

WELFARE REFORM AND IMMIGRANTS: IMPLICATIONS FOR POLICY

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The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 profoundly impacted immigrants and suggested a fundamental shift in our national stance toward immigration. This paper examines the impact of welfare reform on legal, non-citizen immigrants in the United States. It describes how welfare reform restructured the laws that determined the eligibility for benefits among immigrants, discusses changes made to these laws, and summarizes the debate over whether these changes were sufficient. It concludes with implications for policy and policy options that exist within the context of the present laws. Ultimately, through welfare reform, the government devalued the role of the immigrant and inverted the ideals of opportunity, equality, and full participation in society that, in theory if not in practice, characterize our national identity.

Public policy affecting the social welfare of immigrants is a realization of their impact on society as well as a reflection of the value that society places on them. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (hereafter, referred to as “welfare reform”) has had a profound impact on the lives of immigrants and suggests a deeply fundamental shift in our national stance toward immigration. This paper will examine the impact of welfare reform on legal, non-citizen immigrants in the United States. After summarizing the debate over its impact, it will evaluate the merits of the devolution of welfare policies to states, as well as the role of welfare reform in promoting naturalization. Ultimately, it will demonstrate that measures taken to ameliorate the harsh effects of welfare reform were insufficient. Although not necessarily caused by welfare reform, subsequent anti-immigrant legislation in the United States reinforces a growing social and political climate based on fear and intolerance towards immigrants. Discrimination towards immigrants continues to define our post 9/11 social and political environment, posing complex challenges for social workers who provide services and make policies affecting immigrants.

Background on Welfare Reform for Legal Immigrants

The Welfare Reform Act passed by President Clinton in 1996 included drastic changes in eligibility rules for legal, non-citizen immigrants seeking welfare benefits and various forms of public assistance. Specifically, welfare reform renders most legal, non-citizen immigrants, who were living in the United States prior to 1996, ineligible for Temporary Assistance for Needy Families (TANF), Supplemental Security Insurance (SSI), food stamps and Medicaid programs regardless of their age, disability status, or whether or not they received benefits prior to the legislation (Carnegie Endowment for International Peace [CEIP], 2001; Kim, 2001). Exceptions to these restrictions include immigrants who meet specific requirements relating to work, military service, and refugee or asylee status. In addition, the new laws state that legal immigrants entering the United States after August 22, 1996 are ineligible for TANF, SSI, Medicaid, and the State Children's Health Insurance Program (SCHIP) during their first five years in the country (CEIP; Corderro-Guzman & Navarro, 2000; Fix & Haskins, 2002; Mautino, 2000). The Food Stamp Program is especially restrictive because legal permanent residents and some groups of qualified immigrants remain ineligible for the program after the five-year residency rule (CEIP).

Such disproportionately severe eligibility restrictions on immigrants lay bare policy distinctions that are based on nationality and citizenship. These divisions have enormous implications for how a nation determines whose welfare is more valuable and, therefore, more deserving of federal resources. Welfare reform legislation concerning immigrants, in its original form, ignited a heated debate concerning the status and rights of immigrants and the roles and responsibility of the federal government for their welfare.

Opponents of welfare reform argue that prior to 1996, immigrants had access to benefits based on the principle that immigrants should be treated like Americans since they participate in economic, social, and political activities (Fix & Haskins, 2002). Kim (2001) points out that legal immigrants are expected to be contributing members of society who pay taxes and can be drafted into the military and thus deserve the basic safety net of welfare benefits. Opponents also argue that the children of non-citizens, many of whom are U.S. citizens, bear the burden of these laws and suffer the consequences of poverty (Fix & Haskins; Kim). Proponents of welfare reform argue that federal policy restricting the rights and benefits of immigrants is nothing new in American public policy (Fix & Haskins). Their justification for restrictions on immigrant benefits also relies on familiar rhetoric of balancing the budget and saving taxpayers'

money (Fix & Tumlin, 1997; Rector, 2002). For example, immigration restrictions on welfare would save the federal government \$23 billion, or approximately half of their total expected savings from all welfare reform laws (Fix & Tumlin, 1997). Rector also supports welfare reform because the new laws make the immigrant's sponsor liable for his or her support, effectively shifting the financial burden off of the taxpayer.

The Effects of Welfare Reform on Immigrants

When President Clinton signed the Welfare Act, he acknowledged its severity and agreed to work with Congress to restore benefits to society's most needy members (Mautino, 2000). Not long after the enactment of welfare reform came subsequent legislation intended to mitigate the harsh effects of welfare reform on immigrants. With these changes came rigorous debate over whether an appropriate safety net that ensured the welfare of immigrants could be adequately provided.

Some argue that welfare reform created a climate of fear and confusion among immigrants, further reducing their participation in welfare programs. Since 1996, many immigrants have chosen not to apply for eligible public benefits out of fear that they will be considered a public charge or face deportation or both (Betancourt-Swingle, 2000; Fremstad, 2000; Mautino, 2000). In response to this confusion, in May of 1999, the INS issued a set of guidelines that clearly defined the public charge rule and its relevance for those seeking public benefits (Betancourt-Swingle; Fremstad; Mautino). This provided clarification and encouraged relatively high participation in public benefit programs for those who qualified under the welfare reform laws. Despite the clarification of the public charge rule, Cordero-Guzman and Navarro (2000) describe many concerns felt by immigrants regarding their immigration status and use of benefits after welfare reform. Social service providers continue to report panic and misinformation among immigrant clients who have difficulty keeping up with legislative changes and guidelines.

Those who argue against welfare reform point out that emerging data on the use of public benefits since its passage show significant declines in the number of immigrants on the welfare rolls. Fix and Haskins (2002) also cite evidence from the U.S. Census Bureau that shows a precipitous decline of non-citizen use of TANF, SSI, food stamps, and Medicaid or SCHIP between 1994 and 1999. This report attributes a small portion of the decrease on other factors but concludes that much of it can be ascribed to benefit cuts imposed by welfare reform. In contrast, proponents of

welfare reform typically interpret declining welfare roles as a measure of success for the alleviation of poverty (Rector & Fagan, 2003).

Those who claim that welfare reform and its subsequent legislation were too harsh on immigrants argue that we need only to look at the lives of the immigrants around us to see the poverty and hardship that they face. Cordero-Guzman and Navarro (2000) used information gathered from immigrant service providers to report that changes in immigration and welfare laws have resulted in noticeable panic among immigrants, less access to health services, decreased food security, loss of Medicaid and food stamp eligibility, and fewer immigrants who receive social services. Ku (2003) cites a report by the Kaiser Commission claiming that low-income, non-citizen immigrant children are more likely to lack medical insurance than citizen children and that this disparity has increased significantly since the enactment of welfare reform.

Conservative arguments claim that welfare reform, in general, has had a positive impact on lessening poverty throughout society. Rector and Fagan (2003) asserted that, overall, welfare reform has significantly reduced child poverty and rates of childhood hunger, and that decreases in welfare caseloads are the result of increased employment among single mothers.

Devolution to the States

Faced with the fear of leaving countless legal immigrants destitute as a result of the new laws, states have been forced to decide if and how they will provide for the welfare of immigrants within their borders. This devolution of immigrant policy from the federal to state level has given rise to a multitude of new policies, challenges, and debates among those who work at state and federal levels of government.

Proponents of state authority claim that policy stemming from state and local governments is more effective in meeting the needs of specific local populations (Fix & Tumlin, 1997). State control over benefits also has the potential to be more cost effective in the allocation of resources. Furthermore, states' ability to set conditions for aid gives them the power to make rules that encourage naturalization. Opponents of shifting control of benefit eligibility to states argue that this essentially gives states the power to create and place their own value on the meaning of citizenship (Fix & Tumlin). State control over benefits for immigrants may also cause financial hardships for individual states, especially those who have higher concentrations of immigrants. In addition, states may find that there is a financial incentive to establish less generous benefits, thereby avoiding the

possibility of becoming a “welfare magnet” for immigrants from other states.

The laws put into effect through welfare reform give states the authority to refuse a wide range of benefits to countless immigrants. States, therefore, have been faced with tough individual choices regarding their policies. They must now establish distinct eligibility criteria for state and federally funded programs, decide if and how they will spend state money to offset the cuts made through welfare reform, and decide how they will enforce restrictions on benefit use as well as the obligations of sponsors of immigrants (Fix & Tumlin, 1997).

Instead of facing a crisis of widespread poverty, states are opting to implement policies that address the needs of non-citizen immigrants. By 1997, less than one year after welfare reform, Congress passed a law giving states the option of purchasing food stamps from the federal government to provide food assistance to immigrants who were denied food stamp benefits through welfare reform (Carmody & Dean, 1998). Within six months of its passage, eleven states had already passed legislation that allowed for food stamp purchases. In 2002, The Farm Security and Rural Investment Act was passed, restoring federal food stamp eligibility to legal immigrants who are either disabled, have been in the United States for over five years, or are under 18 years old (Capps et al., 2004). While this legislation represents a shift in policy back towards federal responsibility, states still face important choices about how they will publicize new eligibility rules and make social services accessible to language and cultural minorities (Gigliotti, 2004).

Overall, the trend toward devolution of welfare policy to states continues. Alabama is now the only state that does not provide TANF to eligible immigrants who entered the country prior to 1996 (Zimmerman & Tumlin, 1999). By 2004, 23 states relied on state funds to provide Medicaid or SCHIP benefits to legal non-citizen immigrants rendered ineligible by welfare reform (Fremstad & Cox, 2004). Although many states appear to be generous towards immigrants, they have also implemented conditions that still prevent many immigrants from accessing benefits. These include limitations on aid for immigrants arriving in the United States after welfare reform enactment, eligibility limitations on certain population groups, and consideration of the income of the immigrant’s sponsor (Zimmerman & Tumlin).

Public welfare policy for immigrants, if done correctly, can be created and implemented on a state level. States have the potential to decrease bureaucracy and provide relevant services to those that they identify as the neediest. The federal government position implemented through welfare reform, however, is incongruous with this aim and provides an inappropriate

context for work at the state level. Through welfare reform, the federal government has devalued the role of the immigrant and inverted the ideals of opportunity, equality, and full participation in society that have, in theory if not in practice, helped define our national identity. If states are to assume more responsibility for the welfare of immigrants, they need a federal policy that supports them by passing laws requiring more adequate minimum standards for the welfare of immigrants. Left to stand alone, state policies for immigrants will continue to provide safety nets that are inconsistent, inadequate, and ultimately permeable to the complex needs of immigrant communities.

The Naturalization Question

States also implement policies for immigrants that encourage naturalization. By helping immigrants become U.S. citizens, states are relieved of the burden of providing benefits to these immigrants, who, as citizens, qualify for federal welfare benefits (Zimmerman & Tumlin, 1999). Examples of state action to encourage naturalization include providing English and civics classes, conducting outreach campaigns, requiring naturalization for state-funded services, and reimbursing immigrants for fingerprints and other required fees.

While naturalization may seem to be a solution to restrictive benefit laws, the relationship between naturalization and public benefits is somewhat ambivalent. First, there is evidence that immigrants do not pursue naturalization for the purpose of receiving public benefits. For example, recently naturalized immigrants use public benefits at slightly lower rates than all immigrants who are eligible for benefits. On the other hand, there is some evidence that immigrants are responding to this changed, post-1996 political climate by naturalizing. Specifically, 1996 marked the end of a long-standing downward trend in naturalization rates among legal immigrants. Between 1970 and 1996, the naturalization rates of legal immigrants fell from 64% to 39% (Fix, Passel, & Sucher, 2003). These rates increased sharply in 1996 and have risen to 49% of all legal immigrants in 2002 (Fix et al.). Explanations for this increase may include welfare reform and other anti-immigrant legislation such as Proposition 187 in California and the Illegal Immigration Reform and Immigration Responsibility Act of 1996. Rising numbers of eligible immigrants, increased costs for replacing expired green cards, and decreased restrictions on dual nationality imposed by sending countries are also contributing factors to this trend (Fix et al.).

As more immigrants become citizens after welfare reform, it is increasingly clear that encouraging naturalization is not the panacea for poverty that state policy makers need. Social service providers report that their immigrant clients are frustrated by the inefficient and bureaucratic policies of the INS that have caused a backlog of naturalization applications (Cordero-Guzman & Navarro, 2000). Increasingly, immigrants have become discouraged by the lengthy process of naturalization, which can take up to 15 months (Pinto, 2002). In January of 1999, the application fee for naturalization was raised from \$95 to \$225 (Cordero-Guzman & Navarro). Immigrants applying for citizenship in order to have more access to public benefits are unlikely to be able to afford such high fees. This is supported by findings showing that immigrants who are eligible to naturalize, but have not, are more likely to have limited English skills, lower education levels, and lower incomes than those who have naturalized (Fix et al., 2003).

Pinto (2002) notes the difficult decisions that immigrants are forced to make in order to be eligible for benefits. For some immigrants, their original citizenship helps them to define their identity and remain connected to their families and homelands in spite of all they may have lost in their lives. Therefore, an immigrant's decision to become a U.S. citizen could cause emotional hardship and distress for immigrants and their families.

Perhaps one of the most salient arguments against state-implemented policies for immigrants impacted by welfare reform is the poverty, marginalization, and exclusion that legal immigrants continue to face. Implementing policy that coerces immigrants to become citizens of a country that purposely excludes, devalues, and discriminates against them is unfair. Naturalization can be positive because it gives immigrants the right to vote and thus a voice in society. However, making state benefits contingent on naturalization only deepens the divide between immigrants who are able to naturalize and those who cannot.

Welfare Reform in the Current Context

Welfare reform continues to adversely impact the lives of immigrants today. Its message also has renewed relevance in the political and social context of the post 9/11 era. Since welfare reform, legislation such as the USA Patriot Act, The Enhanced Border Security and Visa Entry Reform Act of 2002, and the Intelligence Reform and Terrorist Prevention Act of 2004 represent a deeper government commitment to the promotion of fear and discrimination towards immigrants. As national security

interests provide another reason to marginalize immigrants, it is increasingly difficult for citizens and policy makers to come to terms with conflicting notions of our economic need for immigrants and fear of their presence. It is from within this context that social workers, as service providers and policy makers alike, must rise to the challenge to advocate for the well-being of our legal immigrant population. In the end, we all stand to benefit from the physical, economic, and social well-being of those who have and continue to make our nation what it is today.

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