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## **IMMIGRANTS, PERSONS WITH LIMITED PROFICIENCY IN ENGLISH, AND THE TANF PROGRAM: WHAT DO WE KNOW?**

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The 1996 federal welfare law created the Temporary Assistance for Needy Families program and imposed far-reaching restrictions on legal immigrants' eligibility for a range of public benefits. When considering the impact of the 1996 law on immigrant families, researchers and others have focused primarily on the immigrant eligibility restrictions, especially the restrictions on Medicaid and food stamps. Less attention has been paid to the law's restrictions on legal immigrant eligibility for TANF and the overall implications for immigrants of the shift from AFDC to TANF, including whether welfare-to-work policies have affected immigrants — and a related group, persons with limited proficiency in English — differently than U.S.-born persons.

This paper reviews available research on immigrants, limited-English-proficient persons, and the TANF program. It begins by describing the restrictions on immigrant eligibility for TANF and summarizing TANF participation trends for immigrants. The paper then reviews findings from research on how immigrants who remain eligible for TANF have fared in what is now a work-focused, time-limited welfare program. Many immigrants who remain on the welfare rolls have significant barriers to employment, including limited proficiency in English and low skill levels, and appear to have lower employment and earnings levels than U.S.-born persons. While there is evidence that some welfare-to-work programs can increase immigrants' employment and earnings levels, these programs do not necessarily close the employment and earnings gaps that exist between U.S.-born persons and immigrants. The final section discusses some of the policy implications of these findings.

### **Immigrant Eligibility for TANF**

Prior to the passage of the 1996 welfare law, legal immigrants were generally eligible for AFDC if they met a state's financial and other eligibility requirements. Federal law did not limit legal immigrants' eligibility for AFDC and states had no authority to impose their own restrictions on eligibility. The welfare law imposed new restrictions on legal immigrants' eligibility for TANF. Most legal immigrants who entered the United States on or after August 22, 1996 are now ineligible for federally-funded TANF benefits and services during their first

five years in the United States (the “five-year bar”).<sup>1</sup> According to HHS guidance, the five-year bar applies not only to cash assistance but also to most non-cash benefits and services funded with federal TANF funds, including child care assistance and job training.<sup>2</sup>

The following categories of immigrants are exempt from the five-year bar:

- Immigrants admitted as refugees, asylees, Cuban/Haitian entrants, or Amerasians, persons granted withholding of deportation, and certain victims of trafficking in persons.
- Immigrants who are active-duty members or veterans of the U.S. Armed Forces and the spouses and dependent children of service members and veterans.

The law also gives states the authority to deny eligibility for federal-TANF-funded and state-MOE-funded benefits and services to most pre-August 1996 immigrants as well as to new immigrants. However, even if a state decides not to provide benefits to legal immigrants generally, it must continue to provide benefits to some categories of immigrants, including immigrants admitted as refugees and other humanitarian immigrants (but only for the first five years after refugee or other humanitarian status is granted), immigrants who are active-duty members or veterans of the U.S. Armed Forces, and legal permanent residents who have worked for forty quarters in the United States.

In order to receive federal block grant funds, a state must meet a “maintenance-of-effort” requirement which mandates that a state expend from its own funds an amount equal to at least 75 percent of what the state spent on AFDC-related programs in 1994.<sup>3</sup> States that use their own funds to provide benefits or services to legal immigrants subject to the five-year bar may claim these expenditures for MOE purposes.

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<sup>1</sup> The welfare law also established a new classification of immigrants — those categorized as “qualified” — to determine whether an immigrant is barred from receiving benefits, including TANF. Immigrants who are *not*-qualified are generally ineligible for federal TANF benefits, even if they are not subject to the five-year bar. The large majority of legal immigrants are qualified immigrants. Federal law classifies all of the following groups as qualified immigrants: lawful permanent residents (including Amerasians); refugees, asylees, and persons granted withholding of deportation; persons paroled into the United States for at least one year; persons granted conditional entry; certain battered spouses and children; and Cuban/Haitian entrants. Immigrants that do not fall into any of the groups that meet the “qualified” classification are considered “non-qualified.” The non-qualified category includes some categories of immigrants who are permanently residing in the United States under color of law and who may be authorized to work in the United States, including asylum applicants, Family Unity immigrants, and other immigrants with INS permission to remain in the United States for an indefinite period of time. Some non-qualified immigrants will eventually adjust to lawful permanent resident status and become eligible to naturalize.

<sup>2</sup> “TANF Program Policy Q’s and A’s: Immigrants,” United States Department of Health and Human Services (2001).

<sup>3</sup> If a state fails to meet applicable TANF work participation rates, the MOE requirement increases to 80 percent. MOE funds constitute about 38 percent of total welfare funds (federal TANF funds plus state MOE funds) nationally; MOE funding levels vary widely by state.

Legal immigrants who entered the United States before August 22, 1996 remain eligible for TANF in every state. Twenty states provide state-funded TANF assistance to new legal immigrants who are ineligible for federal TANF during their first five years in the United States. Two additional states, Illinois and New Jersey, provide state-funded TANF assistance to some immigrant domestic violence victims who are ineligible for federal TANF benefits during their first five years in the United States.

All states, except for Idaho, Indiana, Mississippi, South Carolina, and Texas, have taken the option to provide TANF benefits to immigrants who entered the United States on or after August 22, 1996 and have resided here for at least five years.<sup>4</sup> Even in these states, benefits must be provided to the exempt categories noted above and also to immigrants who have worked for at least 40 quarters.

<b>States that Provide State-Funded TANF Cash Assistance During the Five-Year Bar</b>	
California	New York
Connecticut	Oregon
Georgia	Pennsylvania
Hawaii	Rhode Island
Maine	Tennessee
Maryland	Utah
Minnesota	Vermont
Missouri	Washington
Nebraska	Wisconsin
New Mexico	Wyoming
<i>Eligibility Limited to Domestic Violence Victims</i>	
Illinois	New Jersey
Source: National Immigration Law Center.	

In the AFDC program, sponsored immigrants were subject to “sponsor deeming” during their first three years in the United States. Under this requirement, the income and resources of an immigrant’s sponsor were counted or “deemed” in determining the immigrant’s eligibility for and amount of AFDC benefits. The 1996 welfare law continued the sponsor deeming requirement in TANF and extended deeming beyond three years for sponsored immigrants who enter the United States after December 1997.<sup>5</sup> These immigrants are now subject to deeming in TANF until they become citizens or can claim 40 quarters of work. Deeming does not apply to refugees, asylees, certain victims of domestic violence<sup>6</sup> and certain destitute immigrants.<sup>7</sup> Deeming is mandatory for recipients of means-tested public benefits funded with federal TANF

<sup>4</sup> *Guide to Immigrant Eligibility for Federal Programs*, National Immigrant Law Center (Fourth Edition, 2002). Idaho provides TANF benefits to certain victims of domestic violence who entered the United States on or after August 22, 1996.

<sup>5</sup> Sponsor deeming applies when a sponsor signs the "new" enforceable Affidavit of Support (Form I-864) required for applications for immigrant visas or adjustment of status filed on or after December 19, 1997.

<sup>6</sup> If an immigrant has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse’s or parent’s family residing in the same household, deeming does not apply if the benefits have a substantial connection to the domestic violence. 8 U.S.C. § 1631(f).

<sup>7</sup> If an agency determines that a sponsored immigrant would, in the absence of assistance provided by the agency, be unable to obtain food and shelter, the amount of the sponsor’s income that is deemed to the immigrant cannot exceed the amount of income actually provided to the immigrant. 8 U.S.C. § 1631(d).

funds. Deeming is not required for immigrants receiving benefits funded exclusively with MOE funds, although states generally impose deeming rules in their MOE-funded cash assistance programs.

## Immigrant Participation in TANF

According to state administrative data reported to HHS, about 113,000 adult noncitizens received TANF assistance in fiscal year 2001.<sup>8</sup> Approximately 8 percent of adult recipients of TANF were noncitizens that year. A much smaller portion of the children receiving TANF assistance — 1.9 percent — were noncitizens in 2001. The reason for this disparity is that most adult noncitizens receiving TANF assistance have U.S.-citizen children.

These figures do not capture three categories of immigrant-related TANF assistance cases:

- *Immigrant Families in "Separate State Programs"*: Some of the restrictions placed on programs funded with federal TANF funds do not apply to so-called separate state programs — TANF-like programs funded solely with state funds<sup>9</sup> — including the restriction on providing benefits to legal immigrants during their first five years in the United States, and the higher work participation rates that apply to states' two-parent TANF caseloads. According to HHS administrative data, nearly 62,000 legal immigrant adults received assistance in MOE-funded separate state programs in fiscal year 2001.
- *"Child-only" Cases*: A "child-only" case is a TANF case that does not include an adult who is eligible for assistance. Immigrant-related child-only cases — cases where the adult caretaker of an TANF-eligible child is an TANF-ineligible immigrant, including cases where the adult is a legal immigrant subject to the five-year bar — accounted for about 3.7 percent of the TANF caseload in 1997.<sup>10</sup>
- *Cases Headed by Naturalized Citizens*: The figures cited above only reflect participation by immigrants who have yet to become citizens through the naturalization process. According to the Urban Institute, about 4 percent of all

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<sup>8</sup> *Fifth Annual Report to Congress: TANF*, U.S. Department of Health and Human Services, 2003.

<sup>9</sup> States may count expenditures in separate state programs toward the "maintenance-of-effort" requirement they must meet to be eligible for federal TANF funds.

<sup>10</sup> All child-only cases constituted 23 percent of the TANF caseload in 1997; 16 percent of child-only cases were immigrant-related. *Understanding the AFDC/TANF Child-Only Caseload: Policies, Composition, and Characteristics in Three States*, The Lewin Group, February 1, 2000.

TANF households in 1999 — including households receiving state-funded TANF assistance that year — were headed by a naturalized citizen.<sup>11</sup>

HHS administrative data provide a good national estimate of the number of *individual* immigrant adults and children who receive TANF or state-funded TANF assistance. Estimates based on data from the Current Population Survey (CPS), such as the Urban Institute's estimate of TANF households headed by naturalized citizens, provide the best national estimate of the number of *families* that include at least one member who is receiving TANF or state-funded TANF assistance. Using CPS data, the Urban Institute finds that 13 percent of families receiving state or federal TANF in 1999 — some 227,000 families — were headed by noncitizens. (This figure does not include the 4 percent of TANF households headed by a naturalized citizen.)

*Noncitizens at Comparable Income Levels are Less Likely to Receive TANF than Citizens*

The 1996 restrictions were largely driven by the perception that immigrants are more likely to use welfare than citizens. In 1995, 6.8 percent of immigrant households received AFDC compared to 4.2 percent of native households. By 1999, the difference in participation rates remained, but had narrowed considerably: 3.2 percent of immigrant households received TANF compared to 2.1 of native households.<sup>12</sup> This overall difference in use rates disappears, however, when immigrants' lower income levels and greater likelihood of living in families with children is taken into account. As Table 1 shows, families with children headed by legal permanent residents living under 200 percent of poverty were less likely to receive AFDC or TANF cash assistance (including state-funded TANF cash assistance) both before and after the passage of the 1996 welfare law than citizen families with children living under 200 percent of poverty.<sup>13</sup>

Most children living in immigrant families are U.S. citizens. These U.S.-citizen children are less likely to receive TANF cash assistance than citizen children who do not live in immigrant families. According to the Urban Institute, 7.8 percent of low-income immigrant families with U.S.-citizen children received TANF in 1999 compared with 11.6 percent of low-income families in which all members were citizens.<sup>14</sup> Similarly, a three-city study found that

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<sup>11</sup> Michael Fix and Jeffrey Passel, *The Scope and Impact of Welfare Reform's Immigrant Provisions*, Urban Institute, January 2002.

<sup>12</sup> Magnus Lofstrom and Frank D. Bean, *Labor Market Conditions and Post-Reform Declines in Welfare Receipt Among Immigrants*, July 2001 (presented at APPAM Conference, November 2, 2001). As used in this study, the term "immigrant" includes all persons who are foreign-born, including naturalized citizens.

<sup>13</sup> Fix and Passel, *The Scope and Impact of Welfare Reform's Immigrant Provisions*. Similarly, in a study that controls for income and additional observable characteristics, Butcher and Hu find lower rates of AFDC/TANF cash assistance use by immigrant families with children. Kristin F. Butcher and Luojia Hu, "Use of Means-Tested Transfer Programs by Immigrants, Their Children, and Their Children's Children," in *Finding Jobs: Work and Welfare Reform* (eds. David Card and Rebecca M. Blank, 2000).

<sup>14</sup> Fix and Passel, *The Scope and Impact of Welfare Reform's Immigrant Provisions* at p. 18.

native-born children living with immigrant parents in Boston, Chicago, and San Antonio were significantly less likely to receive TANF in 1999 than native-born children living with native-born parents. The differences were particularly stark in Chicago where 55 percent of native-born children living with native-born parents in low-income neighborhoods compared to 12 percent of native-born children living with foreign-born parents in low-income neighborhoods.<sup>15</sup>

**Table 1**  
**TANF Participation: 1994-1999**  
**Families with Children Under 200% of Poverty**

	1994	1999
Citizens	23%	11.6%
Legal Permanent Residents	18.7%	8.7%
Refugees	42.8%	9.2%

Source: Urban Institute tabulations from March CPS.

*Noncitizen Participation in TANF has Declined Substantially, Especially Among Refugees*

Overall participation in TANF by noncitizen families overall declined at a slightly faster rate — 62 percent — than citizen family participation — 56 percent — between 1994 and 1999.<sup>16</sup> Given the restrictions in TANF eligibility imposed by the 1996 law, a more disproportionate rate of decline might have been expected. Two factors probably limited the impact of eligibility restrictions on noncitizen participation. First, the immigrants made ineligible for TANF — immigrants entering on or after August 22, 1996 — constituted a relatively small portion of the immigrant population in 1999. Second, a majority of the immigrant population lives in states with state-funded TANF programs for legal immigrants made ineligible by the 1996 law.

As Table 1 shows, refugee participation in TANF fell at an especially steep rate, even though most refugees remain eligible for TANF. While refugees traditionally used welfare benefits at very high levels, their usage rates are now no different than citizens. This is a striking finding given that refugees come to the United States to flee persecution and are generally more disadvantaged than other immigrant groups. Special efforts are made upon their entry to the United States to connect them with welfare and social services, so that high levels of welfare usage would be expected.

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<sup>15</sup> Andrew Cherlin, Paula Fomby, Ronald Angel, and Jane Henrici, *Public Assistance Receipt Among Native-Born Children of Immigrants*, Welfare, Children & Families: A Three-City Study, Policy Brief 01-3, 2001.

<sup>16</sup> Michael Fix, Wendy Zimmerman, Jeffrey S. Passel, *The Integration of Immigrant Families in the United States*, Urban Institute, July 2001, p. 30.

## Research Suggests that Language Barriers and Immigration-Related Concerns Limit Access to Work Support Programs

Research suggests that language barriers and immigration-related concerns may limit access to the Earned Income Tax Credit and Medicaid:

- In a California study, researchers surveyed parents who requested an application for California's Healthy Families and Medi-Cal programs but did not complete it. Spanish-speaking Latinos were more likely than English-speaking Latinos and non-Latinos to find the application difficult to understand, not to complete the application, and to miss the deadline for submitting necessary documentation. Spanish-speaking Latinos were also much more likely to believe their child was not eligible for benefits and to have concerns that receiving benefits would have an adverse impact on their immigration status.<sup>1</sup>
- The Urban Institute has found that low-income, Spanish-speaking Latinos are much less likely to know about the federal Earned Income Tax Credit than other low-income parents, including English-speaking Latinos. Seventy-two percent of low-income parents interviewed in English had heard about the EITC, compared to 15.4 percent of parents interviewed in Spanish.<sup>2</sup>

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<sup>1</sup> *Barriers to Enrollment in Healthy Families and Medi-Cal: Differences by Language and Ethnicity*, Institute for Health Policy Studies, University of California, San Francisco, February 2001.

<sup>2</sup> Katherin Ross Phillips, *Who Knows about the Earned Income Tax Credit?*, The Urban Institute, January 2001.

While the new eligibility restrictions may explain part of the decline in TANF participation by immigrants, the steep decline in refugee participation suggests that other factors clearly contributed to the decline. At least part of the decline is likely due to confusion about eligibility and the "chilling effect" that welfare reform and immigration reform had on immigrant participation. These "chilling effects" included the anti-immigrant rhetoric surrounding the passage of Proposition 187 in California and the welfare and immigration reform legislation passed by Congress in 1996, and heightened concern among immigrants that public benefit usage would have a negative impact on their ability to adjust status or naturalize. Several studies have documented the widespread nature of these concerns among immigrants.<sup>17</sup>

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<sup>17</sup> See, e.g., Randy Capps, Leighton Ku, Michael Fix, et al, *How are Immigrants Faring After Welfare Reform? Preliminary Evidence from Los Angeles and New York City*, Final Report to U.S. Department of Health and Human Services, Urban Institute, 2002; Tamar Bauer, Sara Collins, et al., *Challenges Associated with Applying for Health Insurance Among Latina Mothers in California, Florida, and New York*, The New York Forum for Child Health, December 2002, Peter Feld and Britt Power, *Immigrants' Access to Health Care After Welfare Reform: Findings from Focus Groups in Four Cities*, Kaiser Commission on Medicaid and the Uninsured, November 2000.

## English Language Proficiency and Job Advancement

English language proficiency plays an important role in increasing immigrant earnings, employment and opportunities for advancement. One study found a 46 percent difference between the wage rates of immigrants who speak English and those who do not. After adjusting for other socioeconomic factors including education and work experience, English-speaking immigrants earned 17 percent more than non-English speaking immigrants. Barry R. Chiswick and Paul W. Miller, *Language in the Immigrant Labor Market*, in *Immigration, Language and Ethnicity*, Canada and the United States, ed. Barry R. Chiswick (1992). The earnings growth related to an additional year of work experience for immigrants is much less than the earnings growth related to English fluency. Compared to the 17 percent increase attributable to English fluency, each additional year of work experience increases earnings by only 1.7 to 3.5 percent. These findings suggest that English fluency has about the same percentage impact on wages as post-secondary education does for women with otherwise similar characteristics.

Several studies have reached similar conclusions. An earlier study that looked only at Hispanics also found a 17 percent disparity after adjusting for other socioeconomic characteristics. Gilles Grenier, *The Effects of Language Characteristics on the Wages of Hispanic American Males*, 19 *Journal of Human Resources* 35 (Winter 1984). Other studies have found that non-English speakers are “pushed down” the occupational ladder compared to English speakers with the same socioeconomic characteristics, that as much as half of the relative wage growth experienced by immigrants in the first 20 years after arrival may be attributed to gains from learning the English language, and that non-English speakers have above-average levels of unobserved skills.

One of few studies to specifically examine the relationship between English proficiency and wages of parents in TANF families found that wages rise significantly with English proficiency. Among respondent parents who had left welfare in the two California counties studied, the mean wage for English-proficient parents was \$10.84 per hour compared to \$7.53 an hour for non-English-proficient. (This study was limited to “child-only” cases, that is, cases where the child received TANF, but the parent was ineligible, typically because of their immigration status. The findings may have been different if the study had included TANF-eligible parents.) Charles J. Lieberman, Vanessa Linder, Margaret O’Brien-Strain, *Assessing the Family Circumstances of Current and Former TANF Child-Only Cases in San Mateo and Santa Clara Counties*, The Sphere Institute, July 31, 2002.

English-language proficiency appears to have a larger impact on earnings in areas where there are fewer non-English speakers. For example, one study found that the earnings difference between English-speaking Hispanics and non-English-speaking Hispanics is 26 percent in counties where there are few Hispanics compared to 11 percent in counties with a large Hispanic population. Walter S. McManus, *Labor Market Effects of Language Enclaves: Hispanic Men in the United States*, 25 *Journal of Human Resources* 228 (Spring 1990).

Finally, research conducted in New York City and Los Angeles finds that limited-English proficient immigrant families are more likely be poor and experience hardships, such as food insecurity and hunger, than English-proficient immigrant families. Randy Capps, Leighton Ku, Michael Fix, et al, *How are Immigrants Faring After Welfare Reform? Preliminary Evidence from Los Angeles and New York City*, Urban Institute, 2002.



In addition to the benefit restrictions and the other “chilling effects” of welfare reform, improvements in the labor market that were stronger for immigrants than for natives may explain part of the decline. Research by Magnus Lofstrom and Frank Bean suggests that improvements in labor market conditions may explain part of the decline in immigrants’ welfare participation rates in the late 1990s.<sup>18</sup>

## **Legal Immigrants Who Remain Eligible for and Continue to Receive TANF: How Have they Fared?**

A small but growing body of research includes information on immigrants’ and limited-English-proficient persons’ experience with TANF. This research includes studies from California, Illinois, Massachusetts, Miami-Dade County (Florida), Minnesota, Washington, and Wisconsin. While the studies are quite diverse and much more research in this area is needed, these studies clearly show that immigrant families participating in TANF are a relatively disadvantaged group that faces unique challenges in moving from welfare to work. The findings outlined below should be considered preliminary and somewhat tentative given the limited research to date.

1. *Immigrants who receive TANF have low levels of education and skills and limited ability to speak and read English.*

Immigrants have lower education and skills levels than natives generally. This is also the case for immigrant welfare recipients. Studies in California and Wisconsin find that immigrants welfare recipients have low levels of English proficiency.

- Foreign-born adults receiving TANF are much more likely than native-born adults receiving TANF not to have a high school diploma or GED: 69 percent of foreign-born do not have a high school diploma or GED compared to 37 percent of the native-born.<sup>19</sup>
- As measured by the National Adult Literacy Survey, foreign-born women receiving AFDC in 1992 had much lower quantitative, prose, and document skills

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<sup>18</sup> Magnus Lofstrom and Frank D. Bean, *Labor Market Conditions and Post-Reform Declines in Welfare Receipt Among Immigrants*, July 2001 (presented at APPAM Conference, November 2, 2001). Lofstrom and Bean found that labor market conditions improved more strongly for immigrants than for natives in the late 1990s. The gap between immigrant and native unemployment rates fell from 2.7 percentage points in 1994 to 1 percentage point in 1999. Over the same time period, labor force participation increased by 3 percentage for immigrants compared to a 0.6 percentage point increase for natives.

<sup>19</sup> Wendy Zimmerman and Karin Tumlin, *What Does "Work-First" Mean for Immigrants?*, Urban Institute (presentation at 2001 APPAM Conference).

than U.S.-born women receiving AFDC. Two-thirds of foreign-born women receiving AFDC had “minimal” skills in these areas compared to one-quarter to one-third of U.S.-born women.<sup>20</sup>

- A survey of Mexican and Vietnamese noncitizens receiving TANF benefits in late 1998 in Santa Clara County, California, the fifth largest county in California, found low levels of education and English proficiency. The immigrant women surveyed tended to be less educated, older, and less proficient in English than the average welfare recipient in California. Ninety percent of the Mexican participants and 68 percent of the Vietnamese participants had less than a high school education, compared to 53 percent of all women receiving TANF in the county. Forty-eight percent of the Mexican participants and 87 percent of the Vietnamese participants had “poor to no” proficiency in English.<sup>21</sup>
- A Wisconsin study found considerable barriers to employment among Hmong TANF participants in Wisconsin. Some 90 percent of Hmong respondents read little or no English and over 70 percent had little or no literacy in Hmong.<sup>22</sup> (It should be noted that the Hmong are an extremely disadvantaged refugee group and not necessarily representative of other immigrant populations in the United States.)

2. *Immigrant TANF recipients appear to have lower employment levels and earnings than U.S.-born TANF recipients.*

In the general population, immigrant men have similar labor force participation and unemployment rates as native men. Immigrant women have somewhat lower labor force participation rates and higher unemployment rates than native women. Immigrant men and women who work are much more likely to have low earnings levels than native men and women. Among the welfare recipient population, immigrant TANF recipients appear to have lower employment levels and earnings than native TANF recipients.

- Some 31 percent of immigrant TANF recipients are employed compared to 39 percent of native-born recipients. 49 percent of immigrant TANF recipients were

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<sup>20</sup> As used in the ETS report, the educational equivalent of having “minimal skills” is being a high school dropout. Anthony P. Carnevale and Donna M. Desrochers, *Getting Down to Business: Matching Welfare Recipients’ Skills to Jobs that Train, Technical Report*, Educational Testing Service, 1999.

<sup>21</sup> Doris Ng, *From War on Poverty to War on Welfare: The Impact of Welfare Reform on the Lives of Immigrant Women*, Equal Rights Advocates, April 1999 <<http://www.equalrights.org/welfare/iwwp/index.htm>>.

<sup>22</sup> Thomas Moore and Vicky Selkove, *The Impact of Welfare Reform on Wisconsin’s Hmong Aid Recipients*, Institute for Wisconsin’s Future, December 1999 <<http://www.wisconsinsfuture.org/reports/6Hmongstudy.pdf>>.

employed at some point in the year prior to being surveyed compared to 55 percent of native-born recipients.<sup>23</sup>

- A study conducted by the Minnesota Department of Human Services is tracking outcomes over time for a sample of single parents who received TANF in Minnesota in 1998.<sup>24</sup> After one year, 47 percent of noncitizen recipients were not working compared to 34 percent of white citizens and 46 percent of citizens of color. Among working recipients, noncitizens had significantly lower monthly earnings on average (\$550) than white citizens (\$954), although there was no significant earnings differential between citizens of color (\$602) and non-citizens (\$550).
- A study by the Economic Roundtable examined employment outcomes for AFDC participants in Los Angeles County who left welfare between 1990 and 1997 and were reported to have found work.<sup>25</sup> The study found that recent immigrants had higher unemployment rates in 1997 than citizens (33.5 percent of immigrants were unemployed compared to 28.1 percent of citizens). Two years after leaving AFDC, persons with limited proficiency in English had worked about the same number of quarters as other adults, but had significantly lower earnings.

3. *Some studies find that immigrants are less likely to leave welfare than other persons and more likely to be terminated due to TANF time limits.*

Lower earnings and employment levels may mean that immigrants leave welfare at a slower rate than other persons. Studies in Wisconsin, Minnesota, and Washington suggest that this may be the case, although the evidence remains limited on this point.

- A Wisconsin study tracked employment outcomes for single-mother families who left AFDC in Wisconsin between August 1995 and July 1996.<sup>26</sup> Families headed by a legal immigrant mother were less likely to leave AFDC (32.7 percent exited) than single-mother families generally (47.8 percent exited) during the 15 month time period covered by the study. Even after controlling for several variables,

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<sup>23</sup> Karin Tumlin and Wendy Zimmerman, "What Does 'Work-First' Mean for Immigrants? A Look at Immigrants on Welfare in Three Cities," presentation at APPAM Conference, November 2001.

<sup>24</sup> *Minnesota Family Investment Program Longitudinal Study: One Year After Baseline*, Minnesota Department of Human Services, December 2000.

<sup>25</sup> Mark Drayse, Daniel Flaming, and Peter Force, *The Cage of Poverty*, The Economic Roundtable, September 2000.

<sup>26</sup> Maria Cancian, Robert Haveman, Thomas Kaplan, and Barbara Wolfe, *Post-Exit Earnings and Benefit Receipt among Those Who Left AFDC in Wisconsin*, Institute for Research on Poverty, January 1999.

including education, age, number of children, and county of residence, mothers who were legal immigrants were 5.6% less likely to leave AFDC than mothers who were citizens. Notably, after controlling for these same variables, Hispanic women were just as likely to leave welfare as white women.

- In the Minnesota study, noncitizens had lower exit rates (18 percent had exited TANF at the one-year follow-up) than citizens of color (24 percent) and white citizens (39 percent).
- In Washington state, adults who remained on TANF (“stayers”) were more likely than adults who left TANF (“leavers”) to live in a home where English was not the primary language (11 percent of “stayers” vs. 7 percent of “leavers”) and more likely to be noncitizens (9 percent of stayers vs. 5 percent of leavers).<sup>27</sup>

The federal TANF law places a 60-month time limit on the receipt of cash assistance. Immigrants’ lower earnings levels and limited proficiency in English may put them at greater risk of losing benefits due to time limits than other TANF participants.

- In California, an initial projection by the State Department of Social Services found that 35 percent of adult TANF recipients who would likely lose assistance under the state’s 60-month time limit had limited proficiency in English.<sup>28</sup> A more recent analysis, conducted using data obtained from twelve California counties representing nearly 80 percent of the state’s TANF caseload, found that limited-English-proficient recipients were disproportionately represented among those recipients likely to reach the state’s 60-month time limit.<sup>29</sup> For example, in Alameda County (Oakland), about 12 percent of adult TANF recipients speak one of six Asian languages as their primary language, but 52.6 percent of adults projected to lose assistance because of the time limit speak one of these languages as their primary language. In Los Angeles County, 8 percent of adult TANF recipients speak Cambodian, Chinese, Korean, or Vietnamese as their primary language, but 57.5 percent of the adults projected to lose assistance because of the time limit speak one of these languages as their primary language.

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<sup>27</sup> Jean Du, Debra Fogarty, Devin Hopps, and James Hu, *A Study of Washington State TANF Leavers and TANF Recipients: Final Report*, Washington Department of Social and Health Services, March 2000. There were some notable racial/ethnic differences in Washington: Asian Pacific Islanders were less likely to leave welfare than other subgroups (3 percent of leavers vs. 8 percent of stayers) and Hispanic were more likely to leave welfare than other subgroups (13 percent of leavers vs. 7 percent of stayers).

<sup>28</sup> Kaaryn Gustafson, “Welfare Time Limits to Disproportionately Cut Immigrants,” *Asianweek.com*, December 20, 2002, [www.asianweek.com/2002\\_12\\_19/opinion\\_welfare.html](http://www.asianweek.com/2002_12_19/opinion_welfare.html).

<sup>29</sup> Scott Graves, *Timing Out: CalWORKs Recipients Face the State’s Five-Year Time Limit*, California Budget Project, December 2002.

- A Massachusetts study surveyed a sample of families who had their cases closed after hitting the state's 24-month time limit and found that 7.6 percent of time-limit leavers were legal immigrants and 17.6 percent were limited in their ability to speak English.<sup>30</sup> The percentage of time-limit leavers who were immigrants or LEP was not different from the percentage of persons who left for reasons other than time limits who were immigrants or LEP.

4. *Relatively little is known about immigrants' experience with TANF sanctions.*

The federal TANF law requires states to reduce or terminate the benefits of TANF participants who do not comply with work requirements. Immigrants' limited proficiency in English may put them at greater risk of losing benefits due to sanctions than other TANF participants. Studies in Illinois and Minnesota, however, have found that noncitizens were less likely to leave welfare or be sanctioned for program non-compliance than citizens.

- A study of TANF case cancellations in Illinois found that noncitizens were more likely than citizens to leave TANF because of earned income and less likely than citizens to leave because of program noncompliance. Between July 1996 and April 1999, 55.4 percent of TANF cases headed by noncitizens in Illinois were terminated for earned income, compared to 45.1 percent of TANF cases headed by persons who were native-born. During the same time period, 28.2 percent of TANF cases headed by noncitizens were closed for failure to comply with program requirements (most typically, failure to keep an appointment with a caseworker), compared to 39.2 percent of TANF cases headed by native-born persons.<sup>31</sup>
- A study of TANF sanctions in Minnesota in 1998 found that noncitizens were less likely to be sanctioned for program noncompliance than citizens: 3 percent of noncitizen cases were sanctioned compared to 7.9 percent of citizen cases.<sup>32</sup>

5. *There is some evidence that welfare-to-work programs can increase the employment and earnings of immigrants and limited-English-proficient persons, but employment and earnings levels remain low relative to other participants.*

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<sup>30</sup> *After Time Limits: A Study of Households Leaving Welfare Between December 1998 and April 1999*, Massachusetts Department of Transitional Assistance, November 2000.

<sup>31</sup> Rob Paral, *TANF MAG Case Cancellations: Trends Among Immigrants and the Native Born*, National Center on Poverty Law (undated).

<sup>32</sup> *Report on Sanctions in the Statewide MFIP Program*, Minnesota Department of Human Services, January 20, 1999.

**L.A. County Jobs-First Impacts on Employment and Earnings by Level of English Proficiency: Single-Parents**

	Jobs-First	Control Group	Impact
<i>Ever Employed in Years 1 and 2</i>			
English Proficient	69.3%	60.3%	9.0
LEP	59.1%	46.7%	12.4
<i>Average Total Earnings in Years 1 and 2</i>			
English Proficient	\$8,479	\$6,936	\$1,543
LEP	\$6,169	\$4,264	\$1,905

Source: Manpower Demonstration Research Corporation.

Note: Dollar averages include zero values for sample members who were not employed.

Several welfare-to-work programs that mandate participation in work activities have been shown to increase participants' employment and earnings relative to a control group that did not have a participation mandate. (However, these programs generally do not increase overall family income unless they supplement earnings for families who work). Among the few welfare-to-work evaluations that include analysis of immigrant or LEP outcomes, two programs (Los Angeles County and Ramsey County, Minnesota) increased earnings and employment. A third program (San Diego County, California) increased employment and earnings, but the impact was not significant.

- Los Angeles County's Jobs-First program (a precursor to L.A. County's current TANF program) emphasized rapid employment and increased the amount of money participants could earn while remaining eligible for assistance (relative to previous AFDC rules in California). Most participants were assigned to job search as an initial activity. According to the program's evaluators, Jobs-First provided Spanish-language employment services and Spanish-speaking case managers. Speakers of other languages often received case management in their native language and sometimes received full employment services in their native language. A random assignment evaluation found positive employment and earnings impacts for both English-proficient and non-English proficient participants relative to control group members who were did not participate in the program.<sup>33</sup> Employment and earnings impacts were greater for non-English-proficient Hispanic and Asian participants than for English-proficient Hispanic

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<sup>33</sup> Stephen Freedman, Jean Tansey Knab, Lisa A. Gennetian, David Navarro, *The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First Program in a Major Urban Center*, Manpower Demonstration Research Corporation, June 2000.

and Asian participants. However, non-English-proficient participants had lower employment and earnings levels on average than English-proficient participants.

- The Minnesota Family Investment Program, a welfare reform demonstration project conducted in eight counties in the mid-1990s, combined mandatory work requirements for most families with financial work incentives that reduced penalties on work that existed in AFDC. The program also eliminated more restrictive eligibility rules that had applied to two-parent families. In one of the demonstration sites, Ramsey County, Minnesota, the two-parent family caseload was mostly composed of Hmong refugee families. A random assignment evaluation found a positive impact on employment and earnings among two-parent families at the Ramsey County site.<sup>34</sup> Families in the MFIP-R program had employment rates that were 19.1 percentage points higher than families in an AFDC control group and average earnings that were \$1,742 higher.
- The San Diego Saturation Work Initiative Model (SWIM), a welfare reform demonstration project conducted in the mid-1980s, provided Spanish-language job search assistance and work experience positions, and assigned many Hispanics to ESL courses as an education activity. SWIM produced significant positive earnings impacts for Hispanic single-parent families. Earnings impacts for a limited-English-proficient subgroup of Hispanic single-parents were positive, but were not statistically significant.<sup>35</sup> (The lack of statistical significance may have been due to the small sample size for the LEP subgroup.)

MFIP-R was the one program of the three to increase both earnings and overall income. In both SWIM and Jobs-First, earnings increases were largely offset by benefit losses. MFIP's more generous earnings supplement helped to increase average income from earnings and benefits by \$3,193 relative to the control group that did not receive the earnings supplement.

In all three programs, the employment and earnings levels of LEP persons or immigrants remained low relative to English-proficient persons or natives. In Los Angeles County, for example, the gap in employment between English-proficient Hispanics and Asians and LEP Hispanics Asians narrowed slightly (from 13.6 percentage points to 10.2 percentage points) but remained large.

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<sup>34</sup> Some 60 percent of the two-parent families were Asian or Pacific Islander and these families were primarily Hmong refugee families. Patricia Auspos, Cynthia Miller, and Jo Anna Hunter, *Final Report on the Implementation and Impacts of the Minnesota Family Investment Program in Ramsey County*, Manpower Demonstration Research Corporation, September 2000. In other counties in the state where immigrants did not constitute as large a portion of the two-parent caseload, the MFIP demonstration did not have a positive impact on two-parent family employment or earnings.

<sup>35</sup> Daniel Friedlander and Gayle Hamilton, *The Saturation Work Initiative Model in San Diego: A Five-Year Follow-up Study*, Manpower Demonstration Research Corporation, July 1993.

6. *Language and other access barriers may limit the extent to which immigrants are able to participate meaningfully in welfare-to-work programs.*

- In the Santa Clara, County study, only 38 percent of immigrant participants reported receiving any TANF services, including job search, English-language instruction, and job training, and only 7.3 percent of the participants said that TANF services had been helpful in finding them a job.
- Although the MFIP-R program in Minnesota increased employment and earnings in a largely immigrant caseload, job counselors reported that limited-English proficient persons had fewer job options and were less likely to benefit from or participate in program activities.
- In a survey of clients at welfare centers in Miami-Dade county, 25 percent of Haitian-American clients reported that needed translation services were unavailable at times. The survey found that Haitian-Americans made more visits to welfare centers than other ethnic groups before their applications were accepted and that they waited longer before they began receiving services.<sup>36</sup>
- Among Hmong families in the Wisconsin study, language barriers made communication with TANF caseworkers difficult: 70 percent of the surveyed participants could not communicate directly with their caseworkers, and some 90 percent had difficulty understanding written materials they received from W-2 agencies and had to rely on children, relatives, friends and others for translation.<sup>37</sup>

It is possible to design welfare-to-work programs that overcome these barriers. For example, SWIM provided Spanish-language job search assistance and work experience positions, and assigned many Hispanics to ESL courses as an education activity. More than 70 percent of Hispanic SWIM participants with limited proficiency in English participated in a work or education activity, a level of participation that was comparable to that of the overall sample.

## **Policy Implications**

Immigrant households are less likely to receive TANF cash assistance benefits than comparable households headed by U.S.-born persons. Most children living in immigrant-headed households are U.S. citizens, but these U.S.-citizen children are less likely to receive TANF benefits than other U.S.-citizen children. Many immigrants who receive TANF are quite disadvantaged and have significant barriers to employment, including limited proficiency in English and low skill levels. Research from random assignment evaluations suggests that

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<sup>36</sup> Marvin Dunn, Robert Beneckson, and Philip Kretsedemas, *The Relationship between the Haitian-American Community and the Miami-Dade Welfare System* (2001) <[www.flaspp.com/research](http://www.flaspp.com/research)>.

<sup>37</sup> Thomas Moore and Vicky Selkove, *The Impact of Welfare Reform on Wisconsin's Hmong Aid Recipients*, Institute for Wisconsin's Future, December 1999.



welfare-to-work programs can have a positive impact on immigrant employment and earnings levels if they provide language-appropriate services. If language-appropriate services are not provided and other access barriers are not addressed, the extent to which immigrants are able to benefit from welfare-to-work services is likely to be limited.

### *Providing Language-Appropriate Services to Limited-English-Proficient TANF Recipients*

To ensure maximum effectiveness, employment services and job training should be provided in the native languages of persons who are limited-English-proficient. States and counties should adopt language access policies and practices to ensure that limited-English-proficient TANF recipients receive the same level of services as other recipients. Among other things, these policies should provide for translations of written documents provided to recipients and oral interpretation services for orientations, assessments, and other meetings with welfare caseworkers. The California Department of Human Services has issued detailed statewide guidance on this issue that other states may want to consider adopting.<sup>38</sup>

Ensuring equal access for LEP persons is also a requirement under federal civil rights laws. The Office for Civil Rights of the Department of Health and Human Services is currently investigating several complaints related to language access in TANF and other welfare programs. To help ensure effective state compliance with civil rights laws, the federal government should provide grants to states to help them ensure that their welfare-to-work programs effectively serve immigrants and persons with limited proficiency in English.

### *Improving English Proficiency and Overall Skill Levels*

While work-focused programs have shown some success in raising immigrant welfare recipients' employment and earnings levels, their employment and earnings remain low even relative to other TANF recipients. Recent research suggests that a "mixed approach" combining a strong work focus with opportunities for education and job skills training may be the more effective than other approaches.<sup>39</sup> For immigrants, such a "mixed approach" could include intensive ESL course for persons with very low literacy levels, ESL in combination with employment for other LEP persons, job placement services that help immigrants find good jobs with opportunities for advancement, and job training to increase skill levels.

While most states allow some limited-English-proficient persons to participate in English-as-Second language courses, anecdotal and other reports suggest that access to ESL is

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<sup>38</sup> *Limited-English-Proficient Individuals and the Assessment Process in CalWORKS Welfare-to-Work Program*, All-County Letter No. 01-32, California Department of Social Services, (June 4, 2001).

<sup>39</sup> *How Effective Are Different Welfare-to-Work Approaches: Five-Year Adult and Child Impacts for Eleven Programs*, U.S. Department of Health and Human, prepared by Manpower Demonstration Research Corporation and Child Trends, November 2001. Out of 11 programs studied, the most successful program used an approach that blended short-term education and training with a job search program that emphasized good jobs.

limited in many states. This may be due in part to the treatment of ESL for federal TANF participation rate purposes. The TANF law does not explicitly list ESL as a work-related activity that counts toward TANF participation rates. Moreover, the federal activities that arguably encompass ESL (job skills training and education related directly to employment, job readiness assistance, and vocational education) all have limitations on the extent to which they can count toward the federal work rates.<sup>40</sup> These restrictions limit states' ability to place LEP persons in ESL programs, especially intensive programs that provide more than 5 to 10 hours of instruction a week. ESL should be included as a separate work activity and allowable as a preemployment activity for more than the 4 to 6 weeks currently allowable for job readiness activities.

Even where ESL is available, it tends to be of varying quality and often not intensive or directly related to language skills needed for employment.<sup>41</sup> Traditional classroom ESL approaches may not be well-suited to meet the demands of welfare reform. The work-first orientation of most welfare-to-work programs means that ESL programs have less time to ensure that TANF cash assistance recipients have the English skills that are needed to obtain employment and advance beyond entry-level jobs. ESL programs should integrate employment preparation into their curricula and place a greater focus on the linguistic skills needed in the workplace.<sup>42</sup> Moreover, states should be encouraged to integrate language acquisition activities with job skills training.<sup>43</sup>

#### *Additional Research is Needed*

Research that specifically examines immigrants' and LEP persons' experiences with the TANF program remains limited. Foundations and the government should encourage and fund research in this area, including academic research and program evaluations. Some of this research could be performed by conducting new immigrant-specific analyses of existing data sources. For example, researchers could re-examine existing random program evaluation data to

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<sup>40</sup> Job skills training and education can only be counted if the participant is already engaged in some other countable work activity for 20 hours. Job readiness assistance is limited to four consecutive weeks and six total weeks in a year. Vocational education is limited to 12 months in a lifetime.

<sup>41</sup> Forrest P. Chisman, Heidi Spruck Wrigley, and Danielle T. Ewen, *ESL and the American Dream: A Report on the an Investigation of English as a Second Language Service for Adults*, The Southport Institute for Policy Analysis, 1993.

<sup>42</sup> Two states, Washington and Minnesota, have notable statewide initiatives related to ESL. Minnesota uses TANF funds to provide a funding stream for intensive ESL instruction for TANF recipients. Intensive ESL funds are distributed to counties based on the number of LEP persons receiving TANF assistance. Washington has an "LEP Pathway" that provides a blend of employment services and language training. TANF participants whose lack of English may be a barrier to employment are referred to the LEP Pathway and tested for English proficiency. Depending on their level of English proficiency, participants may combine up to 20 hours per week of ESL with other work activities. Once a participant is employed, they may continue to receive ESL and skills training.

<sup>43</sup> For additional policy recommendations that would improve employment opportunities for limited-English-proficient persons, see Heidi Spruck Wrigley, Elise Richer, et al., *The Language of Opportunity: Expanding Employment Prospects for Adults with Limited English*, Center on Law and Social Policy (forthcoming, 2003).

determine which programs were effective for immigrants. It also is important, however, to conduct new evaluations of TANF programs that currently serve immigrant populations. Research in this area should not be limited to the states that have traditionally been home to large immigrant populations but should also include states where immigrant populations have grown the most rapidly.

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Finally, while the discussion in this paper is limited to those legal immigrant families that remain eligible for TANF, the findings also help inform the ongoing debate in Congress about whether to lift the restriction that prohibits states from providing TANF-funded benefits and work supports to most legal immigrants who have lived in the United States for less than five years. Last year, the Senate Finance Committee, on a bipartisan basis, passed TANF reauthorization legislation that included a provision lifting the five-year bar and allowed states to determine whether or not to provide TANF-funded benefits and services to legal immigrants. Lifting the bar would help ensure that more legal immigrants would have the same access to TANF-funded assistance and welfare-to-work services as other Americans. Such programs could help speed the economic mobility and integration of low-income immigrants, most of whom have children who are U.S. citizens.

## **Conclusion**

Immigrants who remain on the welfare rolls have significant barriers to employment, including limited proficiency in English and low skill levels, and appear to have lower employment and earnings levels than U.S.-born persons. While there is evidence that some welfare-to-work programs can increase immigrants' employment and earnings levels, these programs do not necessarily close the employment and earnings gaps that exist between U.S.-born persons and immigrants. TANF reauthorization provides an opportunity to reconsider both the immigrant eligibility restrictions in TANF and the extent to which TANF is working for those immigrants and LEP persons who remain eligible for benefits. States should be encouraged to develop new programs that help immigrants overcome barriers to advancement, including limited English proficiency, low skills, and limited acculturation.

## Appendix

### Welfare Reform Studies and Evaluations: Findings Related to Immigrants and Limited-English Proficient Persons

The available research on immigrants' experiences under TANF falls roughly into two groups. One group of studies include mostly quantitative information on outcomes for families that have left welfare or continue to receive welfare. Most of these studies do not focus specifically on immigrants, but include at least some information on how immigrants have fared relative to other subgroups. A second group of studies uses both quantitative and qualitative methods and focuses specifically on immigrants' experiences under TANF. Key findings from both groups of studies are summarized below. This appendix also summarizes findings from two related studies that examine barriers to access faced by immigrants in work support programs such as Medicaid and the Earned Income Tax Credit.

#### *Quantitative Studies that include Information on Differences in Outcomes between Immigrants\Citizens or LEP\Non-LEP Persons*

*Wisconsin: Maria Cancian, Robert Haveman, Thomas Kaplan, and Barbara Wolfe, Post-Exit Earnings and Benefit Receipt among Those Who Left AFDC in Wisconsin, January, Institute for Research on Poverty, 1999*

This study used administrative data to track employment outcomes for single-mother families that received AFDC in July 1995. During the time period covered in the study, Wisconsin had already implemented welfare changes that closely resembled many of the aspects of the 1996 welfare law. The sample included 54,518 single-parent cases that received AFDC in July 1995, including 981 cases headed by a legal immigrant mother.

- Families headed by a legal immigrant mother were less likely to leave AFDC (32.7 percent exited) than single-mother families generally (47.8 percent exited) during the 15-month time period covered by the study. Even after controlling for several variables, including education, age, number of children, and county of residence, legal immigrant status reduced the probability of leaving welfare by 5.6% compared to other mothers. Notably, after controlling for these same variables, Hispanics did not have a lower probability of leaving welfare than white mothers.
- Although legal immigrants were more likely to remain on welfare, those immigrants who did leave had lower recidivism rates than most other subgroups: 80.9 percent of legal immigrant mothers did not return to AFDC within 15 months, compared to 78.9 percent of white mothers, 59 percent of African American mothers and 67.4 percent of Hispanic mothers. Controlling for other variables, legal immigrant mothers were less likely to return to AFDC than other mothers.

- After leaving AFDC, legal immigrant mothers were somewhat more likely to continue to receive other forms of public assistance in the first quarter after their exit, but by the fifth quarter after leaving AFDC, they were less likely to receive other forms of public assistance.
- Surprisingly, legal immigrant mothers who left welfare had higher median earnings than other subgroups in the study, including white mothers. Two factors may have contributed to this difference: 1) while considerably fewer legal immigrant mothers left welfare, it could be that those legal immigrant mothers who did leave were more work-ready on average than other mothers, and 2) legal immigrant mothers in the study were concentrated in urban areas with relatively higher wage rates.

*Minnesota: Minnesota Family Investment Program Longitudinal Study: One Year After Baseline, Minnesota Department of Human Services, December 2000*

This longitudinal study uses administrative and survey data to track two samples of single-parent TANF participants in Minnesota. The study includes a “recipient” sample (ongoing welfare recipients who received TANF in mid-1998) and an “applicant” sample (new welfare recipients in 1998). No two-parent families or child-only cases (including cases headed by an ineligible immigrant) were included in the samples. At the one-year follow-up point, 49 of the 662 participants in the recipient sample and 50 of the 766 participants in the applicant sample were noncitizens. National origin or ethnic groups in the immigrant samples were Bosnian, Cambodian, Canadian, Cuban, Ethiopians, Germans, Hmong, Honduran, Liberian, Lao, Mexican, Pakistani, Russian, Salvadoran, Somali, Sudanese, and Vietnamese. The largest groups were Somali, Hmong and Vietnamese. The percentages of participants in the samples who were not fluent in English was approximately equivalent to the percentages of immigrant participants.

In the recipient sample, after one year:

- Some 53 percent of noncitizen participants were working compared to 67 percent of white citizens and 54 percent of citizens of color.
- Noncitizens had lower exit rates (18 percent had exited TANF at the one-year follow-up) than citizens of color (24 percent) and white citizens (39 percent).
- Among working recipients, noncitizens had significantly lower monthly earnings on average (\$550) than white citizens (\$954), although there was no significant earnings differential between citizens of color (\$602) and non-citizens (\$550).
- Noncitizens also had lower wage rates (\$7.59) than white citizens (\$8.26) and citizens of color (\$8.49), although these differences were not significant.

- Unemployed TANF recipients and former recipients in the survey were more likely to report that ability to speak English was a “big problem” than employed recipients and former recipients (7 percent of unemployed compared to only 2 percent of employed).

Outcomes were similar for noncitizens in the applicant sample. After one year:

- Some 48 percent of non-citizen participants were working compared to 66 percent of white citizens and 51 percent of citizens of color.
- Noncitizens had significantly lower monthly earnings on average (\$534) than white citizens (\$713), although there was no significant earnings differential between citizens of color (\$534) and non-citizens (\$589).
- As with recipients, differences in wage rates for applicants were not significant.

*Los Angeles County: Mark Drayse, Daniel Flaming, and Peter Force, The Cage of Poverty, The Economic Roundtable, September 2000; Daniel Flaming, Mark Drayse, Peter Force, and Fredric Deng, Los Angeles Labor Market Action Plan, Economic Roundtable (prepared for the Housing Authority of the City of Los Angeles), 2001.*

This study examined employment outcomes for 99,469 AFDC participants in Los Angeles County who left welfare between 1990 and 1997 and were reported to have found work. Some 38 percent (38,221) were immigrants; about 64 percent of the immigrants in the sample were Latino. Earnings information was obtained from the unemployment insurance system. The study found that:

- Recent immigrants had higher unemployment rates in 1997 than citizens (33.5 percent of immigrants were unemployed compared to 28.1 percent of citizens). Latino and Southeast Asian immigrant women had higher unemployment rates than Latino and Southeast Asian immigrant men. For participants in the study as a whole, there was no significant difference in unemployment rates between men and women.
- Two years after leaving AFDC, persons with limited proficiency in English had worked about the same number of quarters as other adults, but had lower earnings (\$5,571 compared to \$7,713 for whole group). There was considerable variation among language subgroups. For example, while Cantonese speakers were more likely to have worked after leaving welfare (93 percent) than any other subgroup in the study and had worked more quarters (6.4) on average, they had significantly lower earnings on average (\$4,598) than the group as a whole and than most other subgroups in the study.

- Persons with limited English ability had lower monthly earnings (on average, \$355 per month compared to \$545 month for English speakers) and also scored lower on a “job stability index.” Earnings and job stability differences were more pronounced when comparing English speakers with LEP persons than the differences in earnings and job stability between citizens and non-citizens.
- Immigrants who found jobs were more likely to find jobs in “low-wage industries” than citizens who found jobs: 69.3 percent of female noncitizens found jobs in low-wage industries compared to 58.6 percent female citizens.

*Other Welfare Leaver Studies:* Welfare leaver studies in Washington and Massachusetts include some limited information on outcomes for immigrants and persons with limited English proficiency.

- *Jean Du, Debra Fogarty, Devin Hopps, and James Hu, A Study of Washington State TANF Leavers and TANF Recipients: Final Report, Washington Department of Social and Health Services, March 2000.* This study used survey data to compare 708 families who left TANF in October 1998 with 527 families who received TANF continuously between November 1998 and April 1999. Adults who remained on TANF were more likely than TANF leavers to live in a home where English was not the primary language (11 percent of “stayers” vs. 7 percent of “leavers”) and more likely to be noncitizens (9 percent of stayers vs. 5 percent of leavers). There were some notable racial\ethnic differences in Washington: Asian Pacific Islanders were less likely to leave welfare than other subgroups (3 percent of leavers vs. 8 percent of stayers) and Hispanics were more likely to leave welfare than other subgroups (13 percent of leavers vs. 7 percent of stayers).
- *After Time Limits: A Study of Households Leaving Welfare Between December 1998 and April 1999, Massachusetts Department of Transitional Assistance, November 2000.* This study surveyed 460 families who left welfare due to the state’s 24 month time limit and 210 families who left welfare for other reasons. Some 7.6 percent of time-limit leavers were legal immigrants and 17.6 percent were limited in their ability to speak English. The percentage of immigrants and LEP participants who had their case closed due to the time limit was not different from the percentage that had their case closed for other reasons.

*Studies that Examine Differences in Case Closure Reasons and Sanction Rates*

- *Rob Paral, TANF MAG Case Cancellations: Trends Among Immigrants and the Native Born, National Center on Poverty Law (undated).* Using administrative data, this study analyzed case cancellation reasons for 81,231 TANF cases that were closed in Illinois between July 1997 and April 1999. Noncitizens were more likely than citizens to leave TANF because of earned income and less likely than citizens to leave because of program noncompliance. Between July 1996 and

April 1999, 55.4 percent of TANF cases headed by noncitizens in Illinois were terminated for earned income, compared to 45.1 percent of TANF cases headed by persons who were native-born. During the same time period, 28.2 percent of TANF cases headed by noncitizens were closed for failure to comply with program requirements (most typically, failure to keep an appointment with a caseworker), compared to 39.2 percent of TANF cases headed by native-born persons.

- *Report on Sanctions in the Statewide MFIP Program, Minnesota Department of Human Services, January 20, 1999.* This study used administrative data to examine subgroup differences in 3,472 cases that were subject to sanction for program noncompliance in August 1998. Of all noncitizen-headed cases receiving TANF in August 1998, 3 percent were sanctioned compared to 7.9 percent of all citizen-headed cases.

#### *Random Assignment Evaluations of Welfare Reform Demonstration Programs*

*Stephen Freedman, Jean Tansey Knab, Lisa A. Gennetian, David Navarro, The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First Program in a Major Urban Center, Manpower Demonstration Research Corporation, June 2000.*

The Jobs-First GAIN evaluation began in 1996. Jobs-First is similar to Los Angeles County's current TANF program. Approximately 21,000 parents were randomly assigned to Jobs-First or a control group in mid-1996. About one-fifth of single-parent families and one-half of two-parent families in the sample were limited-English proficient. After two years, employment and earnings impacts were positive for both English-proficient and non-English proficient participants. Employment impacts for non-English-proficient Hispanic and Asian participants were significantly higher than for English-proficient Hispanic and Asian participants. However, non-English-proficient participants had lower employment and earnings levels on average than English-proficient participants.

*Patricia Auspos, Cynthia Miller, and Jo Anna Hunter, Final Report on the Implementation and Impacts of the Minnesota Family Investment Program in Ramsey County, Manpower Demonstration Research Corporation, September 2000.*

A random assignment evaluation of the MFIP-R demonstration program in Ramsey County, Minnesota found a positive impact on employment and earnings among a two-parent family caseload that was mostly composed of Hmong refugee families. Some 60 percent of the two-parent families were Asian or Pacific Islander and these families were primarily Hmong refugee families. Families in the MFIP-R program had employment rates that were 19.1 percentage points higher than families in an AFDC control group and average earnings that were \$1,742 higher. In other counties in the state where immigrants did not constitute as large a portion of the two-parent caseload, the MFIP demonstration did not have a positive impact on two-parent family employment or earnings.



**L.A. County Jobs-First Impacts on Employment and Earnings by Level of English Proficiency**

	Jobs-First	Control Group	Impact
<i>Ever Employed in Years 1 and 2</i>			
English Proficient	69.3%	60.3%	9.0
LEP	59.1%	46.7%	12.4
<i>Average Total Earnings in Years 1 and 2</i>			
English Proficient	\$8,479	\$6,936	\$1,543
LEP	\$6,169	\$4,264	\$1,905

**MFIP-R Impacts on Employment and Earnings for Two-Parent Families: One Year**

	MFIP-R	Control Group	Impact
Ever Employed	64.5	45.4	19.1
Earnings	\$6,820	\$5,079	\$1,742

Source: Manpower Demonstration Research Corporation.

Note: Dollar averages include zero values for sample members who were not employed.

*Studies with a Specific Focus on Immigrants' Experiences under TANF*

*Thomas Moore and Vicky Selkove, The Impact of Welfare Reform on Wisconsin's Hmong Aid Recipients, Institute for Wisconsin's Future, December 1999*

*<<http://www.wisconsinsfuture.org/reports/6Hmongstudy.pdf>>. The authors surveyed 137 Hmong families enrolled in W-2. Some 90 percent of Hmong respondents read little or no English and over 70 percent had little or no literacy in Hmong. Language barriers made communication with TANF caseworkers difficult: 70 percent of the surveyed participants could not communicate with their caseworkers, and some 90 percent had difficulty understanding written materials they received from W-2 agencies and had to rely on children, relatives, friends and others for translation.*

*Doris Ng., From War on Poverty to War on Welfare: The Impact of Welfare Reform on the Lives of Immigrant Women, April 1999 <[www.equalrights.org/welfare/iwwp/index.htm](http://www.equalrights.org/welfare/iwwp/index.htm)>. A survey of 75 Mexican and 75 Vietnamese noncitizens receiving TANF benefits in late 1998 in Santa Clara County, California, the fifth largest county in California, found low levels of*

education and English proficiency. The immigrant women surveyed tended to be less educated, older, and less proficient in English than the average welfare recipient in California. Ninety percent of the Mexican participants and 68 percent of the Vietnamese participants had less than a high school education, compared to 53 percent of all women receiving TANF in the county. Almost none of the participants were educated primarily in the United States. Forty-eight percent of the Mexican participants and 87 percent of the Vietnamese participants had “poor to no” proficiency in English.

*Marvin Dunn, Robert Beneckson, and Philip Kretsedemas, The Relationship between the Haitian-American Community and the Miami-Dade Welfare System (2001) <[www.flaspp.com/research](http://www.flaspp.com/research)>.* This preliminary report includes results from a survey of Haitian-American, Hispanic, and African-American welfare clients and interviews with Haitian-American community leaders and service professionals.