new communities.

Nevertheless, a few states and localities are successfully assisting immigrants despite this budgetary pressure. By combining pots of money from various sources, states, cities and counties are providing immigrants with education and employment assistance and some limited support services, such as child care and translation services. These temporary services enable most immigrants to successfully make the transition to self-sufficiency.



Figure 1
Refugee Resettlement Funds vs. Refugee Arrivals

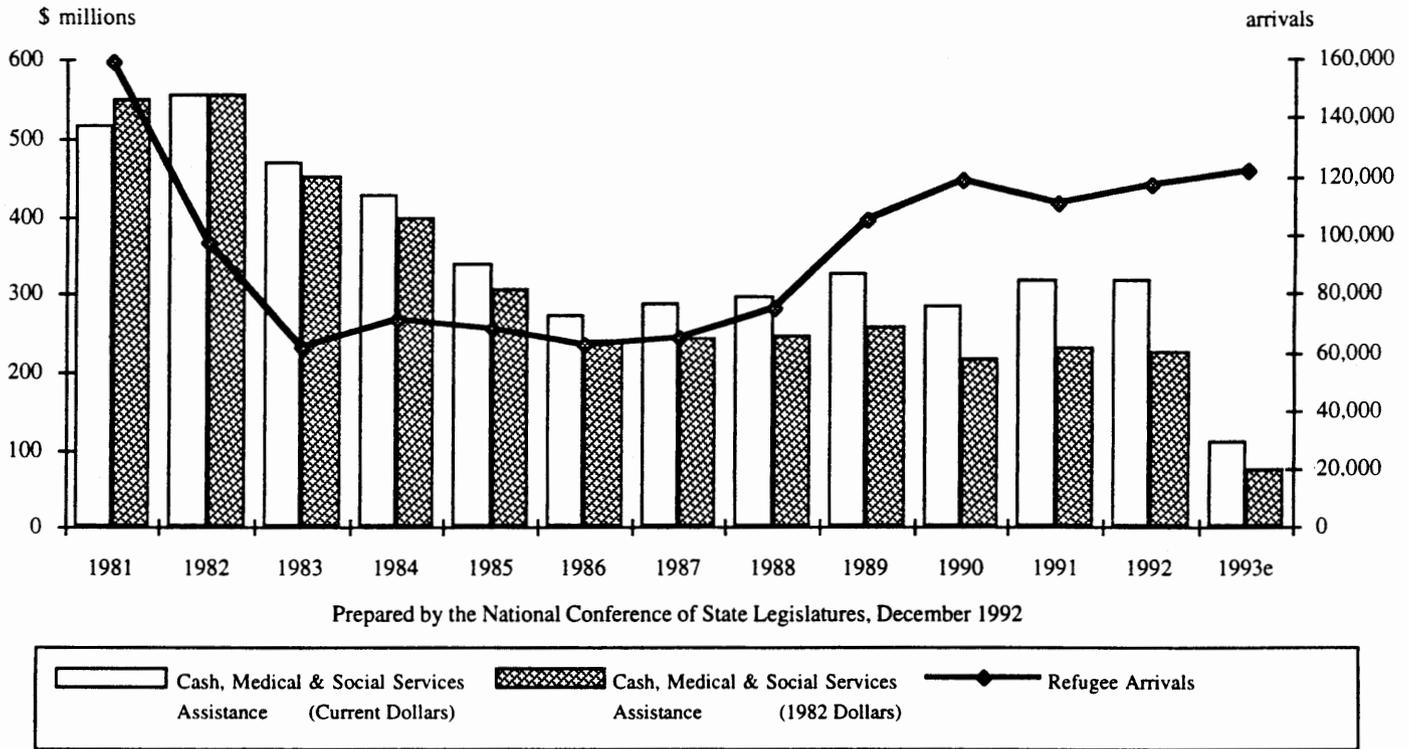
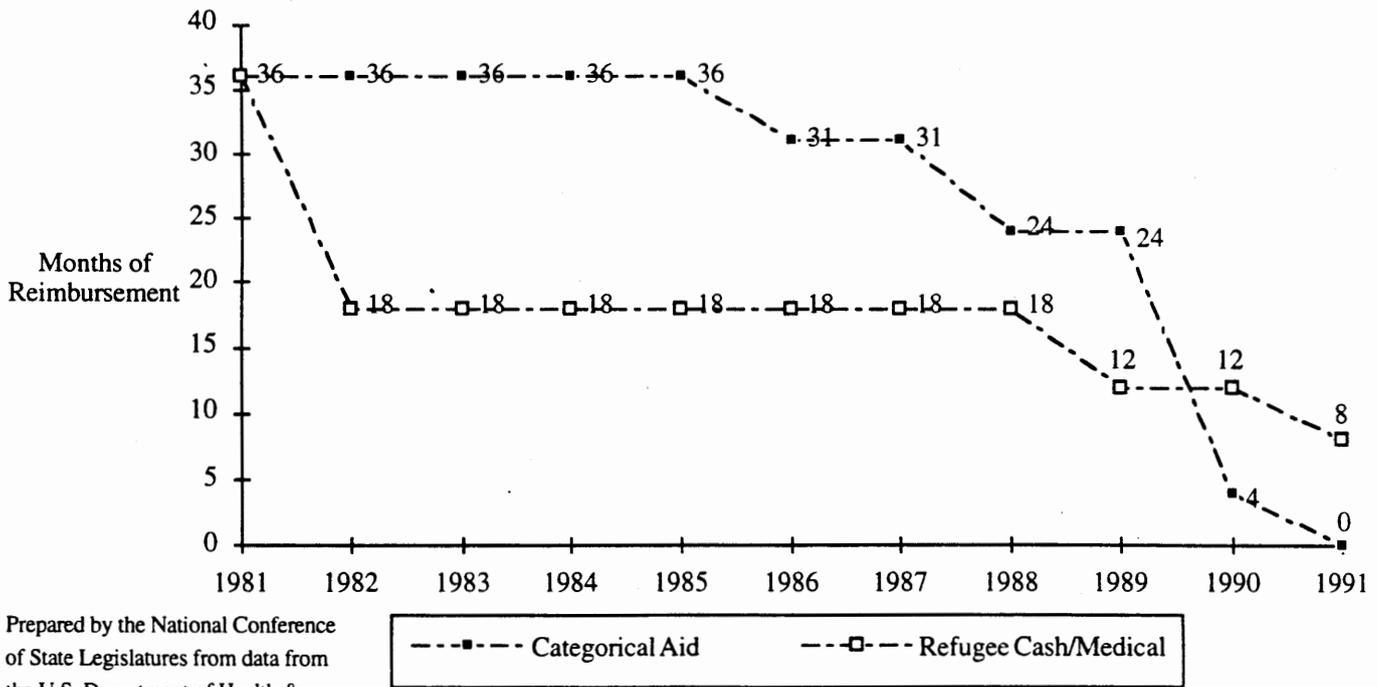


Figure 2
Federal Refugee Assistance
Reimbursement to the States, 1981 to 1991



44X

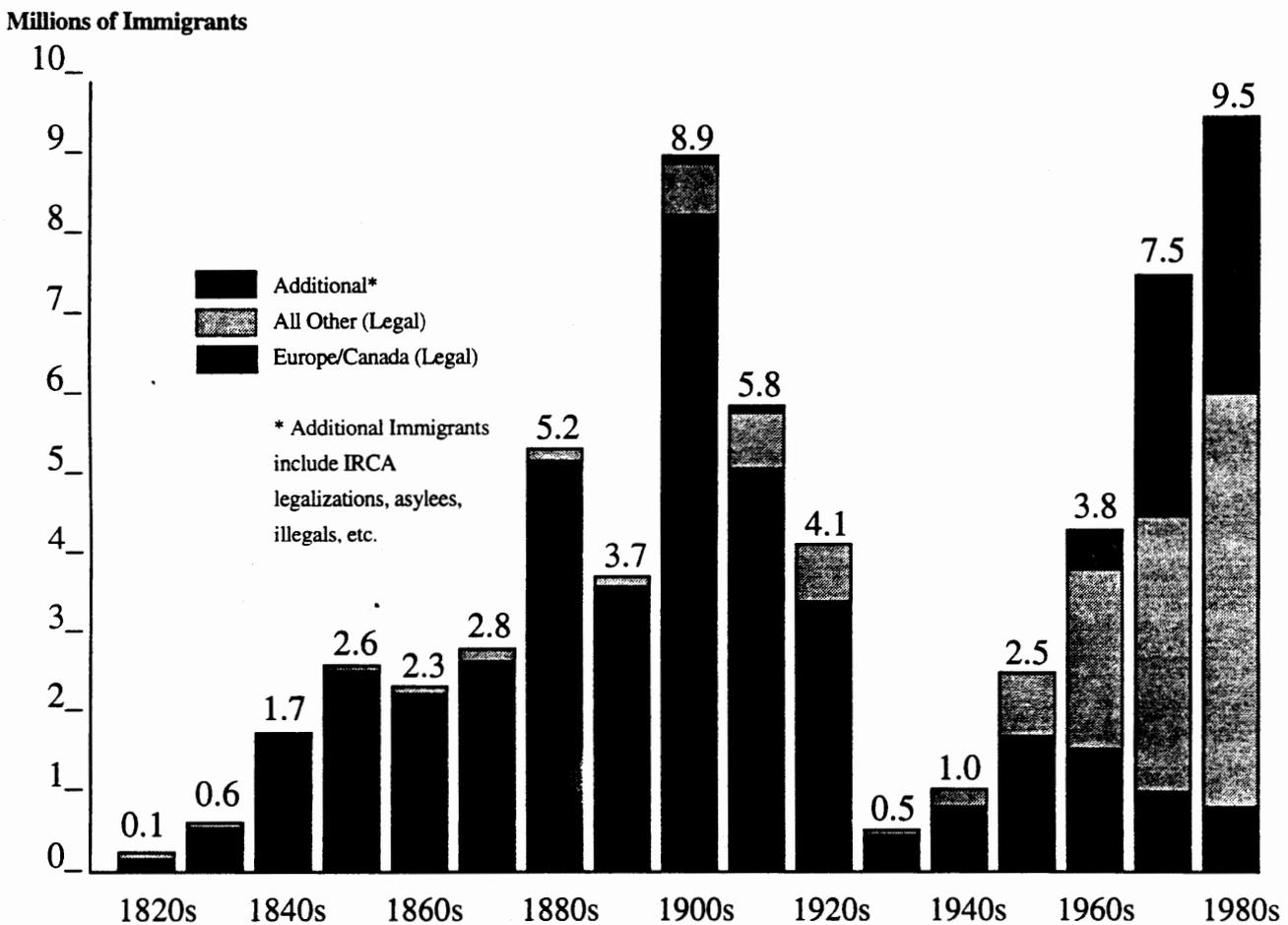
TWO WAVES OF IMMIGRATION

There have been two principal “waves” of immigration to the United States in its modern history (see figure 3). The first began in the 1840s, as revolutionary upheaval and agricultural famine in Europe caused hundreds of thousands of Northern and Western Europeans (e.g. Irish, Germans, English, and Scandinavians) to immigrate to this country. This wave of immigration swelled throughout the late 1800s and culminated in the mass immigration of the early 1900s, when 8.8 million immigrants entered the country between 1900 and 1910.

By the end of this wave, immigrants were primarily from Southern and Eastern Europe and Canada. At the height of this mass immigration, immigrants accounted for 9.6 percent of the total United States population.

This first wave concluded around the time of World War I, as the United States federal government passed laws restricting immigration and the outbreak of the war made international travel difficult. Thereafter, during the Great Depression and on through World War II, immigration continued, but at greatly reduced levels.

Figure 3
Immigration to the United States by Decade:
1821-1830 through 1981-1990



Source: INS and The Urban Institute.
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WHERE THEY COME FROM, WHERE THEY GO

The majority of legal immigrants in 1991 were from Mexico, Central America, or Asia. Below are lists of the 10 principal countries of origin and the 10 most popular states of intended residence for legal immigrants. In 1991, the top 10 countries of origin accounted for 62.9 percent of all legal immigrants to the United States; the top 10 states of intended residence received 79.1 percent of all legal immigrants to the United States.

Top 10 Countries of Origin

Soviet Union	56,839
Philippines	55,376
Vietnam	55,278
Mexico	52,866
China	31,699
India	31,165
Dominican Republic	30,177
Korea	21,628
Jamaica	18,025
Iran	18,019
TOTAL	443,292* (62.9%)

Top 10 States of Residence

California	194,317
New York	135,707
Florida	50,897
Texas	42,030
New Jersey	38,529
Illinois	31,633
Massachusetts	19,537
Virginia	16,321
Pennsylvania	14,464
Maryland	13,586
TOTAL	557,021* (79.1%)

* Figures do not include estimates of illegal immigrants or amnesty immigrants under the 1986 Immigration Reform and Control Act. In 1991, there were 1,123,162 amnesty immigrants, mostly Mexicans, and most of this population settled in California.
Source: Immigration and Naturalization Service

The second major period of immigration to the United States began after the close of World War II, and it continues today. The numbers of immigrants have again grown steadily each decade since the 1940s, reaching 9.5 million between 1981 and 1990. Although the number of immigrants is now at historically high levels, immigrants arriving in the 1980s represented only 3.5 percent of the total United States population. In the early part of this second wave, most immigrants were again Europeans (mostly Germans, English and Italians) and Canadians. In the 1960s, more non-European immigrants began to arrive. By the end of the 1980s, more than 80 percent of all immigrants were non-European and mostly from Asia and Latin America (see figure 3).

IMMIGRATION STATUS

Before the 20th century, the United States restricted immigration in a piecemeal fashion, excluding limited classes of people (e.g., criminals, paupers, the insane) and ethnic groups (e.g., Chinese and Japanese). At that time, the term "immigrant" was used to encompass all entrants into the United States. However, over the course of this century, immigration restrictions and controls have become more systematic but also

more specialized. For example, "legal immigrant" now represents a specific category. The term "newcomer" has replaced "immigrant" to refer to all new arrivals, regardless of their legal status. Therefore "newcomer" includes legal immigrants, refugees, illegal aliens, and all other categories.

Today, permission to enter the United States is based on sometimes conflicting objectives, such as reuniting families while trying to meet United States economic needs or simultaneously promoting United States foreign policy objectives and humanitarian interests. Based on these considerations, the Immigration and Naturalization Service (INS) has created different legal statuses designating the terms of entry. The terms designate the length of residence permitted (temporary or permanent), and whether the applicant may work, apply for citizenship, or receive public benefits. These often complex and varied statuses fall into three general types: legal immigration, humanitarian immigration, and unauthorized immigration (commonly referred to as illegal immigration). The most common legal statuses are described below; other immigrant categories are defined in the glossary.



Legal Immigration

Legal immigrants (also “lawful permanent residents” or “permanent resident aliens”) are those persons permitted to stay in the country permanently. Lawful permanent residents (LPR) are usually admitted into the United States because they have valuable job skills or family ties to the country. LPR immigrants are eligible to bring family members to reside in the country, to work, and to apply for United States citizenship after five years of continuous residence in the United States. Lawful permanent residents are eligible to apply for all federal assistance programs.

Humanitarian Immigration

Refugees are those persons outside their country of origin but not yet in the United States who have a well-founded fear of persecution because of race, religion, nationality, political opinion, or membership in a social group. Refugees are eligible to work in the United States upon entry and may convert to permanent resident status after one year of residence in the country. Refugees are eligible to apply for any federal assistance program. Additionally, some needy refugees qualify for a refugee-specific, federal income assistance and medical program.

Asylees are refugees who are already present in the United States at the time they apply for refugee protection. They are eligible for the same benefits as refugees, but only 10,000 may become lawful permanent residents each year.

Parolees are persons who normally would not be admissible but are allowed to enter temporarily for humanitarian, medical, and legal reasons. Unlike refugees, parolees are not eligible for special federal benefits nor are they on a predetermined path to permanent resident status. Some parolees qualify for work authorization, depending on their personal circumstances.

Unauthorized Immigration

Legalized aliens (also called amnesty aliens or “pre-82s”) are former unauthorized, or illegal, aliens who were given legal status under the Immigration Reform and Control Act (IRCA) of 1986. To qualify, unauthorized aliens had to prove they had resided in the United States since 1982 or that they were qualifying special agricultural workers (SAWs). These unauthorized persons were awarded a one-time opportunity to become lawful permanent residents. After earning lawful permanent residence, legalized aliens are permitted to apply for citizenship. Legalized aliens are barred from most federal government assistance programs for five years from the date of their legalization, but they are permitted to work immediately.

Unauthorized migrants (also undocumented or illegal aliens) are persons present in the United States without the permission of the government, either by illegally crossing the border or overstaying the permitted time on their immigration documents. Unauthorized persons are not permitted to access most federal government programs or apply for citizenship.

The Visa

Essentially a visa is a ticket to enter the United States, usually in the form of a stamp (in a passport) or a card. Visas are issued by the Department of State. There are two kinds of visa: a nonimmigrant visa, which grants its possessor temporary permission to stay in the country, and a permanent residence, or immigrant, visa, which confers lawful permanent residence status on its holder.

The “Green Card”

After legal immigrants enter the United States with their immigrant visas, they are issued a “green card” (now actually pink), also called a resident alien card. This card is proof of lawful permanent residence in the United States and it authorizes the recipient to work in the country. Green cards are issued by the INS to legal immigrants after their arrival and to refugees after one year of residence. Other aliens are eligible to apply for green cards subject to the limitations of their specific legal status.



THE NEWCOMER IN THE 1990s

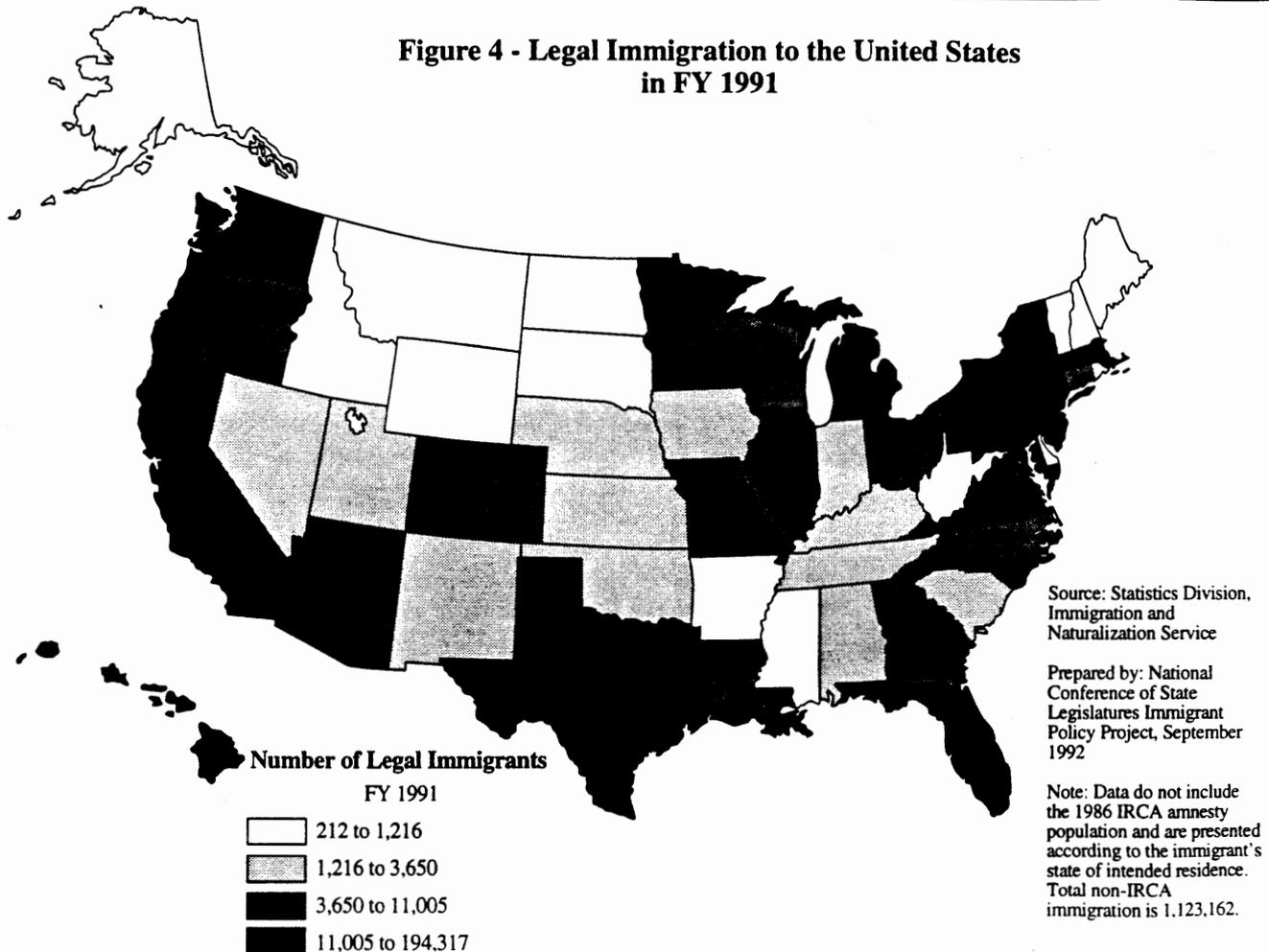
In 1991, 1,827,167 persons were granted lawful permanent resident status. However, it should be noted that this total is abnormally high because it includes aliens granted lawful permanent residence status under the 1986 IRCA amnesty program. There were 1,123,162 legalized aliens granted LPR status in 1991, leaving a total of 704,005 normal admissions for the year (see figure 4).

In recent years there have been more female immigrants than males. In 1991 this trend was reversed; male immigrants represented 66.4 percent of the total immigrant population while females represented 33.6 percent. The median age for all immigrants in 1991 was approximately 29 years. However, these data are also affected by the IRCA amnesty program. Amnesty immigrants are overwhelmingly male and are older than the normal immigrant population.

Immigrants in the 1990s are the most diverse

population ever to come to the United States. They bring widely divergent experiences and skills to this country. Many come to the United States with education and job skills, and quickly become economic contributors as scientists, engineers, artists, entrepreneurs and athletes. Other immigrants, however, face a broad range of problems and barriers to successful participation in American society. For example, one-third of immigrant workers are high school dropouts and therefore may have limited English skills or be illiterate in their own languages. Refugees have often been psychologically and physically tortured in "re-education camps" before leaving their home countries. Elderly immigrants often have few marketable skills and poor health, which make self-sufficiency an elusive goal. Unauthorized persons sometimes avoid reporting crimes to the police because they fear deportation, but this may make them easy targets for discrimination and extortion. This diversity requires flexibility on the part of state and local policymakers to help newcomers become self-sufficient members of the community.

Figure 4 - Legal Immigration to the United States in FY 1991



HOW THE SYSTEM WORKS

Federal Administration

The federal government plays three roles in the immigration and immigrant policy dynamic that concern states and localities: (1) regulating admissions into the United States; (2) funding resettlement assistance for very limited and specific groups of newcomers (i.e., refugees and legalized aliens); and (3) determining newcomer eligibility for federal programs.

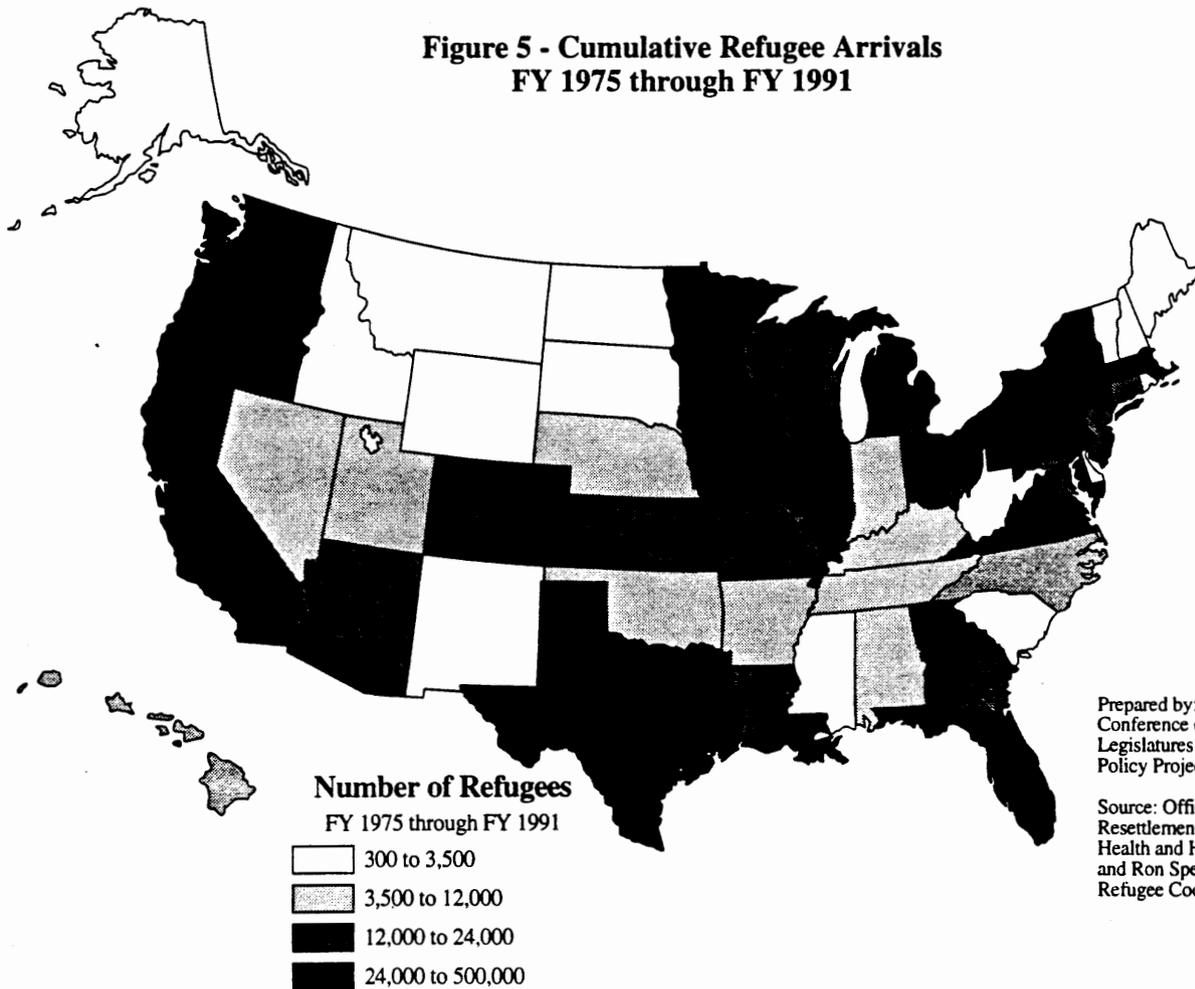
The federal responsibility for immigration is shared by the President, four executive departments (State, Justice, Health and Human Services, and Labor), and Congress.

The **President** is responsible for setting admission levels for refugees, in annual consultation with Congress (usually a meeting between the U.S. coordinator for refugee affairs and the House and Senate judiciary committees).

The **Department of State** administers immigrant and nonimmigrant visas, and its **Bureau for Refugee Programs** handles overseas refugee assistance to prepare refugees to enter the country.

The **Immigration and Naturalization Service (INS)** of the **Department of Justice (DOJ)** is responsible for processing applications for immigration and citizenship, inspecting aliens for admission to the United States and enforcing the nation's immigration law. DOJ's **Executive Office for Immigration Review (EOIR)** is the judicial locus of admissions oversight. The EOIR consists of the immigration judges who adjudicate immigration law, and the **Board of Immigration Appeals (BOIA)**, which hears immigrant appeals to immigration judges' decisions. The **Community Relations Service (CRS)** provides limited resettlement assistance for Cuban/Haitian entrants allowed into the United States.)

**Figure 5 - Cumulative Refugee Arrivals
FY 1975 through FY 1991**



Prepared by: National Conference of State Legislatures Immigrant Policy Project, January 1993

Source: Office of Refugee Resettlement, U.S. Dept. of Health and Human Services; and Ron Spental, Oregon Refugee Coordinator

The **Department of Health and Human Services**, through the **Office of Refugee Resettlement** and its **Division of State Legalization Assistance**, is responsible for administering federal reimbursement to states and localities for expenditures made on behalf of refugees and legalized aliens.

The **Department of Labor's Employment and Training Administration** is responsible for coordinating international migration with domestic workforce needs.

In Congress, the **House and Senate Judiciary Committees** have jurisdiction over immigration, citizenship, and refugee policy issues. The **House and Senate Appropriations Committees** oversee domestic and overseas program funding. Additionally, Congress periodically creates various task forces and commissions to study immigration. Currently one commission is operating, the **Commission on Immigration Reform**.

Judicial Mandates

The courts play a part in shaping newcomer benefit eligibility. Judicial decisions have required states and localities to allow certain groups of aliens to participate in a number of specified state and locally funded programs. For example, in the 1971 case of *Graham v. Richardson*, the United States Supreme Court ruled that state welfare benefits may not be denied to aliens. In the 1982 case *Plyler v. Doe*, the U.S. Supreme Court found that undocumented children are entitled to equal protection under the law and therefore must be allowed to enroll in public education. Finally, in 1992 the U.S. District Court decided in *Lewis v. Grinker* that pregnant women are eligible for prenatal care under Medicaid regardless of their immigration status. Although the ruling affects New York state immediately, it is not clear whether this decision can be applied to prenatal care in other states.

State and Local Administration

State and local governments have a *de jure* responsibility for getting special resettlement services and assistance to qualifying newcomers as a result of federal law. Typically, states and localities meet this responsibility by either providing services through their own mainstream social services offices or by contracting with nongovernmental organizations and coordinating their efforts. This assistance is either first paid for by states and localities, which are in turn reimbursed by the federal government (e.g., the State Legalization Impact Assistance Grant) or paid for up front by the federal government (e.g., refugee assistance).

States and localities also have a legal responsibility to provide certain judicially mandated services to the newcomer population. The costs of these services are not reimbursed by the federal government but are paid for solely with state and local government tax revenue.

Finally, states and localities have a *de facto* responsibility to assist newcomers who do not qualify for special federal resettlement assistance, thus serving as a safety net of last resort. Newcomers outside the purview of federal resettlement assistance participate in state-local and state-federal medical, social service, and income assistance programs (i.e., state-local programs such as general assistance, state Medicaid, indigent health care and state-federal programs such as Aid to Families with Dependent Children [AFDC], Supplemental Security Income [SSI] and Medicaid/Medicare). States and localities are not reimbursed for the costs for newcomers participating in either state-local programs or the state portion of state-federal matching grant programs. As federal assistance continues to decline, the *de facto* responsibility of states and localities increases. (As part of the Immigrant Policy Project, the American Public Welfare Association and the Urban Institute are collaborating on a survey to

NEWCOMER TAX REVENUE: A Federal Monopoly

Paying for immigrant resettlement is difficult for state and local government. Although newcomers pay a great deal in taxes (\$90 billion annually, by at least one national estimate), nearly two-thirds of these taxes are paid to the federal government through the income and Social Security taxes while only one-third is paid to state or local governments. Despite this incongruity, in recent years federal resettlement assistance has declined (see figures 1 and 2), and states and localities

have been forced to pay more for resettlement needs. Concomitantly, the federal government has not provided sufficient funding to states and localities for newcomer resettlement for the levels of newcomers it admits. The result is high levels of admissions but inadequate funding for resettlement and no relief for state and local budgets. The federal government receives most of the immigrant revenue, and the states and localities provide most of the services.



assess the impacts on programs, services, and institutional capacity of funding delays and cutbacks in federal programs serving refugees and the newly legalized. Results of the survey will be published in the summer of 1993.)

States and localities have responded to this crisis by creating offices to serve immigrant needs. For example, the mayor of New York City has created an Office of Immigrant Affairs and Texas and Massachusetts have created similar statewide offices. As part of their oversight responsibility, state legislatures in California, Virginia, and New York created a committee, a subcommittee and a task force, respectively, to study newcomer issues. Additionally, according to federal law each state must have a refugee coordinator to ensure the coordination of public and private resettlement resources, and a SLIAG administrator to coordinate resources for the newly legalized population.

Nongovernmental Organizations

The private sector plays a vital role in resettling newcomers. Refugee resettlement assistance and services are provided by a network of private voluntary resettlement agencies (VOLAGs), mutual assistance associations (MAAs), and state and local governments. Generally, states and localities contract with VOLAGs and MAAs to provide initial services to refugees. State governments occasionally provide services directly. For example, the state of Iowa serves both as a voluntary agency for reception and placement and as the state's social service provider. The state of Vermont has affiliated with a voluntary agency to provide joint services to newcomers resettling in that state.

Resettlement assistance for newly legalized aliens is delivered through a similar, although less institutionalized, network. This network is made up of community-based organizations (CBOs), local school districts, state universities and community colleges, local indigent health care providers, and state-subsidized hospitals. Some states have used SLIAG money to actually fund the creation of community organizations that provide education and health services to the newly legalized population.

FEDERAL IMMIGRATION LAW

Foreigners can enter the United States with the intent to stay permanently or temporarily. Those entering with the intent to reside permanently can be (1) legal immigrants, (2) humanitarian immigrants, or (3) unauthorized migrants. (Humanitarian immigration is not a legal category or status but is used broadly to include those immigrants allowed to enter for humanitarian reasons: refugees, asylees, parolees, etc.)

Foreigners can also enter the country temporarily as (1) nonimmigrants, who enter each year as tourists, students, and other temporary visitors, or (2) unauthorized persons, such as day workers or family members who come for short visits to the United States.

VOLAGs and MAAs

A VOLAG (voluntary agency) is usually a nonprofit organization, often affiliated with a religious organization, that provides initial reception and placement of refugees in the United States.

Approximately 10-12 voluntary agencies (including the state of Iowa which serves as a VOLAG) have cooperative agreements with the Department of State to provide services during refugees' first 90 days in the United States. Additionally, five voluntary agencies currently participate in the matching grant program of

the Department of Health and Human Services to provide resettlement services for eight months after the initial reception and placement.

MAAs (mutual assistance associations) are nonprofit organizations, created by and for specific ethnic groups, that provide resettlement assistance to refugees. MAAs also receive federal grant money to provide resettlement services to newly arrived refugees.



EXCLUSION AND DEPORTATION

Not everyone who wishes to enter the United States is permitted to do so. Many foreigners who want visas are denied them by U.S. immigration law. However, even certain people with visas are prevented (i.e., "excluded") from entering the country based on criteria established in United States immigration law. These criteria include infection with AIDS, a history of criminal activity, or a likelihood of violating the terms of entry.

Similarly, some people already in the United States may be forced to leave (i.e., "deported") if they violate certain conditions listed in United States immigration law. Newcomers can be deported for a number of reasons, such as violating the conditions of their entry visa (e.g., overstaying their approved length of time), committing a crime, becoming a public charge (i.e., becoming dependent on government assistance), or entering the country without inspection (i.e., illegally).

The following sections describe the laws that govern legal immigration, humanitarian immigration, legalization, and unauthorized entry and the effects they are having on state and local governments. Congress passed three major pieces of legislation amending the Immigration and Nationality Act, the basic immigration code of the United States, during the 1980s: the Immigration Act of 1990, the Refugee Act of 1980, and the Immigration Reform and Control Act of 1986.

Legal Immigration and the Immigration Act of 1990

The most common method of obtaining long-term residence in the United States is to apply for legal immigration and the accompanying lawful permanent resident status. In 1990, Congress conducted a comprehensive overhaul of the Immigration and Nationality Act, the basic immigration code of the United States. The Immigration Act of 1990 (P.L. 101-649) altered the process for legal immigration and increased the number of visas for legal immigration from 570,000 to 700,000. In FY 1995, the number of available visas will decrease to 675,000 visas per year for legal immigrants.

The 1990 act created a new preference system to distribute visas. It identifies three categories of legal immigration and divides the 675,000 visas among them: 480,000 (71 percent) to immigrants related to United States citizens and permanent resident aliens, 140,000 (21 percent) to specially skilled (or employment-based) immigrants, and 55,000 (8 percent) visas to what are called "diversity" immigrants from countries awarded few visas the previous five years.

Family-related immigrants are of two types: immediate relatives (i.e., spouses; minor, single children; parents of adult United States citizens) and family-sponsored immigrants (adult children and brothers and sisters of United States citizens; spouses and unmarried children of permanent residents). Family-sponsored immigrant visas were capped under the 1990 act for the first time.

Employment-based immigrants are those aliens with extraordinary ability, advanced degrees, special skills, or professional experience. Others eligible under this category are religious workers, unskilled laborers, and persons investing at least \$1 million in the United States that will create at least 10 new jobs.

"Diversity" immigrants are persons from those countries that received less than 50,000 visas over the preceding five years. Most diversity immigrants will likely come from Europe, because during the 1970s and 1980s few visas were set aside for, or awarded to, European immigrants. To be eligible, aliens must have the equivalent of a high school education or two years of work experience.

The 1990 act also created a new legal status for humanitarian immigrants. The United States attorney general may now award "temporary protected status" (TPS) eligibility to nationals from countries faced with natural or man-made disasters who may remain in the United States until their countries are deemed safe. Examples of countries whose nationals have received TPS are Kuwait, El Salvador, Lebanon, Liberia, and Somalia.

The Immigration Act of 1990 also sets aside a number of visas between FY 1992 and FY 1994 to allow the family members of newly legalized aliens to obtain lawful permanent residence in the United States. To qualify, family members must prove that they have resided in the country since May 1988.



PRIORITIES FOR DISTRIBUTING LEGAL IMMIGRATION VISAS

Immediate Relative Immigrants - Unlimited

There are an unlimited number of visas available to immediate family relatives of United States citizens. Immediate family members include the following: spouses, minor and single children, and parents.

Family-Sponsored Immigrants - Minimum of 226,000 Visas

Because the cap on family-related immigration is 480,000 and immigration by immediate relatives of citizens (see above) is unlimited, it is conceivable that immediate relatives might use up all 480,000 visas in a given year. To protect other family members from this occurrence, at least 226,000 visas every year are available to people in the family-sponsored category, thereby making the 480,000 figure a "pierceable cap." If more than 480,000 visas are awarded to family members in a given year the difference between the two numbers is subtracted from the family-sponsored category in the following year.

- 1) Unmarried sons and daughters of United States citizens23,400/year
- 2) Spouses and unmarried sons and daughters of permanent residents 114,200/year
- 3) Married sons and daughters of United States citizens23,400/year
- 4) Brothers and sisters of adult United States citizens.....65,000/year

Employment-based Immigrants - 140,000 Visas

- 1) Aliens with outstanding abilities40,000/year
- 2) Aliens with advanced degrees or with exceptional abilities requiring labor certification40,000/year
- 3) Aliens with needed skills, unskilled workers of whom there is a shortage, or aliens with baccalaureate degrees, all requiring labor certification40,000/year
- 4) Special immigrants, including religious workers10,000/year
- 5) Foreign investors willing to invest \$1 million to create at least 10 jobs10,000/year

The 1990 act also increased the number of asylees who could obtain LPR status from 5,000 to 10,000 per year and created an emergency immigration fund.

State and Local Impact

Legal immigrants may participate in any federal, state, or local program for which they meet the categorical eligibility requirements. The federal government and most states and localities do not track public benefit recipients by their immigration status, and therefore the specific cost of serving newcomers in these programs is, for the most part, unknown. However, it is evident that immigrants make extensive use of some specific programs.

For example, education services are widely used by both youth (e.g., K-12) and adults. This is partly because immigrants are entitled to public education, and immigrant families are younger than average, and therefore are more likely to have school-age children. Education is paid for by state and local governments, but these costs are not completely recovered from immigrant tax revenue. Additionally, federal education programs for immigrants are being reduced, putting further pressure on states and localities. For example, funding for the Immigrant Education Act, the only impact aid for immigrant education, fell by half over the course of the 1980s. Similarly, funding for Title VII bilingual education for limited English proficient



children fell by half over the 1980s. Finally, the Refugee Education Assistance program has been unfunded since 1988.

In contrast, legal immigrants are unlikely to access welfare and income assistance programs unless absolutely necessary for a number of reasons. First, the great majority of immigrants come to the United States to work. Second, legal immigrants with sponsors are ineligible for AFDC, SSI, and food stamps for three years (see box "Three-Year Deeming and Public Charge"). Also, immigrants may worry that if they use welfare they might be designated a "public charge" and then be deported. Finally, many immigrants are from cultures that encourage individuals to depend on their families instead of the government or other resources.

THREE YEAR "DEEMING" AND "PUBLIC CHARGE"

Some legal immigrants come to the United States with the aid of citizens who serve as their "sponsors." A sponsor is someone who files an "affidavit of support" to help the sponsored immigrant obtain lawful permanent resident status. As a result of this relationship, the federal government requires any sponsored immigrant to include the sponsor's resources in any application for AFDC, SSI, food stamps, and a few state general assistance programs for their first three years in the United States. The sponsor's income is therefore "deemed" available to the sponsored immigrant. However, the affidavit does not legally obligate sponsors to share their resources with the sponsorees.

The federal government expects newcomers to become self-sufficient as soon as possible after their arrival. Immigrants who become dependent upon public assistance (state, federal, or both), fail to find employment, and are unlikely to be self-supporting in the future (because of poor health, inadequate education, lack of sponsorship, etc.) may be deported on the grounds that they have become a "public charge." The "public charge" issue usually affects aliens trying to obtain LPR status and rarely affects lawful permanent residents

Humanitarian Immigration and the Refugee Act of 1980

One of the nation's founding principles has been the offer of freedom and opportunity to the oppressed, perhaps best symbolized by the Statue of Liberty and its promise of asylum. Before 1980, humanitarian assistance was provided in a piecemeal fashion, assisting only limited classes of people (e.g., Cubans and Indochinese). In 1980, the nation extended its humanitarian commitment by establishing a comprehensive, national refugee resettlement and assistance policy. The Refugee Act of 1980 provided a definition of "refugee" consistent with international law and established a framework for the selection of refugees for admission to the United States. This policy was intended to replace the former ad hoc, discretionary parole authority of the 1952 Immigration and Nationality Act and the conditional entrant preference established by the 1965 Amendments to the act.

Of the four main humanitarian categories (refugee, asylum, parole, and temporary protected status), the refugee group is the largest (approximately 139,000 in FY 1991, see figure 5). However, the continued use of parole permits large numbers of "refugee-like" persons (approximately 90,000 in FY 1990) to enter. Data indicate that since temporary protected status was created in 1990, more than 200,000 persons have been awarded permission to stay in the United States temporarily. Finally, in FY 1990 5,672 persons were granted asylum, 4,937 asylees became permanent residents and more than 73,000 applications for asylum were filed.

According to the Refugee Act of 1980, the President must set an annual ceiling on the total number of refugees that may enter the United States. Also, separate regional ceilings must be set, limiting the number of refugees from each part of the globe. Once applications have been received, the Department of State's Bureau of Refugee Programs applies a priority system to decide which persons will be selected for entrance (see box "Priorities for Admitting Refugees").



PRIORITIES FOR ADMITTING REFUGEES

The Refugee Act of 1980 established the following criteria for determining which refugees have priority in entering the United States:

Priority 1 Those in immediate danger of loss of life (e.g., political prisoners)

Priority 2 Former employees of the United States government for one or more years

Priority 3 Persons with a close United States family relation (spouse, unmarried child, or parents of persons legally in the country)

Priority 4 Those with close ties to United States foundations, voluntary agencies, or United States companies for one or more years

Priority 5 Relatives who do not fit in category three

Priority 6 Those whose admission is in the national interest of the United States because of their nationality

Newcomers needing humanitarian safe haven often need help in making a successful transition into American society. Vietnamese refugees have sometimes experienced persecution in their native land, including physical and psychological torture. Some Latino parolees know little English and have few marketable job skills. Other humanitarian immigrants, like the Hmong, are from primitive cultures and therefore need orientation to modern technology and amenities. With such overwhelming barriers to successful assimilation, humanitarian immigrants are a very vulnerable population. The federal government recognized the tremendous need of humanitarian immigrants and its own responsibility for meeting these needs in the Refugee Act of 1980.

The Refugee Act authorized and codified, for the first time, federal assistance for comprehensive, domestic resettlement of refugees. It provided for reimbursement to states for the cost of providing cash and medical assistance to all refugees up to a maximum of their first three years in the United States. This Cash and Medical Assistance program (CMA) originally covered all state costs for refugees who meet the

requirements for "categorical" programs: AFDC, SSI, Medicaid, and state-financed General Assistance programs. The act also reimbursed states through CMA for refugees who were needy but who did not qualify for categorical programs, through a parallel program of Refugee Cash Assistance (RCA) and Refugee Medical Assistance (RMA).

The Office of Refugee Resettlement provides resettlement assistance to refugees, asylees, Cuban/Haitian entrants, and Amerasians under the following programs:

- **Social Services** is a federal grant to states to provide both "priority services," such as English language training and employment services, and Title XX services, such as translation, orientation, day care, and transportation. ORR regulations require states with high levels of refugee "welfare utilization" to spend 85 percent of all federal Social Services on "priority services." There is an additional set-aside reserved for mutual assistance associations.

- The **Targeted Assistance Grant** is additional federal assistance to those communities that receive the most eligible refugees and Cuban/Haitian entrants.

- The **Preventive Health Services** program provides grants to state public health facilities to perform health screening and follow-up treatment.

- The **Voluntary Agency Matching Grant** provides matching funds to voluntary resettlement agencies that assist in refugee resettlement.

Private Resettlement Program

In 1992, the Department of Health and Human Services' Office for Refugee Resettlement attempted to privatize the refugee resettlement program through federal regulations. The Private Resettlement Program (PRP) is currently being challenged in federal district court by a Washington state legal services corporation. The challenge is being made on the grounds that the secretary of Health and Human Services has "engaged in rule-making without complying with the notice and comment requirements of the Administrative Procedure Act (APA)" and that the Secretary "has failed to certify and provide a private medical program that is comparable to the existing program."



Although some specifics about the proposed privatization are unknown at present, if the PRP were to take effect the voluntary community would be assigned responsibility for administering the refugee program's cash assistance and case management components. The medical component would be administered by a private medical service provider. States would maintain responsibility for the Social Services and Targeted Assistance programs. According to Appropriations Conference Report H.R. 102-974, the Congress has "neither endorsed nor prohibited the implementation of the program." If it is approved these programs will be changed to reflect the new administrative changes.

State and Local Impact

As the federal budget problems have increased, funding for the refugee resettlement program repeatedly has been cut back (see figures 1 and 2). Since 1981, federal reimbursement for the costs incurred by serving the AFDC-eligible population has decreased from 36 months to no reimbursement at all. States and localities now pay for this group just as they pay for the cost of services to legal immigrants. Similarly, since 1981 federal reimbursement for RCA and RMA has dropped from 36 months of reimbursement to eight months.

Second, some humanitarian immigrants do not qualify for federal income-maintenance programs or resettlement assistance. Parolees do not qualify for the Refugee Act benefits, neither do newcomers with temporary protected status. There is no limit on the number of parolees that INS may admit each year. States and localities bear the cost of providing services to these populations by the default of the federal government, even though these immigrants have many of the same needs of the refugees, asylees, and Cuban/Haitian entrants who receive federal assistance.

Illegal Immigration and the Immigration Reform and Control Act of 1986

There are a number of ways in which unauthorized persons enter the United States. Some stow away on vehicles entering the United States. Others cross the 1,951-mile-long border by themselves or with the aid of "coyotes," smugglers who arrange to get foreigners into the country in exchange for money. Some newcomers originally obtain legal permission to enter but then overstay the time of residence provided

for in their visas. Still others use forged documents to enter the country.

During the 1980s, the number of persons in the United States without legal permission increased rapidly because jobs and wages were much more attractive in the United States than in most other countries. Many others wanted to be reunited with family members already living in the United States. It is estimated that in 1980, between two million and four million unauthorized people were in the United States. By 1986, it was believed that the number had increased to between three million and five million people.

In 1986, the Immigration Reform and Control Act (IRCA) was passed to address this rise in illegal immigration. It established employer sanctions (fines and jail sentencing) for hiring unauthorized workers and provided a one-time amnesty to allow unauthorized migrants currently residing in the United States to apply for legalization. IRCA granted amnesty to 2.6 million unauthorized aliens who had lived in the United States since 1982 ("pre-82s") or had performed special agricultural work ("SAWs"). Pending some remaining SAW applications, an additional 100,000 aliens may be authorized. However, like the humanitarian newcomers, the newly legalized were in great need of language training, health care, education, and other social services. And, as before, at first the federal government recognized its responsibility to pay for this resettlement assistance.

To minimize the impact on United States taxpayers and to prevent the reduction of benefits to disadvantaged citizens, the amnesty aliens were temporarily denied access to federal programs based on financial need (specifically, AFDC, Medicaid, and food stamps). The State Legalization Impact Assistance Grant (SLIAG) program was created to reimburse states for the expenses they would incur by serving this population during the five-year exclusion period. SLIAG provides federal reimbursement to states for costs incurred for public assistance, public health, and education. Public assistance primarily includes the state share of Medicaid and hospital and medical care for the amnesty immigrants. The public health programs include immunization, testing, family planning, and preventive health screening. Educational services consist mainly of instruction in basic English, American government and history, and citizenship. Vocational training is not covered under the SLIAG program.



The IRCA legislation also increased border enforcement and created the Systematic Alien Verification for Entitlements (SAVE) system. SAVE requires state and federal benefit-granting agencies to verify that alien applicants for specific federal benefits (AFDC, Medicaid, food stamps, unemployment insurance, education loans and grants, and housing) have the authorized legal status for participation in these programs. Additionally, IRCA grants lawful permanent resident status to Cubans and Haitians who entered before 1982.

State and Local Impact

The good intentions that IRCA represented have evaporated. The federal government has not been forthcoming with the aid it promised in the program's authorizing legislation. SLIAG was created as a four-year, \$4 billion program, with a seven-year spending cycle, designed to allow for the anticipated higher demand for assistance in the later years of the program. States were permitted to spend the 1988-1991 appropriations until 1994. However, beginning in 1990, large portions of the promised SLIAG appropriations were deferred to later fiscal years. After the FY 1993 SLIAG appropriation of \$325 million, states were still owed \$812 million in SLIAG funds for FY 1994.

Second, the five-year exclusion from federal assistance is ending for those who qualified for the amnesty program in its first year 1987-1988. Therefore, there will likely be increasing caseloads in the AFDC, SSI, food stamps, and Medicaid programs and a corresponding increasing state matching grant requirement for state governments.

Third, despite IRCA's early success in reducing illegal entries, it is estimated that the number of unauthorized migrants is increasing again. One measure often used in estimating illegal entries is the number of apprehensions reported by the Border Patrol. Some increase this number to account for entrants who successfully elude the Border Patrol. Others adjust the number down, noting that aliens continue to cross the border until they are successful in gaining entry, despite the fact that they may be apprehended by the Border Patrol many times, thereby inflating estimates of unauthorized immigration. In fact, unauthorized aliens are often commuters who return to their native countries when they have earned some money, have completed work or cannot find any, or miss their families; these returns are not counted. Accounting for these factors, the Urban Institute estimates that the net annual flow of unauthorized migrants intending to reside permanently in the United States is roughly 200,000.

Finally, the IRCA employer sanctions have proved problematic. The GAO has found that employers are discriminating against legal minority residents for fear of violating the IRCA sanctions. Members of the business community have complained that a black market of fraudulent Social Security cards and drivers' licenses makes compliance difficult. As a result, there have been a number of congressional attempts to eliminate employer sanctions, none of which have been successful. Other members of Congress are interested in creating tamper proof documents and improving the employment eligibility verification system.



CONCLUSION

The 1980s showed the highest levels of immigration in the United States since the turn of the century. Even if recent immigration trends were suddenly reversed, the diversity of ethnicity and race of these recent arrivals will have lasting effects on our public institutions, and will create new challenges for state and local officials. How will health and social service programs adjust to a multilingual, multicultural population? How will school systems adapt to the needs of children from 100 different countries? How can state and local officials ensure that public services and benefits are distributed equitably among the members of the community?

Although the federal government has exclusive jurisdiction over immigration, there is a lack of responsibility for immigrants after their arrival. Federal resettlement programs are piecemeal and inadequate. Though more immigrants are arriving, funding has been reduced or constrained for the few programs that assist new immigrants to integrate into the economic, social, and civic life of the United States.

In the absence of a comprehensive federal policy to provide for refugees and immigrants, state and local governments are creating immigrant policy. States and localities implement programs required by federal law, provide services mandated by the courts, and initiate programs and policies to serve the specialized needs of their new citizens.

The number and diversity of the new immigrants are creating new fiscal and social challenges for state and local governments. The lack of a comprehensive federal policy is compelling state and local government to create immigrant policy, but without adequate resources. Many state and local governments are grappling with continuing budget deficits. Although immigrants are valuable contributors to the U.S. economy and pay taxes (\$90 billion according to one estimate), there is inequity in the flow of immigrant revenues. Economists show that two-thirds of revenues provided by immigrants flow to the federal level, while only one-third flows to states and localities. Yet the needs of the new arrivals cause states and localities to incur significant costs, particularly for education and health care. This disparity leads to unreimbursed costs for state and local governments.

We have yet to see what immigration and refugee policy will be for the 1990s. It is likely that the new administration and Congress will re-examine immigration laws and consider a restructuring of the refugee program. Immigration reform should include the following components: 1) program planning and implementation at the community level to address service needs and community relations and 2) a redress of the fiscal inequity of immigrant revenues and costs among the federal, state, and local levels.

GLOSSARY

The following immigrant categories and legal statuses are also among the most numerous and frequently used newcomer categories. Other categories are defined in the text.

Amerasians are Southeast Asian children fathered by United States citizens and born in Southeast Asia. Amerasians are eligible to emigrate to the United States under various immigration laws. Spouses, children, parents, or guardians may accompany the immigrating Amerasian.

Cuban/Haitian entrants are in the “entrant” category (legal status pending) which was originally created for the Cuban and Haitian arrivals of 1980 and allowed for this population to obtain work permits and to apply for public assistance. Title V of the Refugee Assistance Act of 1980 extended eligibility for refugee services to this population and to future Cuban/Haitian arrivals in temporary status as a parolee, asylum applicant, etc..

Deferred enforced departure (DED) status is awarded to immigrants at the discretion of the executive branch. It awards work authorization and temporary protection from deportation to its recipients. It has been granted only to El Salvadorans and Chinese students after the events of Tiananmen Square.

Family unity entrants are immediate family members of legalized aliens. These persons must have lived in the United States since May 1988. Family unity entrants are granted a stay of deportation and permitted to work in the United States; they receive the same public benefits as the legalized alien family member.

Naturalization is the process by which a foreign-born individual becomes a citizen of the United States. Naturalization requires that the person be over 18 years old, lawfully admitted to the United States, reside in the country continuously for five years, and have a basic knowledge of English and American government and history.

Nonimmigrants are temporary visitors to the United States who are allowed to enter the country for specific periods of time with nonimmigrant visas. Examples of nonimmigrants are students, tourists, and business travelers. They are typically ineligible for public benefits, but certain categories may obtain authorization to work while in nonimmigrant status.

The **permanently residing under color of law (PRUCOL)** status is a legal term that applies to “aliens here (in the United States) under statutory authority and those effectively allowed to remain here under administrative discretion.” PRUCOL status means that an alien is considered to be legally residing in the country for an indefinite period for the purposes of determining benefit eligibility for public assistance. PRUCOL is not a method of entering the United States and applies only to public benefit eligibility, and therefore it is not a legal, or immigration, status like lawful permanent resident or refugee.

Temporary protected status (TPS) aliens are authorized to stay in the United States for a specified limited time, during which they are eligible to work and live in the country. After the time period expires, either their status may be extended, or they may be required to leave the country. Like asylum, TPS is granted only to those already in the country. TPS is awarded to whole classes of people, such as Lebanese or El Salvadoran nationals, so that they can escape civil unrest in their native countries.

Voluntary departure status can be awarded by an immigration judge to a newcomer in deportation proceedings. The newcomer must not have a criminal history, agree to voluntarily leave the country, and prove he or she has the financial means to do so.

Extended voluntary departure (EVD) status is a grant of additional time to voluntarily leave the country.



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APPENDIX

Overview of Alien Eligibility for Federal Programs

PROGRAM	ALIEN'S STATUS							
	LPR (1)	REFUGEE ASYLEE	PRUCOL (2)	AMNESTY Section 245A PRE-82 (3)	Section 210 SAW (4)	FAMILY UNIT	TPS (5)	UNDOC (6)
CASH								
AFDC	Yes	Yes	Yes (narrowly defined)	Not for 5 years, unless 65 or over, blind, or disabled		Same as amnesty alien (or until LPR)	No	No
SSI	Yes	Yes	Yes (broadly defined)	Yes	Yes	Yes	No	No
Unemployment Insurance	Yes	Yes	Yes (broadly defined)	Yes	Yes	Yes	Yes	No
MEDICAL CARE								
Medicaid	Yes	Yes	Yes (broadly defined)	Full services for 65 & over, disabled, or child under 18. Others limited to emergency & pregnancy services for 5 years.		Same as amnesty alien (or until LPR)	Emergency services	Emergency services
FOOD								
Food Stamps	Yes	Yes	No	Not for 5 years, unless 65 or over, blind or disabled		Same as amnesty alien (or until LPR)	No	No
WIC	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
School Lunch & Breakfast	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
EDUCATION								
Headstart, K-12	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Title IV Federal Loans	Yes	Yes	Maybe	Yes	Yes	Maybe	Maybe	No
JTPA	Yes	Yes	Yes (if work-authorized)	Yes	Yes	Yes (if work-authorized)	Yes (if work-authorized)	No
HOUSING & OTHER SERVICES								
Federal Housing	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Social Services Block Grant	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<p>(1) LPR= legal permanent residents</p> <p>(2) PRUCOL= permanently residing in the U.S. under color of law</p> <p>(3) PRE-82= legalized aliens</p> <p>(4) SAW= seasonal agricultural workers</p> <p>(5) TPS= temporary protected status</p> <p>(6) UNDOC= undocumented workers</p> <p style="text-align: right;">Table prepared by the National Immigration Law Center, 1992. Reprinted with permission.</p>								

America's Newcomers

A State and Local Policymakers' Guide
to Immigration and Immigrant Policy

As 1990 census figures have revealed, the United States is experiencing the largest wave of immigration since the turn of the century. One-third of the nation's net population growth in the 1980s came from immigration. As the number of immigrants and refugees arriving in the United States increases, state and local governments are attempting to meet their needs for education, job placement, and health and human services. Recent trends in immigration policy are heightening the impact for states and localities.

Although the federal government has exclusive jurisdiction over immigration policy (the terms and conditions for entry into the United States), federal-level decisions have direct and indirect effects on the state and local governments — on our budgets, the composition of our citizenry, the utilization and quality of our services, and the general social, political, and economic character of our communities. Though more immigrants are arriving, the federal government has reduced or constrained the few programs that assist new immigrants to integrate into the economic, social, and civic life of the United States. Finally, new legislative and judicial mandates are extending state and local responsibility for providing services to immigrants. For states and localities, federal immigration policy thus becomes state and local immigrant policy.

This guide is designed to provide an overview of U.S. immigration, current immigration trends, and their effects on state and local government.

State and Local Coalition on Immigration Immigrant Policy Project



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Price \$10.00

ISBN 1-55516-930-9

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UNDOCUMENTED ALIENS: MEASURES OF POPULATION AND IMPACTS

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UNDOCUMENTED ALIENS: MEASURES OF POPULATION AND IMPACTS

Karen A. Woodrow-Lafield

As a demographer at the U.S. Bureau of the Census for nine years before moving to New Jersey, I authored and co-authored several national-level studies to measure the size of the undocumented population and trends in undocumented migration to the United States. My first study of undocumented immigrants involved estimating the geographic distribution by state based on the 1980 census. That study used aggregate statistics rather than individual-level data on legal status of immigrants which are practically nonexistent.

My research, especially an analysis of undocumented residents in November 1989, was a major part of the effort to evaluate 1990 census coverage in mid-1991. I prepared a special evaluation of undocumented immigration for the 1980s, stating that the most likely point estimate was 3.3 million undocumented residents in 1990, with the true number most likely to fall between 1.9 and 4.5 million, and an absolute upper limit of 5.5 million. These figures were very preliminary because the 1990 census count for immigrants had not yet been tabulated. My more recent research supports these figures for the 1990 date except that I am reluctant to specify a number as the "best" or "point" estimate, preferring to specify ranges. The types of legal status and statuses that are neither legal nor illegal have multiplied so that defining the legal immigrant population has become increasingly complex.

To summarize my assessment of undocumented immigration for the 1980s:

First, there was no measurable increase for 1980--1990 in the undocumented immigrant population residing in the United States.

Second, undocumented immigration continued to contribute to U.S. population growth in the 1980s.

Third, the explanation for this contradiction lies in the fact that the Immigration

Reform and Control Act of 1986 (IRCA) led to legalization of 1.7 million individuals who had resided here in an unlawful status since before 1982.

Unfortunately, there has been very little research to assess undocumented immigration during the 1990s. If past trends have continued, the number of undocumented residents nationally may now range between 2 and 6 million. Having worked on this topic for most of professional career, I regret to say that there is a deplorable lack of data and resources for addressing the issue of undocumented immigration, which may seem extraordinary given its considerable importance but is less so given its complexity in time, space, and impacts.

The U.S. General Accounting Office reviewed progress in the study of undocumented immigration during the 1980s, commending my research and the 1980 census study by Robert Warren and Jeffrey Passel, for narrowing the range of estimates for total number of undocumented residents. This report noted several data limitations, **especially that there is a lack of information on the geographic distribution of illegal and legal aliens.** The value of such information is noted for "policy and program evaluation, estimation of local economic impacts, and assessment of cultural assimilation barriers" (p. 68), but in the ten years since Jeffrey Passel and I published our research on the geographic distribution of undocumented residents, there has not been a single advance in facilitating such research. Immigration statistics are still in a state of neglect as reported by the Panel on Immigration Statistics of the National Academy of Sciences. There are serious inadequacies for addressing the major public policy questions, particularly for states and metropolitan areas.

There are two sets of numbers for undocumented residents by state that appear to be in use for assessing costs of undocumented populations to states. The first set is "unofficial estimates" of the U.S. Bureau of the Census. I caution that this distribution is not at all

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comparable in methodological origin to the estimates that Jeffrey Passel and I described as "unofficial estimates" of undocumented residents counted in the 1980 census. I have not seen this distribution. I believe it is only a simplistically derived distribution for an evaluation of 1990 census counts by state of birth. It appears to be based on assuming that undocumented immigrants are distributed by state as in my earlier work. **It is not based on any calculation of actual undocumented immigration to states.**

I developed sets of national-level estimates for undocumented residents counted in surveys or living in the United States for 1983, 1986, 1988, 1989, and 1990 without disaggregating any of those analyses to state-level. If appropriate data had existed, I would have done so during that ten-year period. This is not feasible because the INS no longer requires aliens to register their addresses annually.

Further, as expected, the actual numbers of applications for amnesty under IRCA differed from our estimates, especially in Texas, New York, Florida, and, to a lesser extent, New Jersey. For New York and New Jersey, the majority of undocumented aliens probably arrive originally as legal nonimmigrants and are highly mobile both in a geographic sense and in terms of legal status. Many of the aliens admitted as lawful permanent residents had been nonimmigrants, often as tourists.

Turning to the set of state-by state estimates of undocumented aliens released by the INS, those estimates are partially based on an extremely useful database--the Nonimmigrant Information System (NIIS). Several analyses of nonimmigrant overstays have been made by INS, but this set represented the first effort to use an estimate of **net nonimmigrant overstays** by country of origin as of a specific date.

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In my opinion, this series of estimates may be more accurate for states such as New Jersey or New York than for California because of assumptions that I believe are made about amnestied agricultural workers. Since I have seen only a brief description of the methodology, I cannot fully address the limitations of these estimates. I believe that upper and lower boundaries should have been specified given a number of judgment issues.

An obvious shortcoming is that the nonimmigrant overstay population changes rapidly. The nonimmigrant overstay population in **April 1994** may barely resemble this estimate as of **October 1992**. Nonimmigrant arrivals increased by **9.7 percent** for fiscal 1992; **19 percent** entered in New York or Newark. If the NIIS data were maintained and processed, INS could produce estimates of nonimmigrant overstays every six months, thus providing timely information about this important source of undocumented immigration.

A second major flaw is that the state-by-state distribution is **not based on undocumented immigration to states or on nonimmigrants to states who overstay their visas**. Rather, legalization applications by states were used to allocate the illegal alien totals for countries of origin to states. For high air travel ports of the United States such as New Jersey and New York, nonimmigrant overstays represent a more useful database than apprehensions at the southern border. Finally, the INS estimates also make no allowance for foreign students who have discontinued studies without departing. For New Jersey and New York, this component could be non-negligible.

In summary, I cannot offer a range or point estimate for undocumented aliens now in New Jersey and I am critical of extant federal figures, particularly in focusing on individual states rather than the relative distribution. Undocumented immigration is likely to persist in

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the 1990s and into the 21st century until there has been substantial economic development in sending nations. From my current research on the population that legalized under IRCA, it is clear that family and household members may be of diverse legal statuses so that making these calculations is extremely complicated. Debate about costs of undocumented immigrants should acknowledge uncertainty limits on the magnitude on the population. Also, undocumented immigrants may be present for brief periods and never part of the true resident population. Contributions as well as costs must be considered in this complex and unobservable lifestyle and economy.

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HOW TO COUNT ILLEGALS, STATE BY STATE

Submitted by
Karen Woodrow
Percent of illegals.

by James C. Raymondo

Counting the number of illegal aliens in the United States is like trying to shovel water. As long as the blade of the shovel is under the surface, it feels as though you've got something. But once you lift it, everything rapidly slips away.

The problem with counting illegal aliens is that they are not supposed to be here. Having been smart enough to gain entry into the country, they are also smart enough to stay away from those who want to count them. But this does not prevent people from trying. The results of these attempts can be valuable to businesses, because illegals represent a huge market and a potentially important labor pool in some parts of the country.

James C. Raymondo is the demographer at the Center for Business and Economic Research at the University of Alabama.

In attempting to estimate the number of illegals in the U.S., researchers have depended on a variety of sources, such as the Current Population Survey, deaths recorded by the nation's vital-statistics system, and Mexican census data. One particularly useful source is the 1980 U.S. census itself.

Robert Warren of the Immigration and Naturalization Service and Jeffrey Passel of the Bureau of the Census compared the number of noncitizens counted by the 1980 census with the number of legal resident aliens counted by the Immigration and Naturalization Service. Warren and Passel estimate that 2 million illegals were included in the 1980 census, and that this figure represents the lower limit on the total number of illegals in the country in 1980. The total number of undocumented aliens living in the U.S. in 1980 is between 2.5 and 3.5 million,

according to Census Bureau estimates.

Using the 1980 census and data from the Immigration and Naturalization Service, Passel and Karen Woodrow, also of the Bureau of the Census, estimated the number of illegals counted in the 1980 census by state. Over 80 percent, according to their analysis, lived in just five states: California, New York, Texas, Illinois, and Florida. California alone accounted for almost half of all the illegals counted by the census.

ILLEGALS TODAY

Passel and Woodrow then went one step farther. Using information from the 1983 Current Population Survey, Passel and Woodrow estimated that the illegal population is growing by between 100,000 and 300,000 a year. Assuming the midpoint of 200,000, it is simple to make a rough estimate of the number of illegals currently in the U.S.

Add 200,000 illegals a year to Passel's total 1980 estimate of 2.5 to 3.5 million, and the result is a 1987 estimate of 4 to 5 million illegals in the U.S. But in estimating illegals by state, the best starting point is not Passel's total estimate for illegals in 1980, but the 2 million illegals counted by the census. This is because intercensal estimates of the nation's population use the 1980 census results as the base population for the estimates. Therefore, any illegals counted in the census will also be reflected in the current estimates. In addition, some illegals may also appear in the administrative records that the bureau uses to produce state population estimates, like drivers' licenses and school enrollment figures. The task, then, is to calculate how many of the estimated state residents are illegal.

Starting with the 2 million figure and adding to it 200,000 illegals a year results in a 1987 total of 3.5 million illegals



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ESTIMATING ILLEGALS

Only about 1 percent of U.S. residents are illegal aliens, but 6 percent are illegal in California.

total population and estimated illegal population for the ten states with the greatest number of illegals, 1987)	total population	illegals	percent illegals
California	27,663,000	1,742,343	6.3%
New York	17,825,000	398,153	2.2
Texas	16,789,000	316,480	1.9
Illinois	11,582,000	229,703	2.0
Florida	12,023,000	136,121	1.1
New Jersey	7,672,000	62,956	0.8
Virginia	5,904,000	57,851	1.0
Maryland	4,535,000	54,448	1.2
Arizona	3,386,000	42,538	1.3
Washington	4,538,000	37,433	0.8
Total U.S. population	243,399,000	3,500,000	1.4

Source: Bureau of the Census state population estimates for 1987 and author's estimates of illegals included in those estimates by state

in the U.S. who are likely to be included in state and national population estimates. By assuming the same distribution of illegals as Passel and Woodrow estimated in 1980, California's 1.74 million illegals easily place it at the top of the list in 1987. New York is next with an estimated 400,000, followed by Texas with 317,000, Illinois with 230,000, and Florida with 136,000. The states with few, if any, illegals include Montana, Vermont, South Dakota, New Hampshire, Hawaii, and Maine.

The Immigration Reform and Control Act of 1986 provided amnesty for illegals who could prove they had lived continuously in the United States since January 1, 1982. About 1.4 million illegals applied for amnesty by the May 1988 deadline. Under another provision, an additional half million illegal farm workers have also applied for legalization—but the deadline for this application won't be reached until November. State-by-state estimates of the numbers

of these applicants should be available later this year.

Like the estimates of the number of illegals in this country, estimates of their impact on the U.S. vary. Some argue that illegals take jobs away from citizens, while others argue that these are jobs that no one else wants. In some circumstances, a plentiful supply of cheap, unskilled labor may keep costs down for consumers; in other cases, it may only reduce the incentive for industries to modernize.

Many say that illegals are a drain on government services. But many illegals pay taxes. And since many are afraid to take advantage of government services, some may contribute more in taxes than they use in services. Still, the cost of educating the children of illegals is a financial burden left to local governments.

Whatever the cost to governments, illegals are a boon to business both as consumers and workers. ●

TABLE 1. CHRONOLOGY OF CENSUS BUREAU ESTIMATES OF UNDOCUMENTED POPULATIONS

Author(s), Date of Publication or Release	Estimation Date	Type or Description	Method	Estimate	Comments
1. Robinson (1979)	1975	Undocumented white males ages 29 to 44 only	Analytic; trend analysis of age-specific death rates for 1950-1975 in U.S. and selected states	0.6 to 4.7 million	Not expected to provide pre estimate; depends on assumption (a) that few or no illegal are included in population counts or estimates and (2) statistics include deaths of all or nearly all illegals
2. Siegel, Passel, and Robinson (1980)	about 1978	Range for TOTAL undocumented residents Range for TOTAL Mexican undocumented residents	Subjective; review of various studies and estimates	Almost certainly below 6.0 million, maybe substantially less, possibly only 3.5 to 5 million Almost certainly less than 3.0 million and maybe substantially less, probably only 1.5 to 2.5 million	Found no reliable estimates number or volume
3. Robinson (1980)	1975	Resident undocumented population in United States	See Robinson (1979).	less than 6 million illegal aliens living in U.S.	See Robinson (1979).
4. Warren (1982)	1979	Undocumented immigrants entered in 1970-1979 and INCLUDED IN NOVEMBER 1979 CPS	Analytic; comparison of survey data for foreign-born or alien population entered 1970-1979 with legal entrants or INS registered aliens	More than 1 million	See Passel and Woodrow (1985 1987). Original November 19 CPS estimates were subject to severe undercoverage due to errors in independent population controls.
5. Passel, Siegel, and Robinson (1982)	1980	TOTAL undocumented residents in April 1980	Illustrative	Assumes alternate levels: 3 to 6 million	The 1980 census count was higher than the independently derived demographic estimate. This is first indication that undocumented residents were counted in any census.
6. Bean, King and Passel (1983)	1980	TOTAL undocumented Mexicans resident in 1980	Analysis of sex ratios in 1980 Mexican census	No more than 4 million	Assumes a range of values for sex-ratio at birth and census coverage differentials by sex in Mexico

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Author(s), Date of Publication or Release	Estimation Date	Type or Description	Method	Estimate	Comments
7. Warren and Passel (1983)	1980	Estimates of undocumented residents INCLUDED IN 1980 CENSUS	Analytic; Residual method I	2.047 million	Superseded by Warren and Passel (1985, 1987). Minimal estimate. Conservative assumptions could result in underestimation.
8. Passel and Woodrow (1984)	1980	Estimates by state of undocumented residents INCLUDED IN 1980 CENSUS	Analytic; Residual method I	Consistent with national estimates. See (1983), (1985), and (1987).	Estimates show plausible pattern of geographic distribution by state.
9. Passel (1985)	1980	Estimates for SMSAs of undocumented residents INCLUDED IN 1980 CENSUS	Analytic; Residual method I	See above comment.	Disaggregation to subnational level involved broad methodological assumptions.
10. Warren and Passel (1985)	1980	Revised version of (1983)	Analytic; Residual method I	2.057 million	Revisions to data.
11. Passel and Woodrow (1985)	1983; 1979	Estimates of undocumented residents INCLUDED IN 1979 CPS, 1980 CENSUS, 1983 CPS	Analytic; Residual method II	See Passel and Woodrow (1987).	Some results are superseded by Passel and Woodrow (1987).
12. Heer and Passel (1985)	1980	Estimates of adult Mexican undocumented population in Los Angeles County (males 18-44; females 18-39)	Two analytic methods: survey-based data on legal status; residual method per Passel (1985)	See source.	Similar results; survey approach is downward biased
13. Passel (1985)	1980	Estimate of TOTAL undocumented residents in 1980	Subjective; review of past studies	2.5 to 3.5 million undocumented residents in 1980	Presented in Congressional testimony
14. Passel and Woodrow (1986)	1986	Estimates of TOTAL undocumented residents in 1986 and the possible number eligible for amnesty	Subjective; extrapolation of past research	3 to 5 million; Maximum of 2.5 to 4.0 million resident on January 1, 1982;	No way to know how many were still resident in 1986 or 1987 or at beginning of application period on May 5, 1987
15. Passel and Woodrow (1987)	1987	Estimates of TOTAL Hispanic undocumented residents in 1986 and number eligible for amnesty	Subjective; extrapolation of past research	2.5 to 3.5 million; Maximum of 2.0 to 3.0 million	See above comment.

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Author(s), Date of Publication or Release	Estimation Date	Type or Description	Method	Estimate	Comments
16. Passel and Woodrow (1987)	1983; 1979	Estimates of undocumented residents INCLUDED IN 1979 CPS, 1980 CENSUS, 1983 CPS	Analytic; Residual method II	POPULATION AGED 14 PLUS: 1979 -- 1.273 million 1980 -- 1.717 million 1983 -- 2.093 million COHORT AGED 14+ IN 1983: 1979 -- 1.150 million 1980 -- 1.802 million 1983 -- 1.329 million	Analyses for 1979 and 1983 are consistent with 1980 census results because CPS were revised according to ne independent population contr
17. Warren and Passel (1987)	1980	Final version of (1983) and (1985) paper above	Analytic; Residual method I		
18. Woodrow, Passel, and Warren (1987) (Short and long versions)	1986	Estimates of undocumented residents INCLUDED IN JUNE 1986 CPS	Analytic; Residual method II	3.150 million	Also showed estimates of undocmented residents (all ages) INCLUDED IN NOVEMBER 1979 CP (1.724 million)
19. Heer and Passel (1987)	1980	See above (1985).			
20. Fay, Passel, and Robinson (1988)	1980	TOTAL undocumented residents in April 1980	Illustrative	Assumes alternate levels: 2.06 million, 3 million, etc., to 5 million	Census coverage levels can be assessed only by making alter assumptions about total numbe undocumented residents and re on analytic estimates of coun undocumented population.
21. Passel and Robinson (1988)	1980	Technical Background of (17) Revision to (6)	Analytic; sex ratio method	Maximum 2.1 to 2.7 million; perhaps less than 2.00 million	
22. * Woodrow and Passel (1989)	1988	Estimates of undocumented residents INCLUDED IN JUNE 1988 CPS	Analytic; Residual method III	1.826 million	Preliminary; Superseded by (1990). Newly introduced component of change for transitions to legal status under IRCA. Used 1-687 applications to date.
23. * Woodrow and Passel (1990)	1988	Estimates of undocumented residents INCLUDED IN JUNE 1988 CPS	Analytic; Residual method III	1.906 million (1.1 to 1.9 million if allowance made for SAMs	Supersedes (1989); Superseded by (1991) based on 1-687 approvals. Number of resident SAMs is unknown.

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Author(s), Date of Publication or Release	Estimation Date	Type or Description	Method	Estimate	Comments
24. * Woodrow (1990)	1989	Estimates of undocumented residents INCLUDED IN NOVEMBER 1989 CPS	Analytic; Residual method III	2.067 million	Limited number of tables.
25. Woodrow (1991)		Estimates of undocumented residents: (1) INCLUDED IN NOVEMBER 1989 CPS; (2) TOTAL resident in 1990	Analytic; Residual method III Subjective; Hypothetical construct based on past research	2.050 million (1.1 to 2.0 million if allowance made for SAWs) Preliminary estimate of 3.3 million; from 1.7 to 5.6 million and likely range of 1.9 to 4.5 million	Supersedes Woodrow (1990). More extensive analysis. Unknown number of resident SAWs. Revised June 1988 estimate of 1.987 million. Preliminary, analytic research awaits availability of 1990 census tabulations. Ranges encompass various sources of uncertainty (including resident SAWs)
26. Woodrow (1991)	1989	Estimates of undocumented residents INCLUDED IN NOVEMBER 1989 CPS	Analytic; Residual method III	See (24) above.	Revised presentation of results in above.
27. Passel (1991)	1980	estimates of undocumented residents COUNTED IN 1980 CENSUS	Analytic; simulation	1.615 to 2.596 million	Simulated 95-percent confidence interval.

* denotes a preliminary or superseded version.

Woodrow 1992	1990	estimates of undocumented residents in the United States	Subjective; based on past research	3.3 million 1.9 to 4.5 million
		estimates of undocumented residents in 1990 census	Subjective; based on past research	2.3 - 2.5 million
Woodrow Langford 1993	1990	estimates of undocumented residents in 1990	Simulation	1 - 4.5 million

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STATEMENT TO THE ASSEMBLY LABOR COMMITTEE
ON ILLEGAL ALIENS

APRIL 11, 1994

THE DEPARTMENT OF LABOR SHARES YOUR CONCERNS IN REGARD TO THE IMPACT OF THE ILLEGAL/UNDOCUMENTED WORKERS ON THE NEW JERSEY WORKFORCE AND ITS ECONOMY.

AS THE DEPARTMENT THAT CLOSELY MONITORS THE CONDITIONS OF THE WORKFORCE WE REALIZE THAT ILLEGAL ALIEN LABOR HAS A SIGNIFICANT IMPACT ON OUR WORKERS. WE HAVE SEEN GRAPHIC EVIDENCE OF THE INJURIES DONE TO THE LEGITIMATE WORKERS AND TO THE UNDOCUMENTED WORKERS THEMSELVES AS THE RESULT OF THE STATE'S INABILITY TO EFFECTIVELY REGULATE THEIR EMPLOYMENT. UNLESS WE CAN IDENTIFY THESE WORKERS AND PROVIDE THEM WITH SOME PROTECTION THEY WILL CONTINUE TO IMPACT THE STATE'S ECONOMY.

WE ARE HAPPY TO WORK WITH THE COMMITTEE TO SEEK LEGISLATIVE SOLUTIONS TO THESE PROBLEMS AND LOOK FORWARD TO THE SPEEDY IMPLEMENTATION OF THOSE EFFORTS.

ASSEMBLY LABOR COMMITTEE PUBLIC HEARING ON
ILLEGAL ALIENS
APRIL 11, 1994

Question #1:

What impact does the influx of Illegal Aliens (IA's) have on the labor force for the state?

Answer #1:

The Department has been actively investigating complaints received from public officials, law enforcement agencies and the general public concerning the employment of illegal aliens (IA's). Because most illegal aliens are paid in cash, no legal record of their employment is maintained. We encounter major problems in the enforcement of minimum wage/overtime requirements and uncollected unemployment and disability insurance payroll taxes. We have found through our dealings with undocumented workers in our Asbestos Control and Licensing program that illegal aliens can purchase counterfeit documents for as little as \$60 to assist in their fraudulent claims for unemployment and disability insurance and Department of Labor (DOL) permits and licenses.

The number of registered garment manufacturing firms has dropped from 1,500 in 1989 to a current 1,060 in 1994. The enforcement sweeps conducted by state and federal labor officials are finding more unregistered factories employing exclusively illegal aliens. This trend has reduced the amount of registration fees that DOL collects and has created unfair competition for legitimate firms.

The Office of Wage and Hour Compliance has addressed the matter of IA's by entering into a cooperative/joint enforcement program with the US Department of Labor and the US Immigration and Naturalization Service. A joint training session is to be conducted on April 8, 1994 to instruct our representatives on the method to determine whether a worker is an illegal alien.

Question #2:

What are the projections of the amount of Illegal Aliens in the labor force?

Answer #2:

In the current environment it is impossible to accurately forecast the number of illegal aliens in New Jersey. The fact that they are invisible and illegal isolates them from the laws and protection provided to legal residents and workers.

The only data available was from known public sources -- U.S. Census Bureau and the Immigration and Naturalization Service (INS) -- which indicates the figure to be somewhere between 70,000 and 125,000. (See attachment #1). The U.S. Census Bureau's "unofficial estimate based on an experimental method" of the "undocumented population" was 70,000 for the State of New Jersey in 1993. The INS estimated that the "resident illegal alien population" for the State was 125,000 as of October 1992. INS's methodology differs from that of the Census Bureau, so the numbers are not comparable.

Question #3:

What types of jobs are Illegal Aliens employed in?

Answer #3:

The United States Department of Labor is mandated to ensure that employers and U.S. authorized workers are not adversely affected by the influx of alien workers.

The New Jersey Department of Labor receives funding to process employer requests to the USDOL for certification that there are no qualified persons authorized to work in the United States available for the job the employer wishes to fill. The type of jobs for which certification is requested range from live-in domestics, to physicians, to high level management positions.

The Office of Alien Labor Certification is responsible for this process in New Jersey. They are involved with determining availability of qualified U.S. authorized workers and prevailing wage determinations for applications for both temporary and permanent job openings.

Investigators from the Immigration and Naturalization Service have access to all alien labor certification files. In addition, complaints from the public regarding employment of illegal aliens are passed on to the Enforcement Section in Newark. We also give INS the names of employers who file applications for five or more aliens.

Con't Answer #3:

Since the passage of the Immigration Act of 1986, employers are required to have a completed I-9 for all new employees. In addition, the employer is subject to fines based on each illegal alien employed and the frequency with which the employer is found to have violated the law. Sufficient penalties are in place to punish the employer who hires illegal aliens, however, the real problem lies with illegal aliens who work "off the books". These workers leave no paper trail. The only way to identify the employer and determine the status of the employees is an on the job site visit.

Farm jobs previously filled by migrant workers from Puerto Rico are now being taken by IA's living in New Jersey who do not require housing provided by the farmers. This information comes from our field investigators in the Division of Workplace Standards who inspect the farms and interview the workers.

The Department is also concerned that undocumented workers/illegal aliens are being issued NJDOL permits to perform asbestos abatement work, however, we have unable to prevent this. The Preamble to the Asbestos Control & Licensing Act (N.J.S.A. 34:5A-32) finds that when asbestos work is improperly performed it is "detrimental to the Sate's interest, and that of its citizens, in terms of wage loss, insurance, medical expenses, disability compensation payment, family life, preservation of human resources and unfair competition to crafspersons, their union and their employers". Similar to the known exploitation of migrant workers, illegal aliens in the asbestos abatement industry are more likely to be taken advantage of by unscrupulous employers and are more susceptible to abuse. An unscrupulous employer might pay the illegal asbestos worker lower wages, provided little or no benefits, and not submit Federal or State payroll deductions as required because that illegal worker will not complain to Federal or Sate agencies and risk deportation. That same illegal alien asbestos abatement worker is likely not to have any of the intensive medical screening/physicals required by law in this hazardous industry, and is much more likely to be taken advantage of by not being provided the required respiratory protection and/or personal protective equipment. The employer also may not conduct all or any of the necessary exposure monitoring to ensure the safety of these workers. Personal protective equipment and engineering controls used to ensure worker health and safety as required under the Federal Occupational Health and Safety Administration are normally costly to the employer. Undocumented asbestos workers do not complain to governmental bodies and their employers are aware of that. As a result, unscrupulous contractors realize significant saving and create unfavorable competition to those contractors who are law abiding.

The only tool that NJDOL may use to discourage IA's from applying is the suspend/revoke permits or to administratively penalize individuals up to \$500 for the submission of a false social security number (SSN) pursuant to N.J.A.C. 12:120-3.5 (b)(2). However, the department must first discover the fraud and verify that a false SSN was provided on an asbestos application for an asbestos abatement worker permit. We have no means of easily verifying social security numbers without the cooperation of the Social Security Administration.

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Con't Answer #3:

The Department does not have the authority to enforce immigration and naturalization laws which the Federal Justice Department is empowered to enforce. Also, the NJDOL does not have the authority to enforce social security laws. Lack of enforcement on a federal level of the IA problem permeates all facets of the industry.

Question #4:

**What types of fringes or benefits do Illegal Aliens receive?
a) pension benefits? b) health care? c) other?**

Answer #4:

Legislation and procedures exist for denying benefits to unauthorized alien workers. Current unemployment insurance claims applications include a question on citizenship and space for the alien registration number. Similar language does not exist in the temporary disability benefits law and under the terms of a recent New Jersey Superior Court decision, *Mateo Coria vs Board of Review and National Fence Systems*, individuals who do not possess work authorization by the INS cannot be denied disability benefits solely for that reason. The Division of Workers Compensation does award benefits to employees injured on the job.

Question #5:

What can be done in the state to save money and jobs knowing that these individuals exist?

Answer #5:

Sophisticated cross matches of social security number (SSN) between our Wage Record Database and INS and the Social Security Administration (SSA) would be effective if INS and SSA would then take appropriate action based upon this information. It is also time to develop a better system for sharing information with the federal and other state agencies.

Estimated Resident Illegal Alien Population: October 1992

State of residence	Number	Pct.	Country or area of origin	Number	Pct.
U.S. TOTAL	3,200,000	100	N. America...	2,100,000	66
California.....	1,275,000	40	Asia.....	335,000	10
New York.....	485,000	15	Europe.....	310,000	10
Florida.....	345,000	11	S. America...	200,000	6
Texas.....	320,000	10	Africa.....	120,000	4
Illinois.....	170,000	5	Oceania.....	15,000	-
New Jersey.....	125,000	4	Mexico.....	1,002,000	21
Massachusetts...	48,000	2	El Salvador..	298,000	9
Arizona.....	47,000	1	Guatemala....	121,000	4
Virginia.....	37,300	1	Canada.....	104,000	3
Georgia.....	28,000	1	Poland.....	102,000	3
Maryland.....	27,500	1	Philippines..	101,000	3
Washington.....	26,200	1	Haiti.....	98,000	3
Pennsylvania.....	18,800	1	Nicaragua....	76,000	2
Connecticut.....	17,000	1	Colombia.....	75,000	2
Oregon.....	16,600	1	The Bahamas..	72,000	2
Nevada.....	16,400	1	Honduras.....	69,000	2
South Mexico.....	16,000	1	Italy.....	67,000	2
North Carolina...	15,500	-	Ecuador.....	53,000	2
Colorado.....	14,500	-	Dom. Rep.....	51,000	2
Ill. C.....	14,500	-	Jamaica.....	50,000	2
All other.....	136,700	4	Trinidad.....	41,000	1
Michigan, Oklahoma,			Iran.....	37,000	1
Rhode Island, Utah,	6,000-9,900		Ireland.....	37,000	1
Louisiana, Ohio,	*****		Pakistan.....	33,000	1
and Hawaii.			Portugal.....	32,000	1
Illinois, Wisconsin,			All other....	681,000	21
Ohio, S. Carolina,	3,000-5,500		India, Peru,		
Pennsylvania, Minnesota,	*****		Israel, China,	24,000-30,000	
Tennessee, Missouri and Alabama.			Dominica, and	*****	
Nebraska, Arkansas,			Nigeria		
Delaware,	1,200-2,400		Yugoslavia,		
Illinois, Kentucky,	*****		Lebanon,	15,000-19,000	
Mississippi, and New Hampshire.			Guyana, Belize	*****	
Alabama, West Virginia,			and France		
Maine,	100-700		All countries		
Mont., North Dakota,	*****		not listed	Less than 15,000	
and South Dakota.			above	*****	

Source: INS Office of Strategic Planning, Statistics Division.

Estimated Number and Percent Distribution of the Undocumented Population by State: 1993

State	Total	Percent
United States	4,000,000	100.0
Alabama	6,000	0.1
Alaska	1,000	0.0
Arizona	57,000	1.4
Arkansas	4,000	0.1
California	2,083,000	52.1
Colorado	31,000	0.8
Connecticut	8,000	0.2
Delaware	1,000	0.0
District of Columbia	20,000	0.5
Florida	137,000	3.4
Georgia	20,000	0.5
Hawaii	1,000	0.0
Idaho	8,000	0.2
Illinois	270,000	6.7
Indiana	10,000	0.3
Iowa	3,000	0.1
Kansas	12,000	0.3
Kentucky	5,000	0.1
Louisiana	9,000	0.2
Maine	(2)	0.0
Maryland	43,000	1.1
Massachusetts	28,000	0.7
Michigan	11,000	0.3
Minnesota	11,000	0.3
Mississippi	5,000	0.1
Missouri	9,000	0.2
Montana	(2)	0.0
Nebraska	4,000	0.1
Nevada	19,000	0.5
New Hampshire	(2)	0.0
New Jersey	70,000	1.7
New Mexico	31,000	0.8
New York	371,000	9.3
North Carolina	12,000	0.3
North Dakota	1,000	0.0
Ohio	12,000	0.3
Oklahoma	19,000	0.5
Oregon	20,000	0.5
Pennsylvania	11,000	0.3
Rhode Island	4,000	0.1
South Carolina	5,000	0.1
South Dakota	(2)	0.0
Tennessee	7,000	0.2
Texas	521,000	13.0
Utah	12,000	0.3
Vermont	(2)	0.0
Virginia	48,000	1.2
Washington	33,000	0.8
West Virginia	1,000	0.0
Wisconsin	6,000	0.2
Wyoming	2,000	0.0

(2) Rounds to zero

The above represent unofficial estimates of the undocumented population in the States and individual States. These estimates are for illustrative purposes only derived from the estimation of the number of undocumented aliens counted in the 1980 , from various national surveys, and administrative data on undocumented aliens who d for amnesty under the IRCA.

New Jersey Catholic Conference

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Most Rev. Theodore E. McCarrick
Archbishop of Newark
President

William F. Bolan, Jr., Esq.
Executive Director

April 11, 1994

TO: Members, Assembly Labor Committee

FROM: Regina Purcell *RP*
Associate Director for Social Concerns

RE: Immigration and the Impact of
Undocumented Aliens in New Jersey

On behalf of the New Jersey Catholic Bishops, I am pleased to have the opportunity to testify at today's public hearing on immigration and the impact of undocumented aliens on New Jersey's economy. This is an issue of great importance to the Catholic Church which has a long history of welcoming service to immigrants and is deeply concerned with the growing hostility nationwide toward immigrants. This hostility is expressed by some in our society by publicly blaming the current economic and social difficulties on foreigners who have come here seeking a new life.

As Archbishop Theodore E. McCarrick of Newark, Chairman of the National Conference of Catholic Bishops' Committee on Migration, has stated, "in the context of Catholic social teaching and in the light of our Judeo-Christian heritage, such an attitude is not acceptable." In their recent statement on immigrants, the United States Catholic Bishops note that some public officials in our country are calling for or initiating public policies that tend to foster an attitude of selfishness and greed, racism and cultural bias. "There are some," they state, "who would even go so far as to restrict basic health and educational services which are due by right to every human being." The Catholic Bishops reject this mentality and call for a change of heart and a renewed commitment as a nation and as a state to solidarity with immigrants and refugees. Our biblical tradition, the social teachings of the Church and our nation's history all provide a strong basis of support for immigrants, the

*Representing the Archdiocese of Newark, Diocese of Camden, Diocese of Metuchen,
Diocese of Paterson, Diocese of Trenton and Byzantine Catholic Diocese of Passaic*

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Bishops point out in their statement. Jesus' own words: "I was a stranger and you welcomed me" (Mt. 26:35) should be our guiding ethic and action. At a time of continuing deep recession and general anxiety about the future for so many, the temptation to blame immigrants is all too easy. The Bishops call us to resist this temptation. Rather than reject immigrants, they say, we should reject the political cynicism of the anti-foreigner sentiment.

This anti-foreigner sentiment is often fueled by misconceptions and erroneous reporting about immigration -- both legal and undocumented. According to a recent paper from the Carnegie Endowment on "Immigration's Effects on the United States," both legal and undocumented immigrants are largely drawn from the same pools of a sending society's prospective immigrants and are substantially similar in demographic characteristics and in labor market performance. Research also indicates that the effect of both groups on the earnings of all native workers are similar and very small. A new study by economists at Ohio University, "Immigration and Unemployment: New Evidence," concludes that "there is no statistically meaningful relationship between immigration and unemployment. Immigrants expand total output and demand for labor, offsetting the negative effects that a greater labor supply might have. Immigrants tend to be highly productive and promote capital formation through high savings rates. They fill vital niches at the ends of the skill spectrum, doing low-skilled jobs that native Americans rebuff (at prevailing wages) as well as sophisticated high-skill jobs." (New York Times, 3/29/94)

Accurate data about undocumented immigrants is very hard to come by. One economist, Rice University's Donald Huddle, claims that legal and undocumented immigrants cost \$42.5 billion more each year than they pay in taxes. Others, such as Jeffrey Passel of the Urban Institute, a Washington, D.C. think-tank, says that Huddle's numbers are completely wrong and that immigrants in fact pay \$28.7 billion more in taxes than they cost in services such as education and welfare. The truth is that no one knows exactly how much immigrants cost or benefit society. "That's because information about individual's income, taxes and use of social services isn't available -- for immigrants or for anyone else. So social scientists make estimates and different estimates produce different results." (USA Today, 3/18/94) As one author on the subject concludes, "the choice of methodologies contributes to the problem." The results of the case study approach often differ markedly from those studies which look at the overall effects in the national, regional or local labor market. ("Immigration's Effects on the United States," Demetrios Papedemetriou, 1/3/94)

By law, undocumented immigrants are barred from receiving federal welfare payments and a range of other benefits, including food stamps and unemployment compensation. According to an April 1992 report published by Congressional Quarterly, "fearing deportation, few (undocumented aliens) file for the income tax refunds owed them and the vast majority are too young to apply for Social Security benefits -- even if they dared. They come to the United States to work, not to go on welfare." It is of concern that taxes paid by undocumented aliens flows to the federal government while the services they do use -- such as education -- are used at the state and local levels. We support the redistribution of federal revenues to states that are particularly affected by immigration.

In conclusion, we wish to stress that respect for human dignity and human life is not debatable. Human dignity is not determined by social class, citizenship, race, or ethnicity. We join Cardinal Roger Mahoney, Archbishop of Los Angeles, in stating that "immigrants living in this country -- documented or undocumented -- need to have access to those things necessary to sustain and develop life in all its dimensions. This includes access to all basic necessities for a decent living." We must recognize the immigrant as a sister or brother --not the enemy; as an opportunity to strengthen our community -- not a problem to be solved.

RP:me.

New Jersey Immigration Policy Network

273 Oliver Street, Newark, N.J. 07105

(201) 589-0300

(201) 589-0061 (FAX)

April 11, 1994

Honorable Patrick Roma, Chairperson
Assembly Labor Committee
New Jersey State Legislature
Legislative Office Building, CN-068
Trenton, NJ 08625-0068

Re: Public Hearing regarding undocumented aliens in New Jersey

Dear Sir:

I am writing as Legislative Committee chair of the New Jersey Immigration Policy Network. The Network is a coalition of religious and ethnic organizations, social service agencies, labor unions and interested individuals who are seeking fair and humane immigration policies.

Several weeks ago I was here on behalf of the Network speaking to a senate committee considering proposed legislation regarding aliens. One of those bills I believe is pertinent to the considerations of this committee. S. 303 would establish within the Department of Labor a Council on Illegal Aliens consisting of 14 members representing differing interest groups. That bill was amended to include representatives of those providing services to immigrants. As reconstituted, this council would provide a mechanism to study the impact of aliens on the state. Such a council could carefully analyze the variety of statistics being publicized. I would repeat the comment I made to that committee, that is such a council should also look at the positive impact of aliens on the New Jersey economy.

It is easy to claim undocumented aliens are a drain on the economy. This however is not an uncontroverted fact. A Business Week study showed that aliens contributed much more in taxes than they received in benefits. In a similar vein, two researchers were quoted in the March 26, 1994 issue of the Wall Street Journal regarding a study they conducted for the Alexis de Tocqueville Institute. They concluded that there is no correlation between high unemployment and high immigration. Recent studies in California inferring that state's current economic problems is related to the high number of immigrants may merely be scapegoating for the layoffs in the aero-space industries.

The elimination of the influx of aliens whether documented or not into this state if it were possible would not eliminate this state's unemployment. Aliens are filling positions that New Jerseyans may not want to do. Many industries in this state are dependent on this labor force. The employers praise the willingness to work and reliability of these workers. Recognition should also be given to alien owned business which in turn provide jobs.

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Do not misconstrue what I am saying. I am not advocating a disrespect for our laws. There are federal statutes regarding the employment of workers without proper immigration documents. Employers are subject to fines for violation of those laws. As there are already laws regarding wages and working conditions which can be enforced.

When there is concern regarding aliens working and not paying taxes, the attention may be misdirected to the worker. The American citizen employer is probably not paying his taxes either. This is a cost born by the rest of us taxpayers also. Again there are laws already in existence that could be enforced.

The denial of health care or other services to someone who does not present an acceptable document to the service provider may lead to unjust and unfortunate results. The experience we have had with the Division of Motor Vehicles which has such restrictions is unacceptable. Many individuals with proper documents have and are being rejected for drivers' licenses. They have had to seek assistance from various immigrant aide agencies or attorneys to seek resolution of the problem which have taken weeks or could not be adequately resolved. This would be multiplied if more agencies were involved and the consequences might be more critical than the delay in the issuance of a drivers' license.

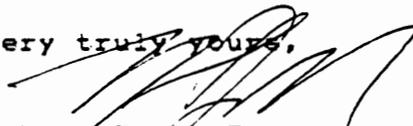
What is accomplished? The fact that the alien did not present an acceptable document may not mean he or she is undocumented or that he/she is not paying their taxes. Nor is there a guarantee that the U. S. citizen is paying their taxes for that matter.

Actions directed to the so-called undocumented are fraught with danger for discrimination to the documented foreign born.

In speaking in favor of immigrants the Statue of Liberty and Ellis Island are often invoked. Having been born, raised and educated in New Jersey, I have always felt that these landmarks were part of New Jersey. I would hope that this committee and the legislature of this state will keep the Statue in front of Liberty Park as a welcoming symbol to immigrants into this state and not look at as having turned her back to New Jersey.

I wish to thank you for the opportunity to present these ideas. The Network remains willing to assist the legislature in any way it can regarding issues of immigrants.

Very truly yours,


Robert Frank, Esq.
Chair, Legislative Issues Committee

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New Jersey Immigration Policy Network
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Immigration Doesn't Displace Natives

By RICHARD VEDDER

Despite relatively robust economic expansion, unemployment remains at or near the top of Americans' concerns. In parts of the country, including our most populous state, California, unemployment rates are at or above 8%. In this environment, there is growing criticism about the impact that immigration has on the job security of Americans. Some politicians, notably Gov. Pete Wilson of California, have found their popularity surge as their anti-immigrant rhetoric increases.

California vs. Florida

The current wave of immigrant-bashing rhetoric recalls similar experiences earlier in American history. For example, in the last decade before World War I, when immigrant flows were at a peak, social scientists argued bitterly whether immigrants were as industrious as predecessors who came in the mid-19th century.

Modern econometric investigation has shown that those immigrants responded mightily to economic stimuli, moving to areas of the nation where labor productivity and wages were the highest. Similarly, statistical evidence suggests that modern immigrants go where economic opportunities are the greatest.

Do immigrants displace native-born Americans from jobs? Proponents of immigration restriction argue that newly arrived immigrants take jobs that otherwise would go to natives. Supporters of this view point out that the state with the

average unemployment rate was 7.38%.

In our 1993 book "Out of Work: Unemployment and Government in Twentieth-Century America" (Holmes & Meier), Mr. Gallaway and I used a powerful regression model to explain U.S. unemployment that emphasizes labor costs. In our recent study, we found no statistically reliable correlation between the percentage of the population that was foreign-born and the national unemployment rate over the period 1900-89, or for just the postwar era (1947-89).

Another approach is cross-sectional,

Using several different periods and approaches, we consistently found no statistically meaningful relationship between immigration and unemployment.

largest immigrant presence by far, California, also has the highest unemployment rate of any large American state. They neglect to tell you, however, that some other states with relatively high immigrant populations have relatively low rates of unemployment. Florida, for example, in February had an unemployment rate of 5.7%, well below the national average of 6.5%, despite having the nation's third-largest immigrant population (about 13% of the state population in 1990).

With Lowell Gallaway and Stephen Moore, I have recently looked at the historical and contemporary evidence in a study for the Alexis de Tocqueville Institution. Using several different periods and approaches, we consistently found no statistically meaningful relationship between immigration and unemployment. However, if there is any correlation, it would appear to be negative: Higher immigration is associated with lower unemployment. For example, immigration reached its highest level (relative to population) in the first 25 years of this century; the average annual U.S. unemployment rate was 5.05%; in the next 69 years of relatively smaller immigrant flows, the

comparing the 50 states. Messrs. Gallaway, Moore and I took the 10 states with the highest average percentage of immigrant population in the 1960-90 period and compared them with the 10 states with the smallest relative immigrant presence. In the 10 high-immigrant states, the median unemployment rate in the 1960-91 period was about 5.9%, compared with 6.6% in the 10 low-immigrant states.

Classifying the states according to unemployment rates and confining our analysis to the 1980s leads to even more startling results, as shown in the accompanying chart. We compared the 10 states with the lowest average annual unemployment rates in the years 1980-90 with the 10 states with the highest average annual unemployment rates. The median proportion of the population that was foreign-born was 1.56% in the high-unemployment states, compared with 3.84% in the low-unemployment states. More immigrants, lower unemployment.

Why doesn't immigration cause unemployment? Immigrants expand total output and the demand for labor, offsetting the negative effects that a greater labor supply might have. Immigrants tend to be highly productive and promote capital for-

mation through high savings rates. They fill vital niches at the ends of the skill spectrum, doing low-skilled jobs that native Americans rebuff (at prevailing wages), as well as sophisticated high-skill jobs. Indeed, the willingness of immigrants to work hard probably explains why per capita income of the foreign-born population in the 1990 census actually slightly exceeded that of the native-born.

In light of all this evidence, why do some Americans blame immigrants for joblessness? First, there is the visibility problem. Americans literally can see jobs that immigrants have filled. By contrast, the jobs that are created by high immigrant productivity, capital formation and demand for goods are far less visible. Second, politicians and labor union leaders often need a scapegoat, someone to take the blame off themselves and their actions that raise labor costs and thus unemployment. Political entrepreneurs have learned that they can win votes attacking immigrants (many of whom cannot vote), so they do so—never mind the facts.

Economic Lesson

The most important economic lesson of the past generation is that nations that let resources flow freely according to market forces tend to flourish relative to ones that control such resource movement through central planning, trade and property-rights restrictions, high taxation, or oppressive regulation. Immigration reflects the movement of the most important of all economic resources. Our nation of immigrants has prospered from the inflow of new human capital resources from abroad. Immigrants are part of the solution to America's economic woes, not the problem.

Mr. Vedder teaches economics at Ohio University. Lowell Gallaway, of the same department, contributed to this article. Along with Stephen Moore, they are the authors of a new study, "Immigration and Unemployment: New Evidence" for the Alexis de Tocqueville Institution.

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9/16



STATE OF NEW JERSEY

LEONARD T. CONNORS, JR.
SENATOR — 9TH DISTRICT

9TH DISTRICT LEGISLATIVE OFFICES
620 WEST LACEY ROAD
FORKED RIVER, NJ 08731
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908-240-0266

JEFFREY W. MORAN
ASSEMBLYMAN — 9TH DISTRICT
CHRISTOPHER J. CONNORS
ASSEMBLYMAN — 9TH DISTRICT

January 5, 1994

Governor Elect Christine Todd Whitman
Gubernatorial Transition Office
28 West State Street
8th Floor
Trenton, New Jersey 08625

FAXed to 609-633-9545

Re: REQUEST FOR NEW JERSEY TO FILE SIMILAR SUIT AS
STATE OF FLORIDA AGAINST FEDERAL GOVERNMENT TO
REDUCE FLOW OF ILLEGAL ALIENS AND RECOUP STATE REVENUES
FOR SOCIAL SERVICE PROGRAMS BENEFITING ILLEGALS

Dear Governor Elect Whitman:

On December 30, 1993, Florida Governor Lawton Chiles launched a suit against the United States Government for its failure to control the tidal wave of illegal aliens affecting his State and to try to recover taxpayer funds that have been spent for social service programs for illegals there.

Certainly, we are fully cognizant and understanding of the enormous problems and very difficult decisions that your new Administration will be facing in the weeks and months ahead as you chart a new direction for New Jersey. But, we truly believe that the illegal alien problem has reached crisis proportions in New Jersey and we, respectfully, ask that this issue receive your priority attention.

Accordingly, we formally urge that you direct Attorney General-nominee Debra Poritz to institute, on behalf of the citizens and taxpayers of New Jersey, a parallel suit against the United States Government in the United States District Court of New Jersey to demand that our Federal Government take back control of our borders and reimburse to the citizens and taxpayers of New Jersey the millions upon millions of tax dollars that have been paid out in social service program benefits to illegal aliens.

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Governor Elect Christine Todd Whitman
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New Jersey is among six States, including New York, California, Florida, Texas and Illinois, where about 90 percent of the illegal aliens and legal immigrants are concentrated.

In Florida's suit, Governor Chiles estimates that taxpayers in that State paid at least \$739 million in 1992 for health care, education, housing and various other social services to aliens. The Dade County Florida Hospital estimates that \$300 million has been spent on the care of undocumented aliens in the last three years alone.

California Governor Pete Wilson has charged that taxpayers in his State are doling out about \$2.3 billion annually for direct and indirect social service benefits to an estimated two million aliens there.

Other States, including Texas, Illinois, New York and California, have either attempted suits against the Federal Government in recent years or filed vigorous complaints about Washington's total failure to control our borders and to provide States with the funding to cope with the astronomical costs of social services to illegal aliens and legal immigrants.

As a direct example of the impact closer to home, a 1990 study by the Center for Immigration Studies estimated that about 24,100 foreign born residents of New Jersey were receiving Welfare benefits that year, collecting on average about \$3,600.

Yesterday, our 9th District Delegation directed Legislative Staff to survey various State sources, including OLS, to try to develop some perspective as to what costs are being borne by New Jersey taxpayers in terms of social service benefits to illegal aliens. Preliminary information presented to us suggests that an estimated 100,000 illegal aliens presently residing in New Jersey may be receiving between \$25 - \$50 million in various social service programs funded through the State Budget. It is believed that there is a vast underground network supplying counterfeit documents to illegal aliens who, in turn, utilize them to obtain social service benefits through various government agencies.

This conclusion is substantiated by just two published reports last April. The Federal Immigration and Naturalization Service, the United States State Department and the State Police conducted separate raids for alleged phony document forging operations in Atlantic City and Passaic, in one instance arresting 60 individuals at six locations for allegedly producing and selling fake Social Security Cards, birth certificates, immigration forms and other documents. These phony documents are, in turn, used as a mechanism to obtain drivers' licenses, Social Security benefits, jobs and even State Casino Licenses for employment in Atlantic City.

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Packages of the forged documents were reportedly being sold to illegal aliens for prices ranging between \$900 to \$1,200 each.

In June, the State Department of Labor conducted a raid and investigation of a school construction project in the region. At least 16 illegal alien Chinese laborers were working on this taxpayer funded project. These illegal aliens had false identification documents and told investigators that they had come to the United States on boats and that they had paid \$5,000 for passage. These illegals stated that they were living in a camp in the northern part of the State and that they had been working on the project for approximately eight months.

The illegal aliens claimed to be making \$32.50 per hour in cash. Apparently, if substantiated, these illegal aliens were paying no Federal or State income taxes, Unemployment Compensation taxes, Social Security or any of the other responsibilities that citizens of this Country are obliged to fulfill.

Since March of 1993, our 9th District Delegation has taken a leadership role in addressing this problem, introducing a sweeping bill package to require that individuals directly or indirectly receiving State moneys or privileges are certified that they are not unauthorized aliens and a measure to establish a Council on Illegal Aliens within the Department of Labor to examine the scope of the problem and its impact on taxpayers and to develop recommendations and solutions. These initiatives followed the CBS "60 Minutes" nationwide newscast that documented the illegal alien crisis right here in New Jersey's backyard.

INS officials are already stopping an average of ten people each day for trying to illegally enter the Country at Newark Airport and "60 Minutes" found that, perhaps, as many as 15,000 illegal aliens are attempting to enter the Country each year at Kennedy Airport. The illegal problem is chronic. Federal officials believe that at least 230,000 illegal aliens are harbored in the greater Metropolitan New York City/New Jersey Region.

Illegal aliens are infiltrating the Atlantic City Casino Industry and many other service and manufacturing industries around the State. They are taking jobs from American Citizens, contributing significantly to chronic unemployment, and driving American workers to the unemployment and welfare lines.

The epidemic is diminishing the effectiveness of affirmative action programs for native born Black Americans, pursuant to the January 2, 1994 Newhouse News Service article enclosed with this correspondence.

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 Governor Elect Christine Todd Whitman
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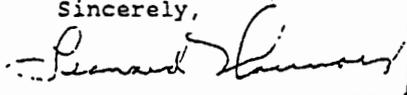
We are seeking your leadership to put New Jersey at the forefront in cracking down on this crisis. New Jersey and America are under siege by illegal aliens who are straining our social service programs and resources, diminishing the social fabric of our communities and dimming hope and opportunity for our citizens and families.

It is our view that the taxpayers of New Jersey should not be forced to foot the bill and subsidize illegal aliens who have no legal standing in our Country. The United States Government has miserably failed to enforce its own Federal laws and to fulfill its legal and moral obligations to pay the costs associated with those failures. While America must continue our position as the light of freedom for the world, a distinction must be drawn between political refugees from the vestiges of Communism and tyrannical dictatorships as opposed to illegal aliens.

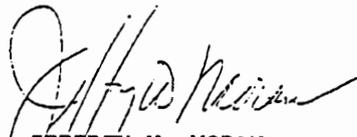
The Federal Government has opened up our borders to the degree that immigration is now at its highest point since the turn of the 20th Century, with more than 1.2 million people entering -- illegally or legally -- each year. If the United States Government intends to continue to sanction this invasion, then each and every State must demand that Washington, with its nearly bankrupt Federal Budget, allocate the necessary financial resources to pay for the socioeconomic impact of its foreign policy.

Thank you for your thoughtful consideration of this difficult issue. Our 9th District Delegation stands shoulder-to-shoulder with you as you take on the challenges ahead. We truly believe that this issue should have priority status and, again, we ask that New Jersey institute legal action against the Federal Government similar to Florida's initiative.

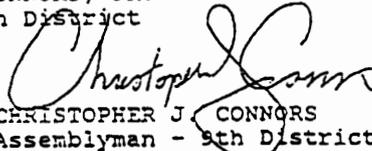
Sincerely,



LEONARD T. CONNORS, JR.
 Senator - 9th District



JEFFREY W. MORAN
 Assemblyman - 9th District



CHRISTOPHER J. CONNORS
 Assemblyman - 9th District

LTCJR/JWM/CJC/gpl/cmn/Enclosure

- c: The Honorable Donald T. DiFrancesco, Senate President
- The Honorable Garabed Haytaian, Assembly Speaker
- New Jersey Congressional Delegation
- Members of the New Jersey Senate
- Members of the New Jersey Assembly
- Media

95x



STATE OF NEW JERSEY

LEONARD T. CONNORS, JR.
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January 31, 1994

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The Honorable David C. Russo
Chairman, Assembly State Government
22 Paterson Avenue
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The Honorable Patrick J. Roma
Chairman, Assembly Labor
40 East Midland Avenue
Paramus, New Jersey 07652

RE: GOVERNOR WHITMAN'S COMMITMENT TO DEMAND FEDERAL FUNDING TO PAY FOR SERVICES TO ILLEGAL ALIENS AND S-302/S-303 AND A-846/A-847

Dear Senate President DiFrancesco, Assembly Speaker Haytaian,
Chairman Russo and Chairman Roma:

On January 5, 1994 our 9th District Delegation petitioned then Governor Elect Whitman to join with Florida Governor Lawton Chiles to launch a suit against the United States government for its total failure to control the tidal wave of illegal aliens and to try to recover taxpayers' funds for the costs of social service program benefits paid to undocumented aliens.

Enclosed is a copy of a January 31, 1994 Associated Press article, "Whitman Joins Governors' Call For Having Feds Pay For Aliens."

This article provides dramatic evidence of the crises New Jersey and America are facing with the wave of illegal aliens that are straining our social service programs, depriving our citizens of jobs and economic opportunity and tearing at the fabric of our way of life.

Governor Whitman indicates that the costs of illegal aliens to New Jersey taxpayers may approach a staggering \$300 million annually in terms of health care services, education and human service programs.

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January 31, 1994
The Honorable Donald T. DiFrancesco
The Honorable Chuck Haytaian
The Honorable David C. Russo
The Honorable Patrick J. Roma
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The article also reports the State Department of Labor estimates there are 70,000 illegal aliens in New Jersey who would be receiving approximately \$200 million in health care services alone and about \$15 million in other human service programs.

WE STAND SHOULDER-TO-SHOULDER WITH GOVERNOR WHITMAN IN DEMANDING ACCOUNTABILITY FROM THE FEDERAL GOVERNMENT FROM BOTH A FISCAL PERSPECTIVE, IN TERMS OF PICKING UP THE TAB FOR THE COSTS OF ILLEGAL ALIENS, AND IN CALLING ON WASHINGTON TO TAKE BACK CONTROL OF OUR BORDERS.

The action of the National Governors Association in blasting Congress for its failure to address the illegal alien crisis offers new hope that America may finally wake up to this problem which truly threatens to tear our civilization apart at the seam. Governor Whitman has demonstrated her decisiveness and her willingness to meet extremely difficult problems.

The 9th District Delegation is sponsoring a set of three separate pieces of legislation which we feel are essential for placing New Jersey in a leadership role in addressing the illegal alien problem here.

These bills include:

1. S-302 and A-846 -- require certification that persons directly or indirectly receiving state monies or privileges are not unauthorized aliens.

S-302 was approved by the Senate Community Affairs Committee on January 24, 1994 and is now in position for a full Senate vote.

We, respectfully urge Senate President DiFrancesco to consider this bill for the Senate Agenda as soon as possible.

A-846 is awaiting consideration before the Assembly State Government Committee.

Kindly consider this as a formal request to Chairman David C. Russo to place this bill on his Committee Agenda for consideration.

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January 31, 1994
 The Honorable Donald T. DiFrancesco
 The Honorable Chuck Haytaian
 The Honorable David C. Russo
 The Honorable Patrick J. Roma
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2. S-303 and A-847 -- would establish a council on illegal aliens in the Department of Labor to examine the scope of the problems in New Jersey and to develop recommendations and solutions for consideration by the Governor and Legislature.

S-303 was also approved unanimously by the Senate Community Affairs Committee on January 24, 1994 and awaits full Senate consideration.

This letter also formally requests Senate President DiFrancesco's courtesy in scheduling S-303 in a tandem package with S-302 for a full Senate vote as soon as possible.

A-847 has been referred to the Assembly Labor Committee.

This letter requests that Chairman Roma schedule this bill on his Committee's Agenda for a hearing at the earliest opportunity.

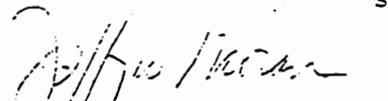
Enclosed is a copy of a draft Resolution memorializing the Governor and Attorney General to sue the Federal government to recover the costs of social service program benefits to illegal aliens. We anticipate these measures shortly and seek your interest and support.

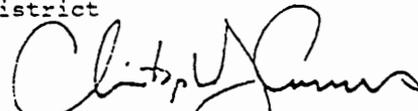
In closing, Governor Whitman has boldly tackled this problem head on, signifying the seriousness of the crisis. It is imperative for the Legislature to act as expeditiously as possible in concert with the Governor's commitment.

Thank you in advance for your consideration of this very pressing problem and we look forward to your support and leadership.

Sincerely,


 LEONARD T. CONNORS, JR.
 Senator - 9th District


 JEFFREY W. MORAN
 Assemblyman - 9th District


 CHRISTOPHER J. CONNORS
 Assemblyman - 9th District

LTCJR/JWM/CJC/gpl/ddb/Enclosures

c: The Honorable Christine Todd Whitman
 Members of the New Jersey Senate
 Members of the New Jersey Assembly
 Bill File

98X

NATION

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Associated Press

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A committee Whitman sits on at the National Governors Association adopted a resolution Sunday that blasts Congress for failing to act on payment for educating alien children, more than a decade after a federal court ruled states could not exclude them from schools.

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"Illegal aliens are straining the state's social service programs and are contributing to its chronic unemployment," said Connors.

REGION

Connors seeks crackdown on hiring of illegal aliens

By STEPHEN J. MORAN
Staff Writer

FORKED RIVER — Citing a state probe of an alleged forgery operation in Atlantic City, which allegedly sold packages of phony documents to illegal aliens, an area lawmaker on Tuesday called for the Senate's swift approval of two bills designed to crack down on employers who hire illegal alien workers.

Sen. Leonard T. Connors, R-9th, said in a letter to Senate President Donald DeFrancesco the alleged forgery operation sold the documents to illegal aliens, who then used them to obtain casino licenses and jobs in Atlantic City.

"Illegal workers have clearly infiltrated the casino industry and are working under the umbrella of the state licensing process," said Connors in his letter.

The investigation conducted by state and federal agencies, which centered around an Atlantic City photocopying store, "clearly underscores the serious-

99X

Connors cites forgeries in calling for alien law

OBSCURED 8/22/93

Staff report

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Packages of the illegal documents were being sold in Atlantic City for from \$900 to \$1,200.

Connors wants to create a task force to look into the problem of illegal aliens, and crack down on those who hire them.

ASBURY PARK PRESS 8/17/93

Alien worker probe cited by legislators

By DONNA E. FLYNN
PRESS MANAHAWKIN BUREAU

NINTH DISTRICT State Sen. Leonard T. Connors Jr. said yesterday there is an ongoing investigation into the use of illegal Chinese aliens in a public school construction project, further proof that the state needs to outlaw such practices.

Connors, along with Assemblymen Jeffrey W. Moran and Christopher J. Connors, all R-Ocean, in a prepared release, stated they were providing the state Senate president and Assembly speaker with detailed documents concerning an ongoing state and federal investigation of illegal Chinese aliens working in school construction somewhere in southern New Jersey.

Connors declined to release specific information about the site or the construction company alleged

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Connors said that according to documents he received, the aliens paid \$5,000 apiece for passage, started work in January and were paid \$32.50 an hour in cash.

Many of them reportedly fled when a state agency arrested some of them in June. They were reportedly living in a camp in northern New Jersey.

100X

The Press, Atlantic City, N.J.—Monday, January 31, 1994

NATION

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101X

ASSEMBLYMAN JEFFREY W. MORAN
ASSEMBLYMAN CHRISTOPHER J. CONNORS
N.J. LEGISLATIVE DISTRICT 9
(OCEAN - BURLINGTON)
620 W. LACEY ROAD
FORKED RIVER, N.J. 08731
(609) 693-6700

PAGE 10 - ADVANCE NEWS - JANUARY 12, 1994

Government Should Pay For Alien Car

FORKED RIVER - Three Ocean County legislators are calling for New Jersey to join the State of Florida in a lawsuit against the Federal Government to try to recover taxpayer funds used for social service programs for illegal aliens and to urge Washington to stem the tidal wave of illegals entering the country.

"It is our view that the taxpayers of New Jersey should not be forced to vote the bill and subsidize illegal aliens who have no legal standing in our country," wrote Sen. Leonard T. Connors and assemblymen Jeffrey W. Moran and Christopher J. Connors, all R-Ocean/Atl., in a 1,362 word letter yesterday to Governor-elect Christine Todd Whitman. "The United States government has failed miserably to enforce its own federal laws and to fulfill its legal moral obligations to pay the costs associated with the tidal wave of illegal aliens invading our country."

Connors, Moran and Connors said Florida Gov. Lawton Chiles ordered his state's Attorney General, Robert Butterworth, to file suit in federal court last week against the U.S. government seeking an estimated \$739 million in reimbursement for health care, education, housing

and other social services Florida provided to illegal aliens in 1992.

New Jersey should follow Florida's lead to compel the Federal Government to reimburse New Jersey taxpayers for "astronomical costs of social service programs paid to illegal aliens" the 9th District Republicans believe.

"We formally urge that you direct Attorney General nominee Debra Poritz to institute on behalf of the citizens and taxpayers of New Jersey a parallel suit against the United States government to demand that Washington take back control of our borders and reimburse the people of New Jersey for the millions upon millions of tax dollars that have been paid out in social service programs to illegal aliens," Connors, Moran and Connors stated in their letter to Whitman.

New Jersey is among 6 states, including New York, California, Florida, Texas and Illinois, where about 90 percent of illegal aliens are concentrated, according to the three lawmakers.

The legislators said they have authorized staff and the Office of Legislative Services to develop estimates this week as to what illegal aliens are costing New Jersey taxpayers. Preliminary information provided by the research suggests that an estimated 100,000 illegal aliens are receiving various social service benefits in New Jersey costing taxpayers between \$25 and \$50 million annually.

Connors, Moran and Connors said the Immigration and Naturalization Service officials have estimated perhaps 230,000 illegal aliens are har-

bored in the greater metropolitan New York City/New Jersey area. The CBS newscast "60 Minutes" has documented that 15,000 illegal aliens are attempting to enter the country at Kennedy Airport each year.

A vast underground network is supplying counterfeit documents to illegal aliens who utilize them to obtain social service benefits through various government agencies. INS, U.S. State Department and State Police raids have discovered phony documents forging operations based in the state at numerous locations in recent months. In one instance, 60 individuals were arrested at six locations for allegedly producing and selling fake Social Security cards, birth certificates, immigration forms and other documents.

Phony documents are a mechanism to obtain driver licenses, Social Security benefits, jobs and even state casino licenses for employment in Atlantic City, Connors, Moran and Connors explained in their letter to Whitman.

Published reports have alleged that packages of forged documents are sold to illegal aliens for prices ranging between \$900 to \$1,200.

The legislators said a State Department of Labor raid in June picked up at least 16 illegal alien Chinese laborers working on a school construction project in the area. The aliens told investigators they had paid \$5,000 for passage to the United States on a boat and that they were living in a camp in the northern part of the state. The aliens claimed they were earn-

ing \$32.50 per hour cash.

"Illegal aliens are infiltrating the Atlantic City Casino industry and many other service and manufacturing industries around the state," Connors, Moran and Connors wrote to Whitman. "They are taking jobs from American citizens and driving American workers to the unemployment and welfare lines."

The legislators call for Whitman's leaders to put New Jersey at "forefront" in cracking down on the illegal alien crisis.

They continued, "New Jersey and America are under siege by illegal aliens who are strain our social service programs and resources, diminishing the social fabric of our community and dimming hope and opportunity for our citizens and families. The 9th District Republicans said Washington has opened up American borders and that legal and illegal immigration is at its highest point since the turn of the 20th Century.

"If the United States government intends to continue to sanction the invasion," Connors, Moran and Connors concluded in their message to Whitman, "each and every state must demand that Washington, with its nearly bankrupt federal budget, allocate the necessary financial resources to pay for the socioeconomic impact of its failed foreign policy."

Connors cites forgeries in calling for alien law

Observed 4/27/93

Staff report

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ASBURY PARK PRESS 8/17/93

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By DONNA E. FLYNN
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Efforts to contact the Immigration and Naturalization Service for more information yesterday were unsuccessful.

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NEWS TIPS?

Call Ocean County Bureau Chief
Michelle Brunetti: 978-2010

REGION

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Lawmakers focus on illegal aliens

■ The legislators say they have proof of a current construction job using illegal Chinese aliens.

By MICHELLE BRUNETTI
Staff Writer

FORKED RIVER — Three area legislators say they have proof an elementary school building contractor in southern New Jersey hired 16 illegal Chinese aliens. But they won't say what the contracting company is or where it is working.

"Our interest is in legislation to crack down on employers and establish a blue ribbon task force" to study the problem, said state Sen. Leonard T. Connors Jr., R-Ocean, Burlington, Atlantic. "We don't think it's our place to be fingering anybody" as breaking the law.

He and the two other ninth district legislators, Assemblymen Jeffrey W. Moran and Christopher J. Connors, have sponsored a package of bills to stop use of illegal aliens by New Jersey employers.

Connors said state and federal agencies are investigating the

case and that his office had obtained an Immigration and Naturalization Service document reporting on a June 1993 raid of the construction site.

He has sent copies of that document to Senate President Donald DiFrancesco and Assembly Speaker Garabed "Chuck" Haytaian, he said, to encourage them to post his bills.

"This is the first tangible piece of evidence we have," Connors said. "My understanding is that Atlantic City has a lot of illegal aliens working there ... and that it has reached epidemic proportions (around the state)."

■ 'My understanding is that Atlantic City has a lot of illegal aliens working there ... and that it has reached epidemic proportions (around the state).'

Sen. Leonard Connors

Connors said at least 16 Chinese aliens have been paid \$32.50 per hour in cash to work on a publicly funded school construction project in southern New Jersey.

Investigators believe the aliens paid at least \$5,000 for ship passage to the United States, and that they have worked at the school site since January, Connors said.



The project has been under investigation since June when a state agency intercepted some aliens, while a number of others fled into nearby woods, according to Connors.

The illegal aliens found in June at the site were carrying false identification that listed a residence in New York City, a Connors press release said.

The construction company is alleged to have no state Unemployment Insurance number, and its employees are all listed as having post office box addresses in northern New Jersey, according to the legislators.

Bill would create council on illegal aliens in N.J.

■ LEGISLATION to create a state council on illegal aliens in New Jersey has cleared a state Senate committee and could be voted on by the full Senate in its upcoming session.

The bill (S-302) would require that anyone applying for state benefits or licenses certify their U.S. citizenship. A second bill (S-303) would set up a 14-member council to study the impact of illegal immigration on New Jersey and its economy.

Both bills are sponsored by state Sen. Leonard T. Connors Jr., R-Ocean, who chairs the Senate Community Affairs Committee, which released the measures Monday.

Task force possible

■ TRENTON — A crackdown on illegal aliens contained in a package of bills now before the State Senate is in position for a vote by that house of the Legislature.

The Community Affairs Committee cleared the package of bills sponsored by lawmakers from the 9th District.

They call for creation of a state task force to study the "scope of the illegal alien problem" and impose penalties on those who hire them.

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NATION

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"The presence of growing numbers of undocumented children in our school systems can no longer be ignored," the reso-

X401

'Hot dog man' arrested in scheme diverting jobless benefits to aliens

By ROBERT RUDOLPH

A massive fraud operation—allegedly run by a man who frequented a hot dog truck parked in front of the New Jersey Department of Labor's Newark offices—allowed illegal aliens to collect state unemployment checks for years, federal authorities said yesterday.

The ring allegedly steered aliens to "insiders" in the Labor Department offices who helped arrange for unemployment checks to be issued in return for thousands of dollars a week in cash payoffs.

The operation was exposed yesterday after federal agents arrested two key suspects, including the alleged mastermind—known as the "hot dog man"—who authorities said ran his business for years while standing outside a hot dog truck parked near the Labor Department office on Broad Street in Newark.

Authorities called the arrests the "tip of the iceberg" and said they marked the first phase of a continuing investigation into a "massive fraudulent scheme that has been going on for a considerable period of time."

Documents filed in federal court in Newark indicate that the ring has been in operation for at least two years, and one government source said there is reason to believe it may have been active for more than a decade.

Court records reveal that at least four employees of the Labor Department are implicated in the scheme,

Continued from Page One

and said they each look in approximately \$1,000 a week, processing illegal claims at the rate of \$150 a claim. The identities of the alleged "insiders" were not made public yesterday.

Authorities said they could not disclose the full scope of the operation but said it appeared to involve thousands of aliens and potentially huge amounts of unemployment funds.

David Krasula, regional inspector general for the U.S. Department of Labor, said authorities believe "the mini-

David Krasula of the U.S. Department of Labor said authorities believe 'the minimum loss is well into the six figures and probably substantially beyond that.'

mum loss is well into the six figures and probably substantially beyond that." Some of the illegal aliens—who are not even supposed to be working and who are banned from receiving any unemployment benefits—were receiving more than \$550 a week, according to documents.

The alleged mastermind behind the operation was identified as Antonio Rodriguez, 61, of Newark, also known as "Tony Roman" and "Tony Roma." Rodriguez, authorities said, was a well-known figure among aliens.

"People knew to go see Tony, the 'hot dog man,'" one government source stated.

"He was the liaison," the source said. "He was a way to get around the system."

Ironically, the source said, Rodriguez has been arrested more than 10 years before for loitering at the Labor Department office and may have merely moved his operations outside after that. Authorities stressed, however, that Rodriguez did not actually own or operate the hot dog truck, but merely used it as an "office."

"He worked off the back of the truck," one official comment, while another agent declared. "It's not like it was a hidden thing."

Also charged in a separate complaint was Marino Figueroa, 38, of Elizabeth, who allegedly used post office boxes in Elizabeth and Rahway to receive hundreds of unemployment checks issued to more than a dozen individuals.

Although Rodriguez was charged with working with insiders in the Labor Department office in Newark to set up benefit payments to illegal aliens, Figueroa was accused of simply cashing illegal checks and depositing scores of the checks into his own bank account.

Authorities said surveillance cameras set up at the Elizabeth Post Office recorded a person believed to be Figueroa picking up some of the checks.

Assistant U.S. Attorney Timothy McInnis, who is coordinating the probe, would not comment on the links between Figueroa and Rodriguez, but documents showed that some of the checks received by Figueroa were sent to Rodriguez's Newark address.

McInnis is conducting the investigation with the assistance of both the federal and state Departments of Labor, U.S. postal inspectors, the federal Department of Health and Human Services and the Immigration and Naturalization Service.

According to complaints filed by McInnis yesterday, confidential informants, who were not identified, told investigators Rodriguez collected fees from the illegal aliens and



Antonio Rodriguez, left, charged in a massive fraud operation, leaves the federal courthouse in Newark with supporters after being released on bail.

then split those fees with insiders in the Labor Department who processed the unemployment claims.

One of the alleged "insiders" told investigators that the insiders have been making up to \$1,000 a week assisting Rodriguez, the documents reported.

In addition, authorities disclosed that they have obtained tape recordings of telephone calls and other conversations detailing the fee deals.

According to McInnis, bogus Social Security numbers were used to process the unemployment claims.

Krasula said the operation was uncovered after the New Jersey Department of Labor turned up "inconsistencies" that could not be explained in an audit and re-

ferred the matter to the federal agency for further investigation.

Krasula said the investigation indicates that scheme was "fairly widespread" and said they are looking into irregularities involving both the Newark and Elizabeth unemployment offices. Figueroa, he noted, obtained checks from the Elizabeth office.

Following a hearing yesterday in Newark, Rodriguez was released on bond, while U.S. Magistrate Judge G. D. Haneke ordered Figueroa held without bail.

McInnis described Figueroa as a potential risk of fraud. Authorities said he is a native of Colombia who entered U.S. on a student visa in 1976.

TESTIMONY
RAUL "RUDY" GARCIA
ALA PUBLIC HEARING APRIL 11, 1994

Thank you Chairman Roma, Vice Chairwoman Haines and members of the Assembly Labor Committee. I appreciate the opportunity to testify before the committee on this very important issue. The impact of undocumented aliens on our state must be addressed so that we can begin to formulate policies which will address inequities and close gaps which currently exist in our system. It is my hope that this committee will take into consideration the hopes and dreams of those entering our great country who seek to join the social and economic mainstream of our society.

What makes our country and our state great is its diversity. We in New Jersey are truly a melting pot of different ethnic, racial and religious backgrounds. We are enhanced by our interaction with other cultures. The rich cultural fabric of our state is the source of our strength, much as it is in the rest of America. Many of our lives would be diminished by the loss of the contributions which immigrants have made through out our history. The Statue of Liberty is a constant reminder of the openness of our country. The poor and huddled masses Ms. Liberty speaks of continue to arrive and represent the next generation of contributors to our diversity.

106 X

That is not to say that there are no problems. The current state of our economy creates a climate of desperation which leads to errors in judgement and unjust persecution. We must keep our perspective clear and focus on real solutions instead of scape goats. Some of the current thinking could be called xenophobic this trend must be stopped.

The erosion of benefits in our society is not only incorrect policy but according to the Supreme Court illegal. Supreme Court Justice Brennan, writing the majority opinion in Plyler vs. Doe stated that although there is no constitutional right to a public education, if you provide one to the children of citizens , you must provide it to the children of aliens. Clearly by its decision, the Supreme Court has determined that undocumented aliens have rights in our country. If we are to formulate policies which deal with undocumented aliens, we must keep their rights in mind.

We as a nation send billions of dollars all over the world in humanitarian aid; to provide aid here at home is no less a noble mission. Our cities and urban centers are falling into decay. We must funnel funds to help alleviate the burden placed on our urban social services system by undocumented aliens. The urban areas of America have always been the entry point and first generation homes of immigrants. Many immigrants continue to be drawn to America's cities. If we use this money at home in our urban enclaves, the exclusionary policies which are beginning to become more and more common will not be needed.

107X

Undocumented aliens are not the sole cause of all the ills in our state. They are merely attempting to achieve what all of us so desperately desire, a decent life for themselves and their children. We must not take part in a witch hunt which unjustly punishes some and leaves real solutions unexplored. If we do, we turn our backs on our cherished and distinct American history. Thank You.

108X



STATE OF NEW JERSEY
DEPARTMENT OF EDUCATION
CN 900
TRENTON, N.J. 08625-0900

Harry Whitel
Tim Clark
Deb Smarth
Roma
MER

LEO KLAGHOLZ, COMMISSIONER

TO: The Honorable Patrick Roma
Assemblyman, District 38

FROM: Marianne E. Rhodes, Director
Office of Governmental Relations
Division of Policy & Planning

SUBJECT: Department of Education Testimony for the Public Hearing on
Illegal Aliens in the Public Schools.

DATE: April 12, 1994

Attached for the public record is testimony prepared by the Department of Education's Division of Academic Programs and Standards on the issue of Illegal Aliens in the Public Schools.

MER/ga/4:420

Attachment

- c: Richard DiPatri
- Win Tillery
- Ellen Schechter
- Iliana Okum
- David Hespe .
- Greg Williams, OLS

Post-It™ Fax Note	7671	Date	4/14	# of pages	3
To	<i>Greg Williams</i>		From	<i>Marianne Rhodes</i>	
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New Jersey Department of Education
Office of Educational Programs and
Student Services

Assembly Labor Committee Hearings
Testimony on Illegal Aliens
in the Public Schools

April 11, 1994

Background on the Issue of Undocumented Students and Immigrant Students

The Department of Education has issued guidance and information to New Jersey school districts on the issue of enrollment of immigrant and undocumented students as early as April 1990.

In the most recent communication in June, 1992, sent to chief school administrators the department recommended the following:

All children are to be admitted to New Jersey public schools without regard to their immigration status or the immigration status of their parents, provided that they are residents of the district pursuant to N.J.S.A. 18A:38-1. New Jersey regulations require proof of residency only for admission to school. A copy of a lease, a sworn statement made by the landlord, rent receipts, or utility bills with the home address, are adequate proofs of residency.

- Districts are to become familiar with the 1982 Supreme Court decision in Plyer v. Doe, 457 U.S. 202 (1982) that stated:
 - public schools are prohibited from denying immigrant students access to a public education from kindergarten through grade 12 on the basis of their immigration status;
 - undocumented children and young adults have the same right to attend free public elementary and secondary schools as their U.S. citizen and permanent resident counterparts; and
 - states and the public schools in each state are prohibited from enacting or adopting laws, regulations or practices which deny or result in the denial of this right.

Current Situation in New Jersey Public Schools

On an annual basis, the Department of Education receives federal funds under the Emergency Immigrant Education Program to assist public school districts in meeting the cost of educating eligible immigrant students.

In the 1993-94 school year, eligible districts reported serving 23,850 immigrant students. The state allocation to serve these students totaled \$850,733 or approximately only \$35.92 per student.

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The total numbers reported by school districts does not represent the total number of immigrant and or undocumented students residing in the state. The federal guidelines require that:

To be eligible for funding, the combined enrollment of public and nonprofit nonpublic schools within an LEA must be at least 500 students or 3% of the total LEA enrollment. Districts that do not meet the eligibility requirements do not have to report.

Federal Program Provisions:

The Emergency Immigrant Education Act, under Title VII of the Education Amendments of 1984, P.L. 98-511 provides funding to:

- assist school districts financially with the costs of supplementary educational services for immigrant pupils enrolled in elementary and secondary public and nonpublic, nonprofit schools.
- provide educational services to pupils who are defined in the law as eligible immigrant children. These services include, but are not limited to, English language assistance services, bilingual education, special materials, classroom supplies, and other instructional services -- including inservice training for teachers.

Summary:

The Department of Education supports the need to educate all children residing in New Jersey in accordance with current law regardless of their immigration status or the immigration status of their parents provided that they are residents of the district.

New Jersey's population of immigrant students has grown significantly in the last ten years and will continue to increase. The Department of Education believes that the federal government needs to continue to fund programs to serve these students and must increase allocations to eligible states.

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TESTIMONY OF DR. NICHOLAS V. MONTALTO,
EXECUTIVE DIRECTOR, INTERNATIONAL INSTITUTE OF NEW JERSEY,
BEFORE THE ASSEMBLY LABOR COMMITTEE
APRIL 11, 1994

Ladies and gentlemen, thank you for the opportunity to present testimony before the Committee on an issue of great concern to the people of this state and nation. The question of the causes, consequences, and prevention of illegal immigration to the United States is deserving of careful study and analysis. The Committee is to be commended for recognizing the importance of this issue and for seeking constructive solutions. As a person who has spent the better part of his professional life, either researching issues related to immigration, including strategies for integrating immigrants and their descendents into the mainstream of American life, or managing an agency (the International Institute of New Jersey) that recently celebrated its 75th year of helping immigrants in this State, I am deeply interested in this subject and hope that my views may be useful to the Committee.

Illegal immigration has at least five harmful consequences to society: first, it erodes the rule of law which is essential to the continuation of civilized society; second, it creates opportunities for the entry of undesirable people, e.g. criminals, terrorists, who would be barred

under controlled immigration; third, it is unfair to legal immigrants, many of whom have waited years and years for the opportunity to emigrate to the United States; fourth, it creates the impression in the public mind that the country is being overrun by legions of poor and desperate people and thereby erodes support for all immigration, legal as well as illegal; and fifth, it fuels the growth of a new underclass isolated from the mainstream of society and vulnerable to exploitation by ethnic labor agents and unscrupulous employers.

This being said, however, it is important for the Committee to understand the human dimensions of the undocumented problem. Although it is hard to generalize about people whose circumstances and motives for migration are so varied, there are certain characteristics of the undocumented population that need to be kept in mind. The decision to emigrate to the United States is not an easy one. Most people are content to remain within familiar cultural and linguistic surroundings. Major "push" factors contributing to illegal migration are the displacement of agricultural people, especially in countries on the periphery of the United States, and the failure of economies in these countries to absorb their surplus agricultural populations. Migration is thus often a question of survival. And the

people who crash the gates may not be lawbreakers in the same sense that a thief, or a rapist, or a murderer is. In fact, they may be people of good character, victims of upheavals in the world economy, driven to violate another country's borders out of sheer desperation. I do not mean to make a case for open borders; far from it. I just ask the Committee not to demonize the undocumented population and to avoid simplistic solutions that would only exacerbate the problem, not fix it.

New Jersey is correct in crying foul to the federal government over this situation. Along with border states like California, Texas, and Florida, this state has been disproportionately impacted by illegal immigration. Although the vast majority of illegals are here to work and not to collect benefits (welfare utilization rates are lower among immigrants than among the native-born population), illegal immigration does have implications for local taxpayers, especially in the areas of education and health. The way to deal with these consequences, however, is not to embark on a misguided effort to deny state-funded services to illegals. Such a program would be a nightmare to administer, could be open to legal challenge, and could endanger the public welfare, by denying illegals access to preventive health services and thereby increasing health risks to the general population.

The better approach would be to work for more effective

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border enforcement, to eliminate loopholes and delays in the asylum system, to develop a more secure national identification document, and to secure impact assistance to the states to cover the costs associated with providing benefits and services to the immigrant population. New Jersey has indeed been shortchanged by the federal government and should insist on reform of federal immigration policy and practice.

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April 11, 1994

MICHAELENE LOUGHLIN, Esq.
Director

Assembly Labor Committee
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Honorable Members:

A recent study by the Urban Institute, a Washington-based think tank, indicates that taxes paid by undocumented workers to the federal government in the form of Social Security and income taxes actually outweigh any costs incurred and to the state in the form of sales taxes are roughly equal to the cost of services provided. The services provided undocumented aliens are very limited.

Persons not authorized to work cannot collect unemployment benefits. When an unauthorized worker uses a fraudulent number in order to work, he or she pays into the Social Security and federal withholding system; when laid off, such workers rarely even attempt to apply for unemployment benefits because the application will bring scrutiny of the Social Security number. Thus, although they pay, they do not collect.

In addition, the undocumented are not eligible for welfare or general assistance benefits and cannot collect them. Both local and county agencies are linked to the SAVE system which is a computerized verification system to ascertain whether persons who apply for public benefits are entitled to receive them; this system

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uses the "a" or alien number as the verifying number in the INS system.

In 1982, the Supreme Court held that all children in states which provide a free public education were entitled to that education. The benefits of providing education to all children far outweigh the costs. The estimates of the numbers of children who are themselves undocumented have been grossly overstated in this time of anti-immigrant hysteria. Education forms the basis for common values in our society; without these shared values, our society would not maintain its cohesiveness and would crumble from within.

Undocumented aliens are entitled to emergency medical care only. Because they are so limited, they are forced to use the most expensive form of such care -- the emergency room. It would actually make more fiscal sense to create a system of taxation for the undocumented to help pay for regularized medical care which would actually bring costs down for everyone.

According to the 1990 Census, approximately 12.5% of New Jersey's population is foreign born. Half that number are naturalized citizens; another 25 to 30% are legal permanent residents. The bulk of the remainder fall into approximately eighty-odd classifications of non-citizens authorized to be in the United States, from foreign students in our colleges and universities to temporary workers in pharmaceutical and other technical and scientific occupations, to those with Temporary

Protected Status, such as Bosnians, Liberians, and Salvadorans, to foreign businesspeople bringing their companies into New Jersey to provide jobs here. All of these people contribute to the cultural and economic wealth of New Jersey by bringing their cultures and consumer spending to our state. Undocumented persons also bring cultural and economic wealth to our state; we need to recognize that and not simply be caught up in xenophobia which only makes all visitors and newcomers feel unwelcome.

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