

Here to Stay: Building Economic Security for Immigrants California Reinvestment Coalition



The California Reinvestment Coalition (CRC) has launched a comprehensive, multi-year strategy to address the heightened threat of financial devastation that currently plagues immigrant families. ***Here to Stay: Building Economic Security for Immigrants*** leverages CRC's existing relationships with nonprofit, civic, and corporate leaders, along with our deep understanding of asset building strategies to strengthen and preserve the financial security of immigrant communities. Our work builds on other "know your rights" initiatives and engages community members at every level of program design, development, execution, and evaluation.

Here to Stay: Building Economic Security for Immigrants

Regional Strategy

- San Francisco East Bay (current)
- Central Valley (future)
- Silicon Valley (future)
- Los Angeles (future)

Over the past 30 years, CRC has grown into the largest state community reinvestment coalition in the country with a membership of 300 nonprofit organizations working for the economic vitality of low-income communities and communities of color. Among our members are a diverse set of organizations including affordable housing developers, community financial development institutions, multi-service agencies, nonprofit housing counselors, consumer advocates, legal service providers, and more.

Through listening sessions, member surveys, and in regional convenings throughout the state, we've heard the same scenarios being repeated by organizations that work with immigrants:

- Economic stability is now more important for immigrant families than ever as their homes, workplaces, and other spaces they inhabit become targets for merciless detention and deportation enforcement.
- Immigrants and other family members of mixed-status families are going underground – denying themselves access to critical benefits and financial services, not showing up at worksites or avoiding work (and therefore not earning income).
- Low-income immigrant households are being targeted by predatory lenders or are being denied service by mainstream banks and financial institutions. These families are experiencing uncertainty as to how best to navigate this new, unknown landscape.

Families are seeking guidance from local nonprofit organizations on the potential risks of using or applying for public benefits and Individual Tax Identification Numbers (ITINs), filing for tax refunds, disclosing personal information in order to open banking accounts, or even seeking out services from nonprofit service providers over concerns that this information will be used against them or a family member in the future. Many organizations that are most closely connected to immigrant and mixed-status families are seeking resources, materials, and guidance on how best to advise their clients on basic issues related to asset protection - for example, which banks or financial service providers offer

accounts and/or credit access to ITIN holders, what state and federal tax benefits are available to their clients, and under what authority federal agencies can access personal bank/credit records.

In addition, one key theme from our surveys and listening sessions was stated again and again: A new sense of urgency is emerging on how service providers can engage and mobilize immigrant and mixed-status family community members to take on leadership roles by advocating on their own behalf to gain access to the resources, materials, and benefits that lead to greater economic security. Organizations that provide direct services, especially those that had never led advocacy efforts before, inform us that they need to become advocates and engage their clients in these efforts. Those organizations that have done some community organizing before are seeking new ways to develop leaders among their clients and find new approaches to tackling these issues. They are looking to CRC to help lead these efforts.

In response to these immediate and longer-term needs, CRC is leading a program starting in the San Francisco Bay Area that will be replicated in key regions of need throughout the state, including the Central Valley, Silicon Valley, and Los Angeles. ***Here to Stay: Building Economic Security for Immigrants*** will identify and addresses the emerging economic needs of immigrant families by building a strategy that includes both advocacy and service provision guidance informed primarily by community members in coordination with nonprofit, government, and corporate stakeholders.

The foundation of this initiative is allowing communities to lead. CRC will develop grassroots leaders to advocate for community-driven solutions. These emerging leaders will become advocates on their own behalf. Community members will literally be at the table with civic leaders, government leaders, and executives from financial institutions. CRC will also work directly with banks to ensure access, cultural competency, and affordability in all products. Communities will not only identify corporate practices that need to be addressed, but also promote new state and local government policies. CRC and our member network will amplify community voices to ensure state and local agencies expand access to safety-net and similar material financial resources.

It is our belief that everyone should have access to the American dream. In partnership with our members and allies, CRC can not only address the urgent need to preserve and protect immigrants from financial and economic harm, but also help set immigrant families up for success and stability for generations to come.



Here to Stay: CRC's Campaign for Immigrant Financial and Economic Resources

Fact Sheet #1: California's immigrant families face immediate and long-term financial and economic crises created by increased detention and deportation actions, housing cost and instability, lack of access to safe and affordable financial services, and high cost of education.

Questions for CRC Members and Allies:

1. **Are these the most pressing financial and economic barriers that California immigrants face?**
2. **What research or observations can you share with us to help us frame the issues you see in your communities?**
3. **What changes in public and private policies and practices will increase financial and economic resources to help California immigrants thrive through these crises?**

Background: Recent drastic shifts in federal policies deeply affect California's immigrant and refugee communities. Rapidly widening targets for detention and deportation, expedited deportation processes with no access to immigration courts, reduced protections for long-time residents and unaccompanied children, decreased refugee admittance, and travel bans are just some of the policies rapidly changing the lives of immigrant Californians.¹ The resulting climate of fear makes it even harder for immigrant families already struggling to make ends meet in both the short and long term, from being able to secure enough income to save for retirement and emergencies. Our review of existing research indicates that these are some of the most common sources of financial and economic pressures:

1. **Costs associated with detention and deportation:** Though SB54 making California a "sanctuary state" was signed into law in 2017; California immigrants live in fear they will be targeted for detention and deportation, often regardless of how long they have lived here. According to the SF Gate, In September, 27 people were arrested in Santa Clara County as part of an operation targeting sanctuary cities across the country that led to 500 arrests. In June, federal officers arrested 54 people in Central California.² The economic impact of ongoing deportations leads to loss of income, legal counsel, the cost for reunification, and additional costs related to abrupt changes when ICE breaks families apart. Lack of work authorization or sudden loss of work authorization as the federal administration targets currently protected communities,

¹ The Economic Impacts of Removing Unauthorized Immigrant Workers
Ryan Ortega - <https://www.americanprogress.org/issues/immigration/reports/2016/09/21/144363/the-economic-impacts-of-removing-unauthorized-immigrant-workers/>

² Feds planning massive Northern California immigration sweep to strike against sanctuary laws
Hamed Aleaziz - <https://www.sfgate.com/bayarea/article/Feds-planning-massive-Northern-California-12502689.php>

for anyone in the family means the whole family can be struggling with not enough income or unstable income. Possible solutions could include supporting efforts for federal advocacy to stabilize and expand work authorization, guidance to employers on how to retain workers in vulnerable positions, and increasing access to self-employment.

2. **Cost of Housing:** High housing prices seem to be the primary force behind the decline in the immigrant and particularly low-income immigrant population. Across California, 52 percent of immigrant households rent their homes. About 60 percent of immigrant renter-occupied households are burdened—that is, spend more than 30 percent of their household income on rent and utilities.³ The greatest barriers to immigrant homeownership included unfamiliarity with the U.S. credit system, lack of credit history, language limitations, and a limited supply of affordable housing.⁴ The economic impact associated with housing is the lack of secure housing and the risk of becoming homeless due to limited income. Possible solutions could include credit readiness programs, public funding for rental and homeownership counseling, increase sustainable mortgage loans for low-income and immigrant families.
3. **Access to Safe and Affordable Financial Services:** Immigrants may face language and cultural barriers in accessing financial products. Banks may not have employees who speak the immigrant’s native language or who are familiar with specific cultural customs surrounding finances.⁵ ITIN

holders have limited access to bank accounts and savings due to the fact that some banks refuse to offer services for immigrants. Immigration status fuels fears regarding banking and ultimately the persistence of unbanked status; limited financial education prompts community members to move from being unbanked to being unbankable.⁶ The economic impact is associated with the lack of opportunity for financial mobility and limited access to banks. The solutions could possibly include multilingual financial literacy and increase the accessibility to banks in low-income neighborhoods.

4. **Cost of Education:** Although California students can apply for AB540 status allowing eligible undocumented resident students to pay in-state tuition at public colleges and universities, even with in-state tuition rates, undocumented students can find it difficult to cover the costs of higher education. Mixed-status families struggle to attend college due to the limited knowledge about financial aid and lack of access to financial resources. DACA students struggle to find short-term loans and scholarships to get a college education; therefore, they are less likely to attend college. The long-term economic impact associated with no access to financial resources for college education limits the immigrant family’s ability to get a higher paying job in the future is lower without a college degree. The solution could possibly include student loans, need-based scholarships, expansion of Cal grants, and work study for DACA recipients.

³ Joseph Hayes, “Just the Facts: Immigrants in California,” PPIC, January 2017.

⁴ Financial Access for Immigrants: Learning from Diverse Perspectives
Anna Paulson-Audrey Singer - <https://www.brookings.edu/research/financial-access-for-immigrants-learning-from-diverse-perspectives/>

⁵ Immigrant and Refugee Families
Co-edited with equal contribution by Jaime Ballard, Elizabeth Wieling, and Catherine Solheim - <http://open.lib.umn.edu/immigrantfamilies/chapter/4-3-financial-problems/>

⁶ From Being Unbanked to Becoming Unbanked or Unbankable: Community Experts Describe Financial Practices of Latinos in East Los Angeles. Padua, Larissa et al. 2016