

Expanding Opportunity

How California Gains if the President's Executive Actions on Immigration are Implemented

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DATA HIGHLIGHTS

- ▶ California has the highest number of DAPA- and expanded DACA-eligible residents: **1.1 million**.
- ▶ Full implementation of DAPA and expanded DACA has the potential to boost family earnings in the state by nearly **\$1.7 billion** and to bring nearly **40,000 children out of poverty** in California.
- ▶ **75 percent** of DAPA- and expanded DACA-eligible Californians have resided in the U.S. for more than a decade.

INTRODUCTION

After more than a year of litigation in the lower courts, the Supreme Court will soon have the opportunity to make a decision on the constitutionality of President Obama's executive actions on immigration. A decision in *United States v. Texas* is expected before the end of June 2016. The ruling on Deferred Action for Parents of Americans (DAPA) and expanded Deferred Action for Childhood Arrivals (DACA)¹ will impact the lives of nearly 4 million immigrants and their families. California has a large stake in what ultimately gets decided — beyond the sheer number of DAPA- and expanded DACA-eligible immigrants, an unfavorable decision's ramifications could reverberate through the current and future economic and social foundations of the state.

However, a favorable decision — one that recognizes the Secretary of Homeland Security's authority to grant temporary protection from deportation and work authorization to certain qualified immigrants — can empower and strengthen households and families, promote broad social and civic inclusion, and enhance economic prosperity to all communities throughout the state.

The following brief highlights the benefits of DAPA- and expanded DACA-eligible immigrants, shedding light on their impactful contributions to the state of California.

¹ Expanded DACA refers to the additional childhood arrivals that would be eligible for temporary permission to stay in the country above and beyond those eligible under the original DACA that was announced in 2012; the additions come from the elimination of a top age criteria and a slight shift in required arrival date.

What is California's stake in DAPA and expanded DACA?

At 1.1 million, California has the highest number of DAPA- and expanded DACA-eligible residents. Statewide, six percent of all households include someone who is eligible for DAPA or expanded DACA. This concentration is largely due to our share of undocumented immigrants as well as the high percentage of mixed-status households. Our estimates suggest that around 70 percent of all undocumented Californians live in a family with at least one citizen and/or Legal Permanent Resident. Children are, of course, critical to this pattern with a recent estimate suggesting that 19 percent of all minor children in the state have at least one parent who is undocumented – and more than 80 percent of those children are U.S. citizens (Marcelli & Pastor, 2015). In line with the President's executive actions, undocumented immigrants are intimately connected to the lives and livelihood of documented immigrants and citizens.

FIGURE 1
Nearly half of the 2.9 million undocumented Californians could be protected from deportation and allowed to work legally

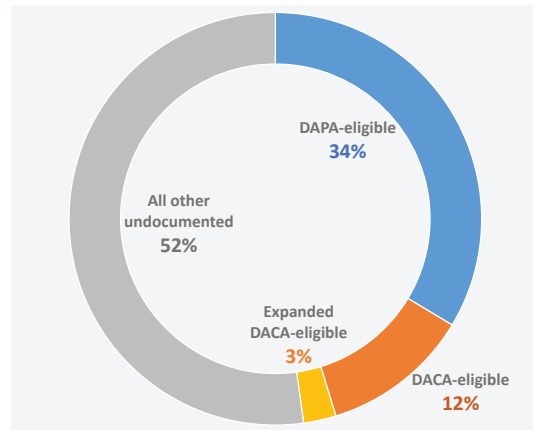


FIGURE 2
More than 1 in 4 DAPA- and expanded DACA-eligible residents in the U.S. live in California

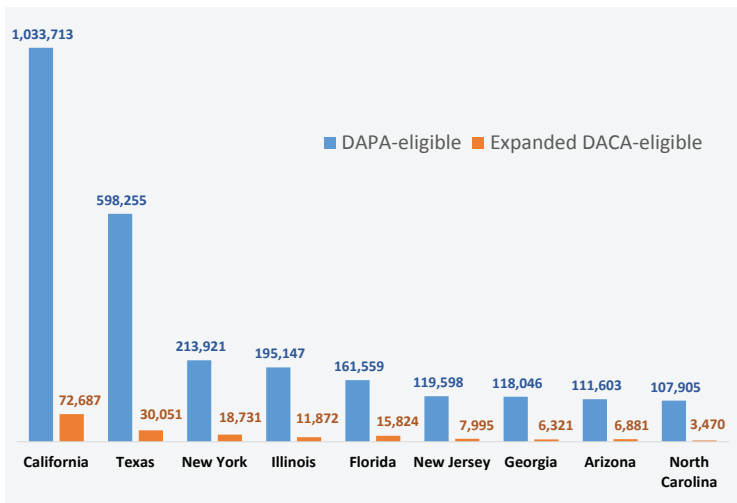
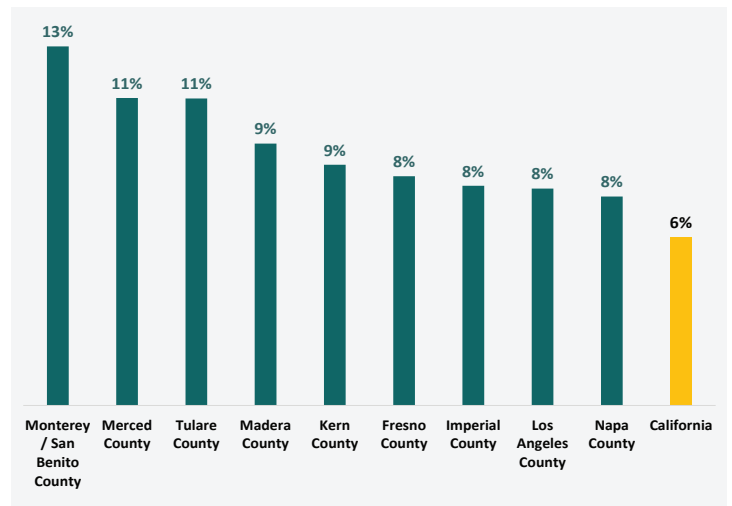


FIGURE 3
A significant share of households in several counties include someone who is eligible for DAPA or expanded DACA



ECONOMIC IMPACTS

Earnings: Full implementation of DAPA and expanded DACA has the potential to boost family earnings in California by nearly \$1.7 billion

The President's Council of Economic Advisors projects that with full Federal implementation of DAPA, eligible workers would see a 6 to 10 percent increase in average wages (Council of Economic Advisors, 2014). Meanwhile, the Center for American Progress (CAP) has noted that the shift in moving from the informal to the formal labor market would yield an 8.5 percent increase in earnings for DAPA-eligible workers (Oakford, 2014) – mostly driven by the ability to find jobs that better match skills and the larger incentive for workers to make investments in U.S.-specific job training (see Pastor & Scoggins 2012 for more).

Using CAP's 8.5 percent wage gain for individual DAPA workers, we estimate DAPA and expanded DACA families in California would see close to a \$1.7 billion increase in total earnings. These increased earnings would ripple through the state economy, benefitting all Californians by increasing the state's Gross Domestic Product (GDP) and state and local tax revenues.

Labor force: DAPA- and expanded DACA-eligible immigrants have high rates of employment and are foundational to the larger California economy

DAPA- and expanded DACA-eligible residents are, by and large, here in California to work and thereby directly support the larger economy. Of DAPA- and expanded DACA-eligible men (ages 16-64), 95 percent are in the labor force and, among them, 93 percent are employed. While the labor force participation rate is lower for DAPA- and expanded DACA-eligible women (53 percent), among those who participate, 84 percent are employed.

DAPA- and expanded DACA-eligible workers are concentrated in lower-paying and seasonal industries and occupations. Nearly one in five agricultural workers and one in ten construction workers (ages 16-64) in California is eligible for DAPA or expanded DACA. DAPA- and expanded DACA-eligible workers also make up a significant share of workers in the personal services industry, manufacturing, and wholesale trade. Together, these five industries account for about a quarter of the state's GDP.² California ranks first among all states in farm output, accounting for 12 percent of the national total.³

FIGURE 4
California's counties would have an increase in earnings among DAPA- and expanded DACA-eligible residents

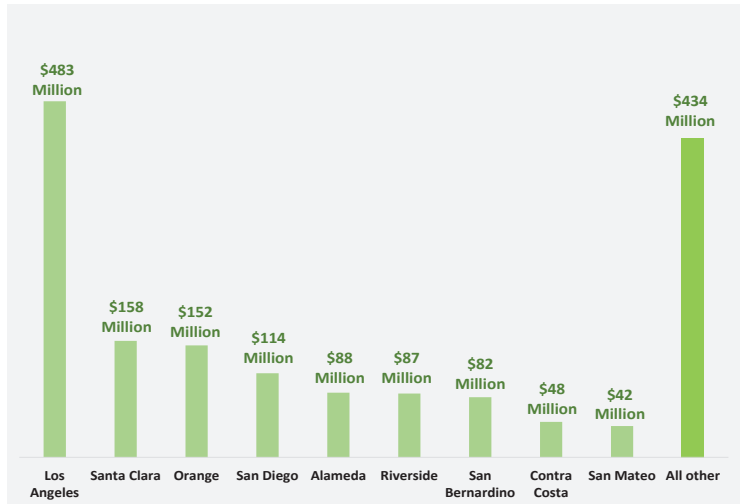


FIGURE 5
DAPA- and expanded DACA-eligible Californians support key industries in California's economy

TOP FIVE INDUSTRIES AND OCCUPATIONS			
(% of workers 16-64 that are eligible for DAPA or expanded DACA)			
INDUSTRIES		OCCUPATIONS	
Agriculture	18%	Farming, Forestry, and Fishing	19%
Construction	9%	Cleaning, Building, and Household Services	13%
Personal Services	8%	Extraction, and Freight, Stock, and Material Handlers	11%
Manufacturing	6%	Machine Operators, Assemblers, and Inspectors	11%
Wholesale Trade	6%	Construction Trades	10%

² According to data from the U.S. Bureau of Economic Analysis (BEA) for the year 2014 (accessed February 22, 2016), agriculture, construction, manufacturing, and wholesale trade account for 22 percent of California's state GDP. Including the personal services industry as well would put this percentage close to 25 percent; however, we do not know the exact percentage due to inconsistency in the industry codes used in the American Community Survey microdata and the BEA data.

³ Source: Data for 2004 from the United States Department of Agriculture Economic Research Service, Table 3—Total farm output by State, available at <http://www.ers.usda.gov/data-products/agricultural-productivity-in-the-us.aspx>.

FAMILY IMPACTS

Children of DAPA- and expanded DACA-Eligible Parents

Granting deferred action and the ability to apply for work authorization to DAPA- and expanded DACA-eligible parents in California can have a profound impact on their mostly citizen children. Nearly 1.5 million children (under 18) have parents that are eligible for DAPA or expanded DACA; of those 92 percent are citizens. There are more than three-quarter of a million DAPA and expanded DACA families (including nearly 3.7 million family members) that see their future in America and will be invested in the communities of California in which they live. The implementation of DAPA would have economic benefits for children, as well as a positive impact on their general well-being.

Full implementation of DAPA and expanded DACA has the potential to bring nearly 40,000 children in California out of poverty

Currently 44 percent of children (under 18) with DAPA- and expanded DACA-eligible parents are living below the federal poverty line; for all Californian children that rate is 23 percent. The increases in income from implementation that were referenced above have the potential to lift nearly 40,000 children across the state above the federal poverty line. The chart below illustrates the estimated impact on the most populous counties in the state.

In addition to impacts on poverty levels, the single largest factor impacting student learning and future performance is a parent's socioeconomic status. Another factor that impacts learning is stress. Yoshikawa's *Immigrants Raising Citizens* (2011) documents the strain that the threat of deportation and isolation puts on the nation's mixed-status families. Removing the fear of deportation and allowing parents to work legally can alleviate these stressors (Suro, Suarez-Orozco, & Canizales, 2015). Not only does DAPA play a dual role in being anti-poverty and pro-child, it also has the potential to boost the security and educational achievement of our state's future workers, voters, and leaders.

FIGURE 6
Decreasing poverty rates for children of DAPA- and expanded DACA-eligible parents due to projected earnings increase

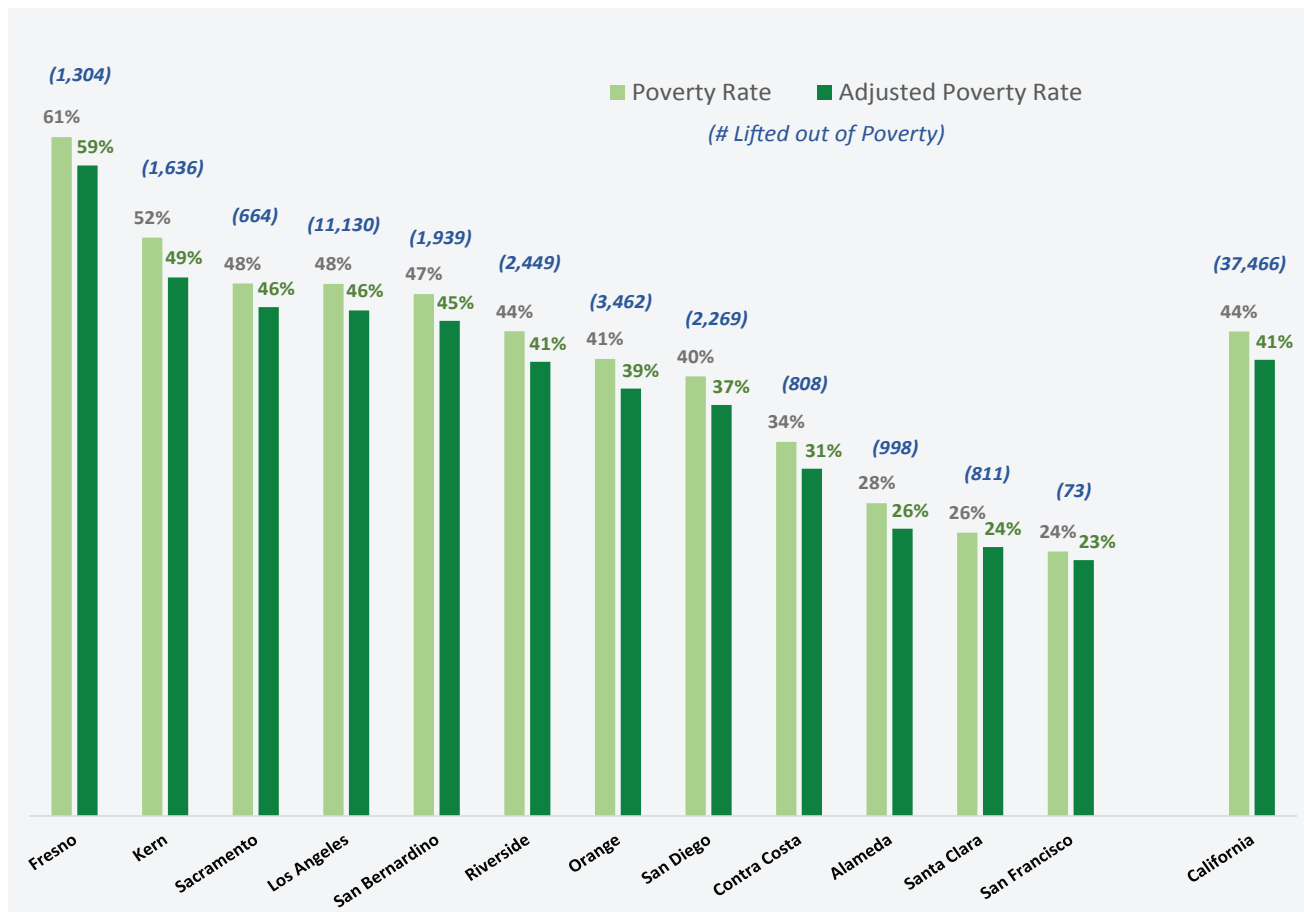


FIGURE 7
Detailed California Table

2010-2014 Population Profile: California

	All Immigrants		All Unauthorized		DAPA- and expanded DACA-eligible			All Immigrants		All Unauthorized		DAPA- and expanded DACA-eligible	
	num.	%	num.	%	num.	%		num.	%	num.	%	num.	%
Total Population	10,608,848	28	2,850,487	7	1,076,600	3							
Race and Ethnicity¹													
Non-Hispanic White	1,374,278	13	101,298	4	20,867	2							
Latino	5,610,753	53	2,315,587	81	962,825	89							
Asian or Pacific Islander	3,336,565	31	400,915	14	85,052	8							
Black	132,886	1	15,645	1	3,223	0							
Other	154,366	1	17,041	1	4,632	0							
Sex													
Female	5,446,027	51	1,310,078	46	574,196	53							
Male	5,162,821	49	1,540,408	54	502,404	47							
Places of origin													
Mexico	4,486,977	42	1,971,250	69	854,126	79							
Central America	897,242	8	324,932	11	105,420	10							
South America & Caribbean	322,745	3	44,677	2	12,347	1							
Asia	3,765,108	35	432,380	15	90,893	8							
Africa	169,257	2	19,158	1	3,031	0							
Europe	762,119	7	43,100	2	8,105	1							
Rest of the World	205,401	2	14,988	1	2,676	0							
Age and Tenure (Medians)													
Age	44		33		37								
Years Residing in the USA	20		11		15								
Age First Arrived in Country	21		20		20								
Recency of Arrival													
Less than 5 years	1,204,594	11	571,059	20	12,711	1							
6-10 years	1,374,045	13	738,686	26	249,554	23							
11-20 years	2,803,425	26	1,104,727	39	543,078	50							
Greater than 20 years	5,226,783	49	436,015	15	271,257	25							
Educational Attainment (age 25+)													
Less than HS degree	3,434,587	37	1,243,278	56	621,944	60							
HS grad	1,811,970	19	502,072	23	239,986	23							
Some College/AA	1,750,544	19	193,483	9	81,923	8							
BA Degree	1,499,727	16	192,004	9	54,814	5							
MA or Higher	886,967	9	100,519	5	29,424	3							
Median Annual Earnings, Full-time Workers²	\$36,089		\$23,715		\$25,000								
Female	\$34,552		\$20,324		\$20,000								
Male	\$37,120		\$25,000		\$27,142								
Poverty													
Above 500% of Poverty line	2,099,869	20	195,650	7	46,153	4							
250% to 500% of Poverty line	2,722,850	26	489,440	17	150,749	14							
150% to 250% of Poverty line	2,281,744	22	726,731	26	264,172	25							
Below 150% of Poverty line	3,404,952	32	1,413,967	50	613,764	57							
English Language Ability (age 5+)													
Yes, speaks only English	1,006,659	10	87,163	3	23,049	2							
Yes, speaks well or very well	5,831,275	55	1,201,049	42	383,758	36							
Yes, but not well	2,402,336	23	929,899	33	432,415	40							
Does not speak English	1,324,578	13	614,585	22	237,378	22							
Top 5 Languages Spoken³													
Spanish	5,435,982	51	2,279,987	80	953,775	89							
English	1,007,691	10	87,309	3	23,100	2							
Filipino, Tagalog	718,335	7	92,644	3	18,269	2							
Chinese	817,292	8	83,200	3	17,789	2							
Korean	310,251	3	68,496	2	15,757	1							
All other	2,275,297	22	221,060	8	47,910	4							
Labor Force Participation⁴													
Female Participation	2,785,919	64	664,820	55	298,311	53							
of which, share employed	2,481,653	89	559,967	84	250,795	84							
Male Participation	3,714,848	87	1,267,619	90	470,845	95							
of which, share employed	3,405,282	92	1,162,174	92	438,342	93							
Top 5 Occupations⁵													
Farming, Forestry, and Fishing	421,108	72	262,476	45	108,350	19							
Cleaning, Building and Household Service, and Material Handlers	346,196	67	146,305	28	69,682	13							
Helpers in Construction and Extraction, and Machine Operators, Assemblers, and Inspectors	343,647	54	181,571	28	71,859	11							
Construction Trades	385,550	63	148,716	24	64,424	11							
Homeownership (households)	242,900	46	120,522	23	54,484	10							
Homeownership (households)	1,938,373	47	151,313	18	108,813	21							
Health Insurance (age 25-64)	5,195,042	66	937,243	42	479,452	47							

NOTES

Source: USC Center for the Study of Immigrant Integration (CSII) analysis of a pooled sample of the 2010 through 2014 American Community Survey (ACS) microdata accessed from the Integrated Public Use Microdata Series (IPUMS).

- 1 Latino includes all who identify as Hispanic or Latino; all other categories are Non-Hispanic.
- 2 For full-time workers ages 16 or older. Full-time workers include those reporting work of at least 50 weeks and usual work hours of at least 35 hours per week during the year prior to the survey.
- 3 Top five languages spoken at home for the population ages five or older who are eligible for DAPA or expanded DACA.
- 4 For the civilian noninstitutional population ages 16-64. Labor force participation is defined as being employed or seeking work.
- 5 Top five occupations in terms of the percentage of all workers in the occupation that are eligible for DAPA or expanded DACA. Universe includes the employed civilian noninstitutional population ages 16-64.



METHODOLOGY

Unless otherwise noted, all estimates and data presented in this brief are based on analysis by the USC Center for the Study of Immigrant Integration (CSII) of a pooled sample of the 2010 through 2014 American Community Survey (ACS) microdata accessed from the Integrated Public Use Microdata Series (IPUMS) (Ruggles, Genadek, Goeken, Grover, & Sobek, 2015). In order to estimate who in the ACS microdata may be eligible for DAPA and expanded DACA, we first generated individual assignments of undocumented status. To do so, we adopted an increasingly common strategy that involves two steps (Capps, Bachmeier, Fix, & Van Hook, 2013; Warren, 2014). The first entails determining who among the noncitizen population is least likely to be unauthorized due to a series of conditions that are strongly associated with documented status—a process called “logical edits” (Warren, 2014: 308). The second involves sorting the remainder into authorized and unauthorized status based on a series of probability estimates applied to reflect the underlying distribution of probabilities.

With individual assignments of undocumented status in place, we then estimated who among the undocumented was likely to be eligible for DAPA, DACA, and expanded DACA. To calculate the DAPA-eligible we first considered the children, regardless of age, living with an unauthorized parent. If at least one of the children was a citizen or an LPR, we then investigated the time that the parent had been in the country; if that time exceeded five years, roughly the requirement for DAPA eligibility, we assigned the parent as DAPA eligible. Linking up children with their parents in the same household was done using the family and household relationship identifiers that are available in the IPUMS ACS.

To estimate DACA-eligible, we followed the general guidelines of the initial DACA administrative action in 2012 to the extent possible given data available in the IPUMS ACS. To qualify as DACA-eligible, the individual must: be at least 15 years old but no more than 31 years old, have entered the U.S. at less than 16 years of age, have either graduated high school (or equivalent) or be enrolled in school, and have resided in the U.S. for at least five years. For the expanded DACA-eligible, we simply shortened the time in country requirement to include all of those who entered the before 2010, and eliminated the requirement that applicants be 31 years old or younger. Persons qualifying under the expanded guidelines but not under the initial guidelines were identified as expanded DACA-eligible.

With the DAPA-eligible and expanded DACA-eligible individuals identified, identifying their children, family members, and other household members was straightforward and was accomplished using the same family and household relationship identifiers in the IPUMS ACS that were used to estimate the DAPA-eligible population. Finally, we should note that according to our estimates, an individual can be eligible for both DAPA and DACA or expanded DACA. This feature of the data only has implications for the pie chart reported in Figure 1, in which we include such individuals in the DACA and expanded DACA categories, respectively.

For further detail on the methodology please see our previous report *DAPA Matters: The Growing Electorate Directly Affected by Executive Action on Immigration*.

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