

NCLR

NATIONAL COUNCIL OF LA RAZA

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December 1, 1998

The Honorable William J. Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

As you consider the major priorities for your final two years in office, I would like to bring to your attention the enormous opportunity you have to improve the lives of Hispanic Americans.

With the passage of major elements of the Hispanic Education Initiative (HEI), your Administration has taken a bold step toward improving the economic potential of millions of Hispanic American children, many of whom will constitute a significant proportion of the nation's future tax payers, workers, citizens, and voters.

While the future may become brighter for Latino children, the present economic position of many Hispanic families is still precarious. Although recent economic data show decreases in poverty and increases in median incomes for Hispanic families, much of this good news is due to the expanding low-wage labor market, not movement of Latino workers into higher-paying jobs. As a result, many Latino workers still live paycheck-to-paycheck and remain economically immobile. In spite of a strong U.S. economy, Hispanic workers remain largely concentrated in low-wage jobs, continue to lack access to private pension plans and health care coverage, and still have little opportunity to buy new homes, or otherwise build assets. In short, while most Americans have various means to accumulate wealth and progress economically, Latinos remain almost exclusively dependent on the job market to improve their economic circumstances. Nevertheless, Hispanics continue to fuel increases in business ownership, rises in consumer spending, increases in labor force participation, and other notably positive nationwide economic contributions.

Given these factors, it is more important than ever that your Administration continue to build on the progress made by passage of the HEI. We believe there are several policy areas and specific policy recommendations, within the context of the current political environment, that may present an opportunity to build on this work. Below we have listed several themes, along with specific policy proposals, that we believe will be essential to increasing opportunities for Hispanic Americans in the next century. Many of our recommendations have specific budget



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LA RAZA: The Hispanic People of the New World

implications; in these cases we have attempted to identify specific funding levels. In other cases, we recommend specific administrative or regulatory actions. Finally, we conclude with several thoughts about the need for a major campaign to support increased domestic investment.

ADJUSTMENT OF IMMIGRANTS TO AMERICAN LIFE

Many of the "hot-button" political issues of the last several years, including bilingual education and immigrant eligibility for services, are predicated on the false assumption that immigrants are not interested in becoming fully integrated into American life. The evidence from within immigrant communities demonstrates high levels of enthusiasm for learning English and participating in the democratic process; for example, naturalized citizens are more likely to vote than their native-born counterparts. Immigrants' enthusiasm for participation, however, is not matched by investment in programs that can assist them with the process of integrating into American life. Demand for English language instruction far outstrips supply, and community-based groups who provide English as a Second Language (ESL) classes often must do so with volunteer labor and facilities. NCLR believes the Administration should consider a major new initiative to assist immigrants with the process of becoming full Americans. This initiative should include the following:

- **Major new investments in English language training and civic education.** The widespread but mistaken assumption that immigrants lag behind our immigrant forebears in their adjustment to English as the common language of American life is belied by the high demand in ethnic communities for English instruction. Despite large numbers of immigrants, there is no specific federal commitment, outside of the Adult Education Act, to providing resources to ensure that all who desire to learn English have access to programs which can serve them. In fact, the patchwork of existing services consists largely of volunteer operations run by ethnic communities and financed by the students themselves through course fees. A major new investment aimed at providing English instruction and civic education to new Americans would go a long way towards meeting extraordinary demand in immigrant communities as well as demonstrating commitment of both immigrants and the larger American society toward full integration. *Specifically, the Administration should include \$500 million over two years for an ESL and civic education initiative. Much of the cost of this expansion could be reduced through the deployment of existing volunteer resources to support this effort; not only should AmeriCorps, VISTA, and RSVP volunteers be deployed, but the many non-federal programs stimulated by America's Promise should be mobilized as well. In addition, costs could be reduced further through match requirements to be paid principally through fees-for-service.*
- **Expanded investment in swift and efficient naturalization adjudication.** Last year's appropriations process resulted in the reprogramming of funds to ensure that the Immigration and Naturalization Service (INS) fulfill its commitment to adjudicating the millions of

citizenship applications currently in its backlog. While this was a significant infusion of resources, it is also true that these dollars, along with those generated by a massive new fee increase, are likely to decrease the backlog only modestly, if at all. *The Administration should dedicate \$150 million in additional funds to INS toward eliminating the naturalization backlog, so that eager new Americans can be confident that their desire to become citizens will be matched by the government's desire to facilitate the process. In addition, the Administration should propose legislation that would allocate resources generated through user fees solely for the purpose of naturalization and other services, thus eliminating the need for annual reprogramming requests.*

EQUAL ACCESS TO PUBLIC SERVICES

Advocates in many parts of the country report that needy immigrants and their family members fear enrolling in critical assistance programs, such as Food Stamps, Medicaid, and the Child Health Insurance Program (CHIP), out of fear that receiving such assistance might have negative immigration consequences in the future. In addition, the immigrants themselves are not receiving safety-net services for which they are eligible, and many fear enrolling their children in similar programs, even when their children are U.S. citizens. These concerns result from practices by the INS and U.S. State Department which indeed seek to punish the immigrant family members of those who seek assistance. NCLR acknowledges that the Administration has invested enormous political and financial resources in restoring benefits eligibility for immigrants in the wake of welfare reform and in fighting for broader health insurance coverage for children. We believe that the Administration should not undermine hard-fought gains by allowing federal agencies to deny immigrants access to these services through the "back door" of immigration policy. Several selected policy items are critical to this end, including:

- **Policy guidance on "public charge."** It has become clear that the Administration must clarify its policies with respect to benefit eligibility for immigrants. We understand that a task force within the White House has been preparing policy guidance to clarify these issues. *The Administration should insist that this guidance be as clear and as thorough as possible, in order to avoid misunderstandings that would further jeopardize immigrant communities.*
- **Additional restorations for legal immigrants.** While advocates and the Administration have been successful in partially restoring significant benefits to legal immigrants in the aftermath of welfare reform, we remain concerned about those who are aging, or who have become disabled since their arrival in the United States (those not eligible for Supplemental Security Income because of the date of their arrival). *The Administration should include further restorations of SSI and Medicaid to these legal immigrants, who are facing extraordinary hardship across the country (see attached memo for scoring).*

- **Expanding health coverage.** The Administration should work to allow states to cover lawfully present immigrant children in Medicaid and under programs funded with Title XXI child health funds regardless of their date of entry. This proposal was included in last year's budget. It would lift the ban on coverage of non-exempt qualified children who enter the country on or after August 22, 1996, in both Medicaid and in programs funded by CHIP. *The Administration should include \$200 million in the FY 2000 budget to lift the ban on coverage of non-exempt qualified children.*
- **Expansion of "presumptive eligibility" discretion to providers.** The President's FY 1999 budget proposal would have improved the current law and broadened state flexibility by expanding the list of agencies and organizations that could presumptively enroll eligible children into programs at state option. Under current law, states may elect to allow health providers (e.g., Women Infants and Children community and migrant health clinics, Head Start programs, etc.) to proceed with preliminary enrollment of children who appear to be eligible for Medicaid into their programs, pending a final determination of eligibility by the state Medicaid agency. *The Administration should continue to work to improve the worst parts of welfare reform by ensuring that eligible children do not lose access to important health care services while states are determining their eligibility.*
- **Expansion of prenatal care coverage.** While emergency Medicaid can cover the costs of delivery for qualified pregnant immigrant women who arrive in the U.S. after August 22, 1998, they are barred from receiving any health care under the Medicaid program for prenatal services during their first five years in the country. Many states have expanded health care coverage for pregnant women to reduce the number of high-risk pregnancies, ensure healthier children, and lower the cost to Medicaid of emergency deliveries. *The Administration should include funds in the FY 2000 budget to cover the cost of prenatal care to qualified immigrants who enter the country after August 22, 1998 (see attached memo for scoring).*

PROMOTING ECONOMIC OPPORTUNITY

For more than a decade, NCLR has documented a significant gap between Latinos and other groups, particularly non-Hispanic Whites, in terms of wages and earnings, educational status, employment, and overall economic mobility. Despite the fact that Latino males have the highest labor force participation rate of any group of Americans, since 1996 Latinos have also been the poorest group of Americans. NCLR believes that this is the result of a complex array of factors, which include Latinos' concentration in low-wage, low-skill sectors of the labor force, and the substantial gap between the educational status of Latinos and that of other groups. NCLR believes there are a host of policy options that may help to increase Latino earnings and wages, increase employment opportunities, and improve the economic mobility of Hispanic workers. These policy items include:

Wages and Earnings: Tax Policy and Wage Growth

- **Modest expansion of the EITC.** The EITC has proved its ability to reduce poverty levels substantially and, over the years, has increased the household income of millions of working poor Hispanic Americans. Given that the working poor are an often-neglected segment of the American labor force, and that the recently passed Taxpayer Relief Act did little to lift the tax burden on working poor Americans, the Administration should begin to lay the groundwork for a major expansion of the EITC. However, given the current political environment surrounding the EITC and the dangers associated with opening up a large-scale tax cut discussion, we believe that changes in the EITC should begin modestly. Furthermore, we believe that such proposals may be used to pre-empt attempts to enact a large-scale tax cut proposal solely for upper-income Americans. *Specifically, the Administration should either include a proposal to lift the cap on the number of children included for EITC benefit calculations, or slightly decrease the phase-out rate for EITC benefits.*
- **Increase the federal minimum wage.** In 1997, 4.1% of Hispanic workers earned the minimum wage and one-quarter (25.3%) of Hispanic workers were earning a salary in or around minimum wage (\$3.00 to \$5.99/hour). Despite substantial support in Congress and the White House, a minimum wage increase did not pass this year. *The Administration should introduce a modest minimum wage increase (\$1.00) as both a welfare-to-work enhancement and a "making work pay" strategy.*

Employment Opportunities: Discrimination Reduction and Trade Adjustment

- **Greater funding for enforcement of civil rights and fair housing laws.** The current civil rights system does not effectively protect Hispanics. Additional investments are needed to increase and target services to Latinos. *Specifically, the Administration should include in the FY 2000 budget an increase of: \$7 million for U.S. Department of Justice Civil Rights Division to target funds toward police brutality and hate crimes investigations and prosecutions; \$5 million for U.S. Department of Education Office of Civil Rights to cover Limited English Proficient and bilingual education access issues (education, compliance, and litigation work); \$5 million for the U.S. Department of Health and Human Services Office of Civil Rights for outreach, public information, and Title VI compliance and review of complaints; and \$5 million for the Department of Housing and Urban Development Fair Housing and Equal Opportunity office to cover increased testing and handling of complaints.*
- **Improve EEOC service levels to Latinos.** NCLR has estimated that as many as 26.5% of Latino families with a full-time worker could be lifted above the poverty level if their family incomes were adjusted upward to account for employment discrimination. However, recent legislation at the state and federal level has served to exacerbate rather than alleviate discrimination. For example, immigration reforms enacted in 1996 significantly weakened civil rights protections designed to prevent employment discrimination against persons

perceived as being immigrants. Moreover, although currently Latinos are over 10% of the U.S. workforce and a substantially larger proportion of the universe of workers covered by Title VII, less than 5% of the Equal Employment Opportunity Commission's (EEOC) caseload, and less than 4% of the EEOC's litigation, involves Latinos. While the increase in funding included in this year's budget package should help to address case backlogs, these funds may not necessarily increase the service levels to Hispanics and other under-served groups. *Specifically, the Administration should target an additional \$8 million in the EEOC's budget to outreach, public education, and enforcement efforts on behalf of Hispanics and other under-served groups.*

- **Use of "testing" or hiring audits to target enforcement efforts.** The use of "paired testers" has been well-established as an effective technique for uncovering housing bias, and is emerging as an important research and enforcement tool in the employment context. Testing is particularly important as one of the few proactive measures that can be taken to enforce the civil rights laws (instead of the more passive approach of simply waiting to process complaints); however, it has yet to be employed fully or effectively on behalf of Latinos. *In 1999, the Administration should expand existing testing efforts by the Office of Federal Contract Compliance Programs (OFCCP) and the U.S. Department of Housing and Urban Development (HUD), and target an additional \$2 million in U.S. Department of Justice and EEOC resources to uncover discrimination against Latinos, particularly in the workplace.*
- **Improved implementation of the North American Free Trade Agreement Trade Adjustment Assistance (NAFTA-TAA) program.** Recent research shows that Latinos are more likely than other workers to be adversely affected by NAFTA, yet the NAFTA-TAA program has not adequately served Latinos. While we applaud the Administration's inclusion of several of NCLR's recommended funding and programmatic changes in the Presidential FY 1999 budget, none of the recommended changes were included in the FY 1999 final budget. In addition, NAFTA-TAA's more generous eligibility provisions were not included in the recent reauthorization legislation of the basic Trade Adjustment Assistance (TAA) program. *Specifically, the Administration should reintroduce the FY 1999 legislative package and work to ensure that basic TAA legislation be amended to incorporate the NAFTA-TAA's broader eligibility criteria.*
- **Extended reach of the North American Development Bank (NADBank).** The NADBank is financed at \$3 billion, most of which (90%) is dedicated to environmental projects along the border. The remaining 10% of resources are dedicated to the Community Adjustment and Investment Program (CAIP) which lends for the purposes of job creation in trade-affected communities nationwide. In order for the CAIP to be effective it requires a

significant amount of the resources (originally promised at \$150 million). In this year's budget package the Administration was able to fund the CAIP at an additional \$10 million, bringing the CAIP's capital resources to \$32.5 million. *The Administration should continue the progress made this year by increasing resources for the CAIP by an addition \$27 million. In addition, the Administration should work with the U.S. Department of the Treasury to expand the scope of the environmental side of the Bank to include community development projects, and expand the number of federal programs available to the NADBank to leverage funds.*

EQUAL ACCESS TO INFORMATION AND DATA

The 1990 decennial Census failed to count about five percent of the Hispanic population. Because of ineffective data collection methods and insufficient education and outreach efforts, a significant number of Latinos did not or could not respond to Census mail-in questionnaires or interviews. NCLR believes that there are several policy options the Administration can pursue to remedy these issues. Such policy items include:

- **Intensive efforts in the 2000 decennial Census to count hard-to-count populations like the Hispanic population.** Should the U.S. Census Bureau be forced to undertake the 2000 Census without the benefit of using statistical "sampling," greater public information and outreach activities will be needed to ensure that one million Hispanics are not missed during this decennial count. *If the Supreme Court rules against sampling, the Administration should request sufficient and targeted funding for non-response follow-up activities in hard-to-count areas. Specifically, this will mean increased funds toward hiring more community liaisons in Hispanic communities, increasing community-based partnerships, and increasing broad public information efforts. However, if the Court upholds sampling, the Administration should develop and implement a vigorous advocacy campaign to assure Congressional approval of sampling for the 2000 Census.*
- **Create and support expanded data access and dissemination efforts in minority communities.** The Census Bureau is currently in the process of implementing a new data access and dissemination system called American Fact Finder. This new system is internet-based and is designed to increase public access to necessary data and reduce the dissemination burden on the Census Bureau. As a result, the Census Bureau has decided to reduce significantly the number of paper products normally distributed after a decennial count. For Hispanics and other minorities, access to the internet and computers in general is a significant problem. In many cases, the only data sources available in these communities are the paper products produced and disseminated by the Census Bureau. *Given the importance of this information to these communities, and the national goals of increasing*

computer literacy and access to information technology in disadvantaged communities, the Administration should include \$20 million to support an initiative that increases the access and usability of Census data in minority communities. This could be done either through increased funding for the Census Bureau or by expansion of the National Telecommunications and Information Administration's (NTIA) information Infrastructure grants.

EQUALITY OF EDUCATIONAL OPPORTUNITY

As you know, Latinos' educational status lags significantly behind that of other groups. The Hispanic Education Initiative (HEI) represents a major step toward improving educational opportunities for Latino children. A considerable effort will be needed to ensure that the HEI has the intended effect of reducing drop-out rates, increasing high school completion rates, and increasing the number of Hispanic youth who enroll in colleges and universities. This is particularly true since Hispanics are severely under-served by most education programs, including those included in the HEI. *Notwithstanding these efforts, NCLR believes the Administration should work to continue the progress of the Hispanic Education Initiative by requesting significant funding increases for key education programs. These programs include:*

- **HEP/CAMP.** *This year's budget agreement contained \$9 million for HEP and \$4 million for CAMP. For FY 2000, we urge the Administration to propose increases in HEP and CAMP of \$15 million and \$7 million, respectively.*
- **Migrant Education.** *After five years of level funding, this year's budget contained an increase of \$50 million to \$355 million in Migrant Education funds. However, the program needs additional funding if it is to serve migrant students adequately. An increase of \$45 million would go a long way toward helping to effectively serve migrant youth.*
- **Hispanic Serving Institutions.** *The final budget agreement included a \$16 million increase to \$28 million. The program is now authorized under the Higher Education Amendments Act of 1998 at \$62.5 million. For FY 2000, the Administration should continue to push for full funding.*
- **TRIO.** *This year TRIO programs received \$600 million, but its new authorization level is \$700 million. The Administration should work toward full funding of TRIO.*

In addition, the Administration should implement a series of administrative and regulatory reforms required to improve the responsiveness of these programs to the Hispanic community. Specifically, the Administration should revise Notices of Fund Availability (NOFA), deploy discretionary funding, and revise proposal review procedures to target funding more effectively to Hispanics (see attached memorandum to Olivia Golden on Head Start; similar reforms could be implemented for TRIO and other programs).

INVESTMENT IN CENTRAL AMERICA AND THE CARIBBEAN

Hurricane Georges and Hurricane Mitch have devastated Central America and the Caribbean. Together, these storms destroyed cities, shattered infrastructures, and led to the loss of thousands of lives in Honduras, Nicaragua, El Salvador, Guatemala, Dominican Republic, and Puerto Rico. Government officials and relief workers in these areas estimate over 11,000 persons dead, two million homeless, and 13,000 missing. Undoubtedly, this crisis will require a long-term, sustained assistance effort if the region is to recover. We believe it is critical for the Administration to invest in these regions to stabilize their economies and political systems, to control the spread of disease, and to prevent increased suffering in these and surrounding countries. *Specifically, the Administration should include \$2 billion in an Emergency Supplemental Appropriation partially to fund the first year of a multi-year, long-term aid plan for Central American and Caribbean nations decimated by Hurricanes Mitch and Georges.*

CONCLUSION

We understand the considerable fiscal constraints in developing the FY 2000 budget. We believe that much can be done "off budget" to improve the responsiveness of federal programs to Latinos, but there are also a number of important proposals requiring new investments. In addition, we believe that a stronger case needs to be made for increased domestic investments. Otherwise, the combination of the budget caps and other competing priorities like tax cuts will preclude any serious investments in education, training, or other areas, not just for FY 2000 but for years to come. Considering tight budget "caps," as well as tax cut proposals, and your commitment to devote the surplus to Social Security, NCLR believes you should consider advocating a number of financing strategies, including:

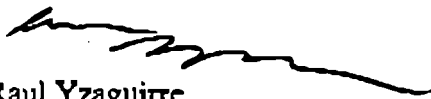
- Making an explicit case for investments in domestic priorities, particularly those like education, which will promote our future economic security and protect the solvency of Social Security, Medicare, and other essential systems.
- Call for reductions in "corporate welfare," increased surcharges on tobacco, recapture of tax revenues on profits earned abroad, or other revenue-generating proposals needed as "offsets," given the budget caps. NCLR has some specific ideas in this regard.

NCLR is particularly concerned that, in the current budget environment, it is becoming increasingly difficult to secure resources for investment in programs to ensure that all Americans are well educated and well-prepared to participate in the work force. Just as your Administration has insisted that the first order of business for the budget surplus is preservation of Social Security, it is appropriate to focus attention on the need for domestic investments essential to the future solvency of the Social Security system. NCLR strongly believes that investments in education, and in providing preparation and training to Latino workers, are directly connected to the Social Security issue, because these workers represent a substantial and growing portion of the workers whose earnings will be needed to sustain the system in the future.

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Finally, we urge you in the strongest possible terms to send a message to the Latino community that the Administration understands that ensuring an educated, well-prepared Hispanic workforce is in the best interest of all Americans. Investments in education, training, and in the full integration of immigrants into American life both reflect this important commitment, and communicate to all Americans that our futures are inextricably linked.

Sincerely,



Raul Yzaguirre
President

cc: Maria Echaveste
Jack Lew
Janet Murguía
Bruce Reed
Gene Sperling

(Eric Rodriguez
Cecilia Munoz) EK, Sally, Janet, Maritza

NCLR

12/15/98

① Helping immigrants adjust to life in the U.S.

English language education for adults.

support community based efforts to teach adults

Not through traditional adult ed. stream. English

Most states have refugee offices. (funded by HHS)

grants aimed @ CBOS.

~~Link~~
Link to workplace (?)

UNITE! does some of this
Provides services in NYC.

~~Muzzafer~~

Muzzafer
Chishti

Levi Strauss

Instruction provided
by CBOS. Levi Strauss

runs immigration
services for the
union.

Focus on community institutions.

Language acquisition linked to welfare-to-work

outside of
community
colleges

Want to work w/us to design the best way of
doing this.

→ Concerned w/ existing Adult Ed. structure.
Want to break out of existing adult ed. structure

Communities want to offer the services themselves.

Soros
\$50 million

CBO infrastructure in place since IRCA.

(non-profits)

→ [Separate mtg. w/welfare folks to do W-T-W \$ in ways that address some of these issues (English language)]

Non-\$ ways to do this (bully pulpit, etc.)

② Immigrant benefit restoration.

For those who came after August 1996 (welfare reform)

SSI to some portion of population (became disabled after 8/96; became 65 after 8/96)

cheap (→ State-opt-in CHIP (from last year WH Proposal)
→ Pre-natal care for ^{legal} immigrant women who come in after Aug. 1996)

Options memo from Center on Budget

Congress has drawn a bright line, but politics is different now.

Social Security

③ Raising academic achievement of Latinos as linked to Social Security. (talk more broadly about social security) ^{what does social security plan look like.}

④ Once we reform Social Security, how do we prepare the way for a deal that puts non-defense priorities on the table.



(4)

Supplemental to Central America
Related issue of NACARA regs.



most important part of this debate



(5)

Public charge