Implications of Deferred Action (DAPA and DACA)

for California Farmworkers, Rural Communities, and Agribusiness

Ed Kissam, WKF Fund April 15, 2016

About Deferred Action (DACA and DAPA)

- Deferred action provides undocumented immigrants with an assurance they won't be deported. But more concretely it also provides them work authorization and an SSN.
- The Supreme Court will hear oral argument on April 18 and decide in June if USCIS can implement "expanded DACA" and DAPA
- "Original DACA" continues to be implemented. It has a modest, impact on farmworkers (although many of their children benefit) because applicants need to have HS/GED or enroll in adult education or vocational training to qualify
- "Original DACA" is easily accessible for many farmworkers' children who are still in school. Those "in the pipeline" can apply after their 15th birthday and secure work authorization when they turn 16.

National Impact of DACA and DAPA

- Nationally, and in California, DAPA impacts many more immigrants than DACA.
 When DACA began in 2012, about 1.6 million undocumented youth and young adults were potentially eligible and another 475,000 would "age in". As of December, 2015 about 713,000 have been granted DACA and 35,000 more are pending.
- DAPA would benefit about 3.6 million parents of US-born or legal permanent resident sons and daughters of undocumented immigrants. Since entire households, including US-born children, benefit from a parent securing DAPA, overall impacts affect about 10 million persons.
- More than one-quarter of the DAPA-eligible immigrants in the U.S.— about 1 million—live and work in California.

Methodological Notes

- The Migration Policy Institute (MPI) and the Center for Migration Studies (CMS) have both developed excellent analyses of the numbers and profile of undocumented immigrants eligible for DACA and DAPA using ACS data and sophisticated strategies to impute legal status
- NAWS data provide a unique resource for analyzing farmworker eligibility for DACA and DAPA since the dataset includes each of the key variables for identification, along with a detailed demographic and socioeconomic profile. In contrast to the ACS dataset NAWS respondents' legal status Is known
- CMS provides estimates of DAPA and DACA eligible immigrants down to the sub-county level. MPI provides estimates for states and major metros. NAWS permits analysis at the state level for California.
- It is likely that few DAPA or DACA eligible farmworkers (<5%) will be disqualified due to criminal record. Moreover, NAWS data shows that very few (<1%) would be disqualified due to lack of continuous residence.

Rural California Benefits Dramatically from Deferred Action

- The proportion of undocumented immigrants who may benefit from DAPA or DACA varies from place to place but, generally, communities with a longer history of migration benefit most.
- In major rural California counties, more than half the undocumented population is eligible—e.g. in Kern 53%, in Tulare 58%, in Monterey 54%
- By way of comparison, only 46% of the undocumented immigrants in the U.S. are eligible. Interestingly, major Oregon farmworker communities have particularly high eligibility rate (58%).

Impact of DAPA and DACA on farm labor force and farmworker households

- Nationally, DAPA and expanded DACA will benefit about 730,000 undocumented farmworkers and/or their spouses
- At least 250,000 in California will be eligible, about 180,000 of them current farmworkers and another 70,000 farmworker spouses.
- California has a relatively high proportion of DAPA-eligible farmworkers because so many are long-term settlers
 - DAPA has more promise for farmworkers than DACA because the program has no educational requirements. (Only 16% of the farmworkers eligible for "original DACA" have a HS degree or GED)

Impact of DAPA on California agriculture

- California has about 650,000 farmworkers. About 240,000 are employment authorized. Consequently, full implementation of DAPA would increase the supply of employment-authorized workers by about 75%.
- Few DAPA recipients will leave agriculture after securing work authorization, in part because most have now been farmworkers for 10-20 years. They secure, on the average, 34 weeks of farmwork per year.
 - Moreover, the DAPA-eligible population will find it hard to compete for nonagricultural jobs. 9 out of 10 speak little or no English and two-thirds never went beyond elementary school (mean educational attainment=6.6 years).
- Even those non-agricultural jobs currently available to the DAPA-eligible farmworkers will not pay higher wages or guarantee economic stability

Farmworker Plans for Continuing in Agriculture

Farmworker Sub-population	Plans to continue in FW for 5+ Years	Plans to continue in FW for 5+ years and as long as able
Eligible for DAPA (Mean age=32.7 yrs.)	7%	82%
Eligible for DACA no HS/GED and not eligible for DAPA (Mean age=22.0)	13%	23%
All undocumented farmworkers (Mean age=32.1)	7%	71%
Green card (LPR) farmworkers (Mean age=43.2)	8%	75%
Citizen farmworkers (Mean age=40.5 years)	5%	63%

Implications for Agribusiness Labor Strategy

- The undocumented farmworkers provided work authorization via DAPA are particularly important for the well-being of agribusiness because many have worked 15-20 years in agriculture and are experienced workers
- Provision of fringe benefits (sick leave, holiday and vacation pay, and access to affordable health services) will contribute more to retention of work-authorized DAPA recipients than wage increases
- Further efforts to re-structure farm operations to decrease seasonality of employment will also be important. Employer investments in child care programs and transportation subsidies will also help.
- Ideally, since WIOA displaced worker (as well as ETP) funding can be used in programs for DAPA and DACA recipients, California's Dept. of Labor and Workforce Development should move rapidly to fund pilot/demonstration "ag upgrade" programs"
- However, deferred action will not fully satisfy peak season labor demand

Immediate Impact of DAPA and DACA on farmworker earnings

- Work authorization will increase DACA and DAPA recipients' ability to find a new (or additional) work when they're underemployed.
- It will also help greatly when they're laid off from seasonal work, a particular crop-task, or when a long-time agricultural employer goes out of business
- Work-authorized farmworkers' employers can more confidently promote them into supervisorial or management positions
- National analyses suggest work authorization increases an immigrant's earnings 8%-24% but the magnitude of annual earnings increase for farmworkers in rural California is not known.
- I project that California farmworkers' earnings increase will be in the middle of this range—mostly as a result of increases in # of days of employment. The MPI analysis references recent research (Orrenius and Zavodny 2014) indicating a 13% earnings increase for less-educated Latino men.

Further economic impacts stemming from deferred action and work-authorization

- After four quarters of work-authorized employment, deferred action beneficiaries are eligible to collect UI when they're unemployed.
- Since DAPA and DACA recipients are lawfully present those who are incomeeligible (HH income <139% of poverty) will qualify for state-funded full-scope Medic-Cal. Currently, about half have HH incomes below 125% of poverty so it is likely that 60+% would be income-eligible.
- DAPA recipients will become eligible for the Earned Income Tax Credit. Since they qualify because they have US-born children and since most of the children are minors in their HH. I estimate this will be worth about \$5,000 for the typical DAPA-headed HH
- Capps et al/MPI project that work authorization decreases the # of HH's in poverty by 6% nationally. Pastor et al/USC project a 3% decrease in poverty for DAPA-headed HH's in rural counties such as Kern and Fresno.

Longer-term impacts of DAPA on farmworker households

- Work-authorized farmworkers are eligible for WIOA-funded workforce skills development programs, holding out the promise of long-term earnings gains for some—via upward mobility in agriculture or moving into non-ag employment
- California agriculture would benefit from advocating for workplace skills development programs to upgrade the "foundation skills" of the DAPA recipients since they make up an important part of the core labor force and provide a resource pool for meeting growing need for supervisors, managers, and workers with some technical ability
- Another important target population for workforce skills development programs will be women who are raising young children who are not currently in the labor force but may want to work once their children are in school full-time
- DAPA is particularly important to the well being of the middle-aged workers and their spouses. Receipt of earnings while work-authorized allows them to qualify for Social Security retirement benefits (about 10% are 45+ years old)

Implications for family-oriented institutions

- Pre-school programs (both First Five and Head Start) and the K-12 school system can play a huge role in maximizing the impact of DAPA and DACA since the eligible population are parents
- Schools can and should provide all parents with information on DAPA and DACA eligibility. It will be important for them to explain the eligibility rules for both programs and how important it is for DACA-eligible teenagers to apply before the age of 18.
- Community health clinics, hospitals, and other health care providers can play a key role also in promoting DAPA and DACA. They will benefit also as a result of increases in Medic-Cal reimbursements.
- These programs are strategically well-positioned to promote DAPA and DACA and help applicants since they may have already gained families' trust in other contexts. But they will need to earn that trust in relation to immigration issues.

Impact of DAPA and DACA on community life in rural California

- Community-level economic impacts will vary depending on the number of undocumented immigrants in a town, maturity of migration networks, and influx of recent foreign-born migrants
- Nonetheless, impacts are probably substantial almost everywhere. In Tulare and Kern counties, for example, about one in ten of <u>all</u> households in the county will benefit. In Monterey County, about one in eight will benefit from DAPA.
- In Arvin, in Kern County, a town with a long and robust history of migration, about one in five households will benefit
- DAPA's Impact on civic life and parents' school involvement will also vary depending on how welcoming local institutions are but "coming out of the shadows" will inevitably have positive impacts on overall immigrant civic engagement.

Implications for municipalities and other local institutions

- "Coming out of the shadows" and lawful presence holds promise for strengthening immigrants' civic participation
- But fulfilling that promise requires that municipalities proactively "invite" immigrant households to participate in civic life
- A first step will be for local institutions such as libraries, schools, park and recreation programs to disseminate information about DAPA and DACA and provide assistance to applicants
- California's Local Control Funding Formula (LCFF) mandates schools to make greater efforts to involve parents in their children's education. It will be important for K-12 schools to help parents secure DAPA while concurrently promoting parental engagement.

California support for DAPA implementation

- From diverse California agribusiness interests such as Driscoll Berries and the Nisei Farmers' League, Monterey Mushrooms, the California Farm Labor Contractors' Association
- Strong support from major California foundations, e.g. The California Endowment, California Community Foundation, California Wellness Foundation, Rosenberg Foundation, and UC chancellors
- Support from non-agricultural businesses relying on immigrant workers, e.g.
 CA Restaurant Association, CA Hotel and Lodging Association, and some
 Chambers of Commerce
- Latino legislative caucus and Democratic congressional representatives

If DAPA is approved: basic considerations

- USCIS will need a few months to gear up but can probably move rapidly.
 DACA was rolled out within 2 months of President Obama's announcement.
- Immigrant advocates are urging USCIS to keep DAPA procedures simple, modelled on those already in place for DACA.
- Application cost will continue to be an issue (particularly since in many households a husband and wife will both be applying). It would be reasonable for foundations, businesses, and even state government to join together to provide loans to applicants.
- Ideally, a surge of fall applications for DAPA from farmworkers could significantly increase California agribusiness supply of authorized workers as soon as spring, 2017.
- But potential applicants will inevitably continue to be concerned about the rabid anti-immigrant rhetoric in national politics.

Fulfilling the promise of DAPA

- Employers can play a key role in helping applicants demonstrate continuous residence--important for households w/out good records of utility bills, rent payments, etc.
- Potential DAPA applicants need to be assured that the information they provide USCIS cannot easily be used to deport them if an anti-immigrant administration comes into office
- Agricultural employers will need similar assurances—that they will not be targeted if they provide applicants with evidence of continuous residence (e.g. W-2's or 1099's)
- Workers will need assurances their employers won't retaliate against then once it becomes clear they were formerly not authorized to work
- If DAPA is approved, it will be very important for agriculture to have the program continue for several years (since It is unlikely that more than 20-30% of those eligible can be processed and approved during the first 6 months)
- Even if there is some progress toward comprehensive immigration reform under a new administration it will be important to continue DAPA and DACA since the debate in Congress is likely to go on for a protracted period of time.

If DAPA implementation is not allowed

- One possible outcome is a 4-4 tie in the Supreme Court vote which means the 5th Circuit Court's decision to block DAPA implementation would stay in place although the administration's legal case is strong.
- There will be major political ripples in the state. California state government and stakeholders' interests are clear and the opposition to deferred action has been clearly partisan
- A high priority will be a renewed push toward comprehensive immigration reform (CIR) as it is not very likely a state program of work authorization (e.g. Alejo AB20) would withstand legal challenges.
- Some observers believe Paul Ryan would be open to a House vote on CIR but forward movement is very unlikely under a Republican administration

Key References

 Randy Capps, Heather Koball, James D. Bachmeier, Ariel G. Ruiz Soto, Jie Zong, and Julia Gelatt, "

Deferred Action for Unauthorized Immigrant Parents: Analysis of DAPA's Potential Effects on F ", Migration Policy Institute, February, 2016.

- Pia Orrenius and Madeline Zavodny
 "The Impact of Temporary Protected Status on Immigrants' Labor Market Outcomes,", American Economic Review Papers and Proceedings, May 2015
- Manuel Pastor, Justin Scoggins, and Jared Sanchez, "Expanding Opportunity: How California Gains if the President's Executive Actions on Immigration are Implemented", PERE/University of Southern California, February, 2016.
- Center for Migration Studies of New York, "Estimates of the Undocumented Population" <u>http://data.cmsny.org</u>
- Ed Kissam, "Number, Distribution, and Profile of Farmworkers Eligible for DAPA or DACA", WKF Fund, December 14, 2014 <u>http://wkfamily</u>fund.org
- Raul Hinojosa-Ojeda, "From the Shadows to the Mainstream: Estimating the Economic Impactof Presidential Administrative Action and Comprehensive Immigration Reform", North American Integration and Development Center, UCLA, 2014