



**JUNE 2023** 

# **Essential Fairness: The Case for Unemployment Benefits for California's Undocumented Immigrant Workers**

### **SUMMARY**

The COVID-19 pandemic revealed several longstanding workplace inequities, such as lax workplace health and safety oversight, inadequacies in the nation's disaster response system, and the absence of an economic safety net to the nation's most disadvantaged workforce—undocumented immigrant workers.

Our analysis examines immigrant, noncitizen workers' central role in California's economy; earnings inequalities between citizen and noncitizen workers; the relationship between the lack of use of unemployment benefits and death; and the increasing environmental threats that make disasters likely. Finally, we estimate unemployment benefits for undocumented immigrant workers excluded under the current federal Unemployment Insurance system.

Findings suggest most undocumented workers in California spend twenty weeks or less unemployed, but if eligible for federal Unemployment Insurance would qualify for an average of \$300 in weekly benefits. Assuming roughly 140,000 California unemployed undocumented workers per year, \$597 million would provide benefits at levels similar to Unemployment Insurance.

### **KEY FINDINGS**

1. Undocumented workers comprise a significant share of California's 17.1 million workers. Over one million California workers, or six percent of the workforce, are undocumented.

- 2. Undocumented workers play a key role in California's economy, filling one in sixteen jobs but also generating \$3.7 billion in state and local tax revenues.
- 3. Seven industry categories accounted for more than half (55%) of California's noncitizen and undocumented workers: manufacturing; restaurants and food services; construction; professional, scientific and management; agriculture; retail trade; and other services.
- 4. Undocumented workers face far greater levels of economic insecurity; twice as many noncitizen workers (38%) live below a "living wage" than citizen workers (18%).
- 5. Most children living with at least one undocumented relative experience economic insecurity. More than six in ten (61%) children living in noncitizen worker households live below a living wage, compared with 36% of other children in worker households.
- 6. A relationship exists between the lack of usage of unemployment benefits and industry-level pandemic deaths. Workers in eight of the industries with the highest pandemic-era increases in workplace deaths had low rates of unemployment benefits usage (<25%) and high rates of in-person (i.e. "frontline") work (>80%).
- 7. In the first year of the pandemic, California unemployed citizen workers were eligible for up

to 20 times as much economic aid as unemployed undocumented workers (\$35,000 vs \$1,700).

- 8. California faces the highest risk for major environmental disasters, including wildfires and floods. While the risk is high in nearly all counties, it is highest in those with higher rates of noncitizen workers. California is unique in the nation for the consistency and severity of risk.
- 9. A more inclusive economic safety net system is possible in California, for the COVID-19 pandemic and beyond. Assuming roughly 140,000 unemployed undocumented workers in California per year, \$597 million would provide unemployed undocumented immigrants with economic benefits at levels similar to federal Unemployment Insurance.

#### INTRODUCTION

Nearly two years since the initial outbreak of the COVID-19 pandemic in the United States made national news, COVID-19 continues to be the greatest public health disaster in the nation in nearly a century. In early February 2022, the United States crossed the 1,000,000 death threshold, and in California excess deaths crossed 100,000 by early February 2022.<sup>12</sup>

Apart from its epidemiological impacts, the COVID-19 pandemic has also exposed long-standing workplace inequities in the US that fueled the spread of the virus. This includes a lack of adequate workplace health and safety standards and enforcement, inadequacies in disaster response systems, and a lack of a safety net—particularly unemployment benefits—for the nation's most disadvantaged but essential workforce: undocumented immigrants.

The gap in aid between undocumented immigrant workers and citizen workers was most pronounced during the first thirteen months of

the pandemic, from March 1, 2020 to March 31, 2021. While unemployed US citizen workers were eligible for up to tens of thousands of dollars in Unemployment Insurance, federal pandemic unemployment compensation, and federal stimulus funds, undocumented immigrants were *excluded* from these forms of economic aid.

These disparities were among the greatest in California, where unemployed citizen workers were eligible to receive up to *twenty times* as much economic aid as undocumented immigrant workers. In California, from March 1, 2020 to March 31, 2021, unemployed citizen workers were eligible to receive up to \$35,000; this was in contrast to undocumented immigrants, eligible only for up to \$1,700 in state economic aid (Century Foundation 2021).

There is a strong case for economic aid to California's most vulnerable workers. First, studies have shown that economic aid is an important tool that safeguards the health and wellbeing of workers and their families during a public health crisis, as seen for citizen workers who were able to access economic aid without exclusions. Economic aid programs that provide workers with relief can mitigate fear and risk of retaliation (e.g. hours reduction, job loss), among those who experience employer noncompliance with workplace health and safety and seek to file a report. Such aid can provide a safety net in the event that workers are retaliated against for filing reports, and thereby help improve workplace compliance with existing workplace health and safety standards. Second, economic aid programs further protect against increasingly common climate changeinduced environmental disasters by providing disaster relief for working families that experience job loss as a result of natural disaster.

In this report, we examine immigrant, noncitizen workers' central role in California's economy; earnings inequalities between citizen

<sup>&</sup>lt;sup>1</sup> See Centers for Disease Control (2022) for estimates of COVID-19 pandemic-related deaths.

<sup>&</sup>lt;sup>2</sup> Experts measure COVID-19 deaths through observed deaths above expected deaths, due to widespread inaccuracies in cause of death listed on death certificates

that underestimate the true impact of COVID-19 and the pandemic (e.g. Centers for Disease Control 2022).

and noncitizen workers; the relationship between the lack of use of unemployment benefits and death; and the increasing threats facing the most vulnerable workers in the state that is on the nation's frontlines of increasing and widespread global environmental disasters.

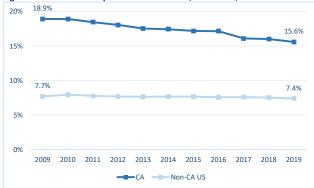
Above all, the most important contribution of this report is to highlight that the need for equity and inclusion in our state's safety net for undocumented immigrant workers during the nation's greatest public health and economic crisis in nearly a century—and to estimate the benefits that would emerge from a more inclusive unemployment benefits system.

Recognizing the vulnerable and inadequacy of our nation's unemployment benefits system, several states adopted measures to provide safety net benefits for undocumented immigrants who lose their jobs and are ineligible for Unemployment Insurance. Our estimates suggest such a safety net benefits system in California would provide billions in funding for local and regional economies.

# CALIFORNIA'S NONCITIZEN IMMIGRANT WORKFORCE

Noncitizens comprise a significant share of California's 17.1 million workers. In 2019, 2.7 million California workers were noncitizens, representing 15.6% percent of workers—or nearly one in six (see figure 1.1). Noncitizen workers represent a diversity of immigration statuses, some with authorization to work but others lacking it.<sup>3</sup> Applying national figures to the state, we estimate that 1.1 million workers—roughly 6.4% of California's workers, or over one in sixteen workers—is undocumented.<sup>4</sup>





Source: UC Merced Community and Labor Center analysis of IPUMS-USA American Community Survey 2009-2019 Public Use Microdata Series (PUMS) data

California noncitizen workers, however, have been declining over the past decade owing to historic demographic shifts. National immigration rates are at the lowest level in four decades, and migration from Mexico—a major source of US and California immigration since 1970—has fallen since 2010.<sup>56</sup> In addition, the rate of Californians moving to other states is at its highest since the 1990s.<sup>7</sup> Nonetheless, in 2019, California's rate (15.6%) of workers who are noncitizen remained more than twice the national average of 7.4% (see figure 1.1).

Undocumented immigrants play a key role in California's economy, filling not just one in sixteen jobs but also generating billions of dollars in state and local tax revenues. In 2019, California undocumented workers annually contributed an estimated \$3.7 billion in state and local taxes and \$7.0 billion in federal taxes.8 In addition, associated with undocumented workers, California employers provide annual estimated tax contributions of \$302 million to Unemployment Insurance.<sup>9</sup> Unfortunately, undocumented immigrants are federally

<sup>&</sup>lt;sup>3</sup> Noncitizens include lawful permanent residents, familysponsored visa holders, refugees/asylees, recipients of Deferred Action for Childhood Arrivals, skilled or unskilled workers on temporary visas, and undocumented immigrants

<sup>&</sup>lt;sup>4</sup> Pew Research Center (2019) suggested that 42% of noncitizen immigrants were undocumented. Applying such figures to California

<sup>&</sup>lt;sup>5</sup> See Johnson et al. (2022).

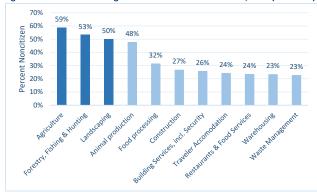
<sup>&</sup>lt;sup>6</sup> See Warren (2021).

<sup>&</sup>lt;sup>7</sup> See Johnson et al. (2022).

<sup>&</sup>lt;sup>8</sup> See California Immigrant Data Portal (2022)

<sup>&</sup>lt;sup>9</sup> This is drawn from UC Merced Community and Labor Center (2023) ten-year estimates between 2012 and 2021, assuming about 1.1 million California undocumented immigrants, 50% of undocumented immigrants with reportable wages, a California FUTA tax between 0.6% and 2.7%, and California employer annual contributions to SUTA between \$391 and \$468, depending upon the year examined.

Figure 2.1 Industries with highest rates of noncitizen workers, 2019 (California)



Source: UC Merced Community and Labor Center analysis of IPUMS-USA American Community Survey 2019 Public Use Microdata Series (PUMS) data

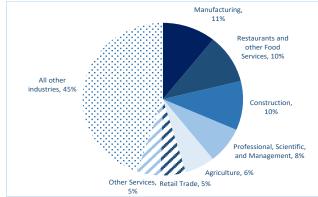
prohibited from accessing Unemployment Insurance (UI) benefits.

"De un día para otro con el inicio de la pandemia todo cambió. El lugar donde yo trabajaba cerró, nos dieron nuestro último cheque y las gracias, eso era todo. Mi mundo se desmoronó ... Estaba devastada por no poder proveer a mis hijos, no poder asegurar la comida. ¿Cómo iba a pagar los servicios? ... Me daba tanta tristeza saber que he trabajado toda mi vida y he aportado de una u otra manera a esta economía y no podía recibir nada a cambio, ninguna ayuda estaba disponible por mi estatus." - Carolina Maldonado, madre de cuatro hijos, ex trabajadora de restaurante

"From one day to another with the onset of the pandemic everything changed. The place where I worked closed, they gave us our final checks and said thanks - that was it. My world collapsed ... I was totally devastated not being able to provide for my children, not being able to get food. How would I pay the bills? ... It gave me such sadness to know that I had worked my whole life and contributed in one way or another to this economy and I could not receive anything in return, no aid was available due to my status." - Carolina Maldonado, mother of four, former restaurant worker

<sup>10</sup> Professional, scientific and management workers, for example, includes those in computer systems design and related services, which employs a high number of guest workers on Visa. Two in three (66.1%) foreign workers hired

Figure 2.2 Industry share of noncitizen workers, 2019 (California)



Source: UC Merced Community and Labor Center analysis of IPUMS-USA American Community Survey 2019 Public Use Microdata Series (PUMS) data

### INDUSTRY RELIANCE ON NONCITIZEN WORKERS

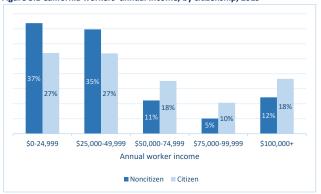
Many California industries rely on a business model that employs high numbers of noncitizen workers. In 2019, noncitizens comprised most workers in several of California's major industry sectors, such as agriculture (59%) and landscaping (50%) (see figure 2.1). In eight other industries noncitizens comprised more than one in five workers. Some industries included food processing (32%), construction (27%), building services (26%), traveler accommodation (24%), restaurants and food services (24%), and warehousing (23%) (see figure 2.1).

No reliable estimates exist for the rate of undocumented workers by industry, but in some, such as professional and scientific industries, the rate of noncitizen workers with legal residence may be higher than others. <sup>10</sup> On the other hand, several of California's major industries have traditionally employed large numbers of low-wage, undocumented workers. These include industries listed above—such as agriculture, food processing, construction, travel accommodation, restaurants/food services—but as well other services, such as car washes, nail salons, laundry services, and private households (including domestic workers and gardeners). <sup>11</sup>

on H-1B visa work in computer-related occupations. See U.S. Citizenship and Immigration Services (2020).

<sup>&</sup>lt;sup>11</sup> See UCLA Labor Center (2020).

Figure 3.1 California workers' annual income, by citizenship, 2019



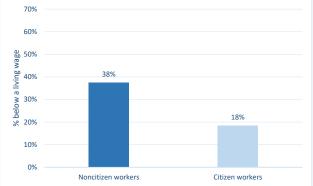
Source: UC Merced Community and Labor Center analysis of IPUMS-USA American Community Survey 2019 Public Use Microdata Series (PUMS) data

Seven industry categories accounted for more than half (55%) of California's noncitizen workers and undocumented workers. This included manufacturing (11%); restaurants and food services (10%); construction (10%); professional, scientific and management (6%); agriculture (6%); retail trade (5%); and other services (5%) (see figure 2.2).

## THE LACK OF A LIVING WAGE AMONG NONCITIZEN WORKERS

California boasts the world's fifth largest economy. 12 Yet, despite their critical role in the state's workforce, noncitizen workers are more likely to be concentrated in low-wage work compared to their citizen counterparts. In 2019, more than one in three (37%) California noncitizen workers received less than \$25,000 in annual wage and salary earnings, and an additional 35% earned between \$25,000 and \$50,000 (see figure 3.1). In a state with one of the nation's highest costs of living, such wages are not enough for families to subsist on. While Los Angeles and the Bay Area are known for their high rent costs, the Central Valley and other inland communities share similarly high rates of rent burden and eviction. 13





Source: UC Merced Community and Labor Center analysis of IPUMS-USA American Community Survey 2019 Public Use Microdata Series (PUMS) data

"Nosotros no tenemos otras fuentes de ingreso que el salario de nuestro trabajo ya que no contamos con un estatus legal y no podemos recibir beneficios del gobierno. Trabajando en el campo el salario no es suficiente... para poder cubrir los gastos básicos." - Rosa Hernández, campesina desde hace 22 años

"We do not have sources of income other than wages from our work, since we do not have a legal status and cannot receive benefits from the government. Wages from working in the field are insufficient... to cover the basic expenses." - Rosa Hernandez, agricultural worker for 22 years

California noncitizen workers earn lower wages and experience greater financial insecurity than citizen workers. To examine financial insecurity, we applied county-level "living wage" thresholds from the Massachusetts Institute of Technology (2020) Living Wage Calculator to ACS 2019 data. <sup>14</sup> We found that nearly four in ten (38%) noncitizen workers live in households that earn less than a living wage—the amount needed to avoid chronic and severe housing and food insecurity (see figure 3.2). <sup>15</sup> The figure for undocumented workers is likely much higher.

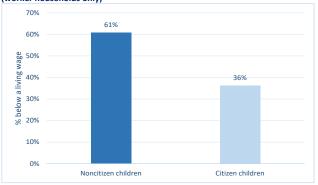
<sup>&</sup>lt;sup>12</sup> See Egel (2018)

<sup>&</sup>lt;sup>13</sup> See Crowell and Nkosi (2020).

<sup>&</sup>lt;sup>14</sup> See Nadeau (2018, 2)

<sup>&</sup>lt;sup>15</sup> We applied the 2019 county-level and household-specific thresholds to every household sampled in the 2019 American Community Survey.

Figure 3.3 Percent of California children living below a living wage, by citizenship (worker households only)



Source: UC Merced Community and Labor Center analysis of IPUMS-USA American Community Survey 2019 Public Use Microdata Series (PUMS) data

The issue of living below a living wage acutely affects children in undocumented households acutely. We estimate that 36 percent (1.9 million of 5.3 million) of children living in citizen worker households live below a living wage; but that 61 percent (1.2 million of 2.0 million) children living in noncitizen worker households live below a living wage (see figure 3.3). This rate is likely much higher than 61 percent for children living in households with an undocumented immigrant worker, undocumented workers are generally more vulnerable and experience greater inequalities than non-citizens with work authorization.

### THE NEED FOR A MORE INCLUSIVE SAFETY NET

Many California businesses gained record profits during the pandemic, resulting in a \$38 billion state budget surplus in 2021 and a \$31 billion surplus in 2022. <sup>16</sup> Low earnings and a lack of a safety net, however, pose an ongoing threat to the economic stability and wellbeing of workers who created such wealth. This was especially true among undocumented immigrant workers, who disproportionately concentrated in

industries with the highest rates of injury and illness before the pandemic; in industries with the highest rates of death during the pandemic; and remain vulnerable to major public and environmental disasters, such as record heat and catastrophic wildfires.

Several industries which undocumented workers are concentrated in had high rates of injury and illness before the pandemic. In 2019, agriculture, forestry, fishing and hunting, had highest the case rate (5.2 per 100 full-time workers) of employer-reported injury and illness in the private sector. Temployer-reported injury and illness were also higher-than-average in transportation and warehousing (4.4); retail trade (3.4); manufacturing (3.3); and accommodation and food services (3.2).

The COVID-19 pandemic exposed deficiencies in US workplace health and safety. At the outset of the pandemic, following tens of millions of job losses, the federal government passed legislation providing emergency paid sick leave to workers employed in firms between 50 and 499 workers, as well as pandemic unemployment relief. 1920 Most American workers, however, were employed in firms with fewer than 50 workers or over 500 workers. 21 To close federal policy gaps, California extended emergency paid sick leave to food sector workers, and several major cities and counties passed COVID-related ordinances providing emergency paid sick leave to workers. <sup>2223</sup>

Nonetheless, significant inequities remain for California workers, as citizen workers had access to more than twenty times the amount of aid as undocumented workers. While California unemployed *citizen* workers were able to access up to \$35,000 in Unemployment Insurance, federal pandemic unemployment compensation, and federal stimulus aid, California unemployed *undocumented* workers were only eligible to receive up to \$1,700 in

<sup>&</sup>lt;sup>16</sup> See California Legislative Analyst's Office (2021a, 2021b)

<sup>&</sup>lt;sup>17</sup> See U.S. Bureau of Labor Statistics (2019).

<sup>&</sup>lt;sup>18</sup> See U.S. Bureau of Labor Statistics (2019).

<sup>&</sup>lt;sup>19</sup> See U.S. Department of Labor (2020a).

<sup>&</sup>lt;sup>20</sup> See U.S. Department of Labor (2020b).

<sup>&</sup>lt;sup>21</sup> See Flores and Padilla (2020).

<sup>&</sup>lt;sup>22</sup> See Office of the Governor (2020).

<sup>&</sup>lt;sup>23</sup> See https://www.natlawreview.com/article/covid-19-california-jurisdictions-extend-or-reissue-covid-19-emergency-paid-sick

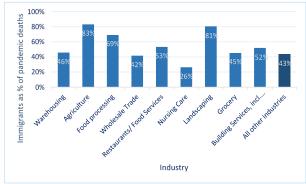
"Casi inmediatamente después que comenzó la pandemia perdí mi trabajo, estuve desempleada por 4 meses ... Todavía me acuerdo la cara de mi hijo, muy estresado ... Pasé meses sin trabajo y no pude seguir pagando la renta, se estaba acumulando y la encargada del edificio me desalojó ... Hasta ahorita mis 2 hijos y yo estamos viviendo en un hotel en San Francisco" Maria Venegas, madre de dos hijos, ex trabajadora de restaurante.

"Almost immediately after the pandemic started I lost my job, I was unemployed for 4 months ... I still remember my son's face, very stressed ... I spent months without a job and I couldn't keep paying the rent, it was piling up and the manager of the building evicted me ... Until now my two children and I are living in a hotel in San Francisco." - Maria Venegas, parent of two, former restaurant worker.

funds—consisting of a \$500 COVID-19 Disaster Relief pre-paid card, and \$1,200 from the Golden State Stimulus fund (see Appendix B). <sup>24</sup> Even so, many were unable to access the funds due to state's lack of capacity for administering the funds. <sup>2526</sup> In addition, the two aforementioned programs did not distinguish between workers and non-workers, meaning that the limited amount of funding was shared by many people.

US frontline workers were especially vulnerable during the COVID-19 pandemic, not only risking disease from a deadly virus but retaliation in unsafe workplaces. One in five (20%) US frontline workers had a paid sick or family leave request denied by an employer, and one in four Latinx workers feared retaliation for speaking up about unsafe workplace conditions.<sup>27</sup> Undocumented workers were

Figure 4.1 Immigrants as a share of pandemic-related deaths, by industry



Source: UC Merced Community and Labor Center analysis of California Department of Public Health- California Comprehensive Death File, March-December 2019-2020

especially vulnerable, having no source of wage replacement in the event of job loss. Many undocumented workers worked in workplaces where they were threatened with or experienced retaliation—such as reduced hours or job loss—if they sought to follow public health guidance and miss work due to COVID-19 illness.<sup>2829</sup> Public regulatory agencies often responded, if at all, with delayed investigations and very small financial penalties only long after major outbreaks had infected and killed several workers.<sup>30</sup> Lacking safety net benefits, many undocumented workers felt as if they had no choice but to continue working—facing unlawful working conditions that caused serious risks to their own and others health—to meet financial commitments (e.g. housing, food, etc.).31

Immigrants were the majority of COVID-19 pandemic-related deaths in the ten California industries with the highest rate of pandemic-related deaths, comprising nearly six in ten (58%) pandemic-related deaths.<sup>32</sup> Immigrants were the majority of deaths in agriculture (83%), landscaping (81%), food processing (69%), restaurants and food services (53%), and building services (52%) (see figure 4.1).

<sup>&</sup>lt;sup>24</sup> See Century Foundation (2021).

<sup>&</sup>lt;sup>25</sup> On April 15, 2020, the Office of California Governor Gavin Newsom announced a \$125 million disaster relief assistance for California workers affected by COVID-19 and excluded from Unemployment Insurance. It provided one-time aid of \$500 per adult (with a cap of \$1,000 per households).

<sup>&</sup>lt;sup>26</sup> See Koran (2020).

<sup>&</sup>lt;sup>27</sup> See National Employment Law Project (2021, 2)

<sup>&</sup>lt;sup>28</sup> See Frontline (2020)

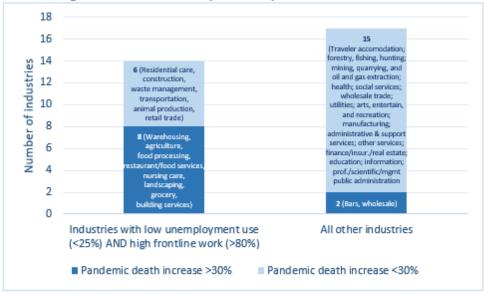
<sup>&</sup>lt;sup>29</sup> See Ho (2020)

<sup>&</sup>lt;sup>30</sup> See Lin and Miller (2021) for coverage of the Foster Farms outbreak in Livingston, California.

<sup>31</sup> See Bolanos (2021)

<sup>&</sup>lt;sup>32</sup> See UC Merced Community and Labor Center (2021)

Figure 4.2 Industries by rate of pandemic death increase, unemployment benefit usage, and frontline work (California)



Source: UC Merced Community and Labor Center analysis of California Department of Public Health- California Comprehensive Death File, March-December 2019-2020; IPUMS-CPS Basic Monthly May-Dec 2020 Public Use Microdata Series (PUMS) data; IPUMS-CPS ASEC 2021 Public Use Microdata Series (PUMS) data

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Table 5.1 Noncitizen workers by California region, 2019

			Undoc.	Undoc.
	All workers	Noncitizen	(est.)	% (est.)
Central Valley	1,609,098	269,856	113,340	7%
Inland Empire	1,839,583	220,018	92,408	5%
San Diego-Imperial Valley	1,532,058	164,486	69,084	5%
Sacramento Valley	1,271,655	108,893	45,735	4%
Los Angeles	4,354,177	817,110	343,186	8%
Orange	1,408,547	214,399	90,048	6%
Bay Area	3,674,828	611,117	256,669	7%
Central Coast	794,779	118,122	49,611	6%
North Coast and State	143,404	7,735	3,249	2%
Sierra	100,362	4,603	1,933	2%
No Geography Identified	201,805	55,719	23,402	12%
California	16,930,296	2,592,058	1,088,664	6%

Source: UC Merced Community and Labor Center analysis of IPUMS-USA 2019 Public Use Microdata Series

To better understand the role that utilization of unemployment benefits plays in a major public health crisis, we examined the relationship between industry-level rates of frontline work, unemployment benefits usage, and pandemic death rates. We found that workers in *eight of the top-ten* industries with the highest pandemic-era increases in death had lower rates of unemployment benefits usage (<25%) and high rates of in-person work (>80%) (see figure 4.2).<sup>33</sup>

Conversely, fifteen of seventeen industries that lacked such low rates of unemployment use or high rates of in-person work ("all other industries") were not in the topten for highest pandemic-era increases in death (see figure 4.2). This indicates a relationship between lack of utilization of unemployment benefits and pandemic-era increases in death.

In sum, lower earnings among undocumented workers makes safety net benefits more critical. For workers facing unsafe working conditions, unemployment benefits provide protections against job insecurity for workers reporting such conditions. Extending unemployment benefits to undocumented immigrant workers would ensure that they are also protected.

### THE THREAT OF NATURAL DISASTERS

California's diverse regions rely upon noncitizen and undocumented persons for their workforces. We estimate that Los Angeles has he state's highest share of workers who are undocumented (8%).<sup>34</sup> The statewide average (6%) is not substantially different, however, and other regions also have similar rates of undocumented immigrant workers in their

respective workforce, such as the Central Valley (7%), Bay Area (7%), Central Coast (6%), Orange (6%), Inland Empire (5%), and the San Diego-Imperial Valley region (6%) (see figure 5.1).

California's undocumented population, despite being geographically diverse, is highly vulnerable to the state's increasing and widespread threat of major natural disasters. The Federal Emergency Management Agency (FEMA) National Risk Index finds that most of California's counties are classified from "relatively moderate" to "very high" on a metric of eighteen natural hazards (see figure 5.2).<sup>35</sup>

Fifty-two of California's fifty-eight counties are ranked as "relatively moderate" in their annually expected losses of building value, population, and agriculture; high social vulnerability; and low community resilience. 36 37 (Only six of California's fifty-eight counties ranked "relatively low" or "very low" in the National Risk Index.) California disasters looming include catastrophic wildfires near major forests, heat and wildfire smoke in the central valley, floods near coastal areas, and major earthquakes in Southern California and the Bay Area.

despite their vulnerability, Yet, California's immigrants have been on the frontlines of global warming and major environmental disasters—especially those in inland communities in need of shelter from the heat. On July 11, 2021, record heat in Fresno reached a peak of 114 degrees and hospitalized dozens of Fresno residents.<sup>38</sup> Record heat and drought have also generated catastrophic wildfires, with six of the seven largest wildfires in California history occurring in the past two years alone.<sup>39</sup> These fires scorched millions of acres and thousands of structures, and displaced thousands of persons.

<sup>&</sup>lt;sup>33</sup> We analyzed CPS Basic Monthly 2020 data for industry rates of workers unable to telework, and CPS ASEC 2021 data for industry rates of workers having received unemployment the year prior.

<sup>&</sup>lt;sup>34</sup> Here again we apply Pew Research Center (2019) national-level estimates (that 42% of noncitizens are undocumented) to California and its counties.

<sup>&</sup>lt;sup>35</sup> The National Risk Index's eighteen natural hazards consist of: avalanche, coastal flooding, cold wave, drought,

earthquake, hail, heat wave, hurricane, ice storm, landslide, lightning, riverine flooding, strong wind, tornado, tsunami, volcanic activity, wildfire, and winter weather (Federal Emergency Management Agency 2021a, 5-1).

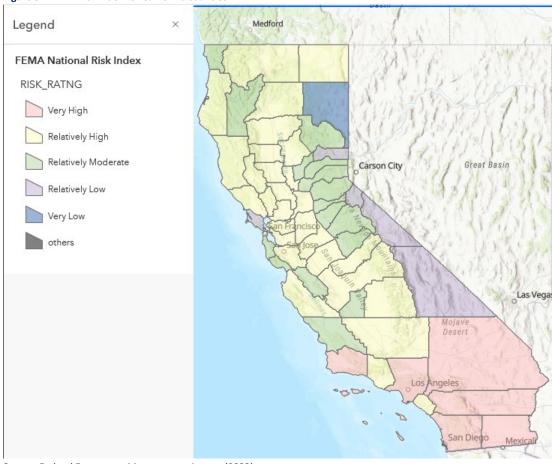
<sup>&</sup>lt;sup>36</sup> See Federal Emergency Management Agency (2021b).

<sup>&</sup>lt;sup>37</sup> See Federal Emergency Management Agency (2022).

<sup>&</sup>lt;sup>38</sup> See Rodriguez-Delgado (2021).

<sup>&</sup>lt;sup>39</sup> See Cal Fire (2021).

Figure 5.2 FEMA risk index for California counties



Source: Federal Emergency Management Agency (2022)

The effects of climate change are devastating, however, as the fear of job loss or threat of retaliation looms large in the lives of undocumented workers. Many undocumented agricultural workers live in overcrowded conditions with no air conditioning, breathe dangerously unhealthy air without required protective gear (i.e. N95 masks) while working, and are unable to miss work to lose even one day of pay. 40 While California recently enacted workplace health and safety standards for farm work during periods of dangerous wildfire smoke, the California Occupational Health and Safety Administration rarely enforces the standard. An undocumented worker who spoke with National Public Radio about the issue declined to give his name out of fear of retaliation. 41 Thus, without the security of safety net benefits, workers fear retaliation and fail to speak out against unsafe working conditions—thwarting California's efforts to protect workers.

Some of the greatest differences in concentration of noncitizen and undocumented workers is among counties. Counties with the state's highest rate of noncitizen workers were Monterey, Santa Clara, and Merced (see Appendix C), the former and latter of which have large concentrations of agricultural workers. While Santa Clara has one of the state's highest rate of professional and scientific jobs that most H-2B guest workers are represented in, we estimate that one in ten workers in Monterey (12%) and Merced (10%) counties were undocumented—the highest in the state.

<sup>&</sup>lt;sup>40</sup> See Gross (2021).

<sup>&</sup>lt;sup>41</sup> See National Public Radio (2021).

Figure 5.3 FEMA risk index for US counties

Source: Federal Emergency Management Agency (2021b, 1)

An analysis from FEMA reveals that California is unique in its widespread consistency and severity of such risk to environmental hazards (see figure 5.3). Only Arizona (though with no counties ranked at the highest risk) and Florida (though with several counties ranked as "low risk") come close to matching California's level of risk.

Thus, as climate change continues, undocumented workers integrated into several key industries across California's regions face heightened risk of experiencing environmental disaster, displacement, and income loss. In addition, because they lack access to safety net benefits and fear the consequences of retaliation due to speaking out about working conditions, undocumented workers may fail to report unsafe workplaces—undermining state public health or environmental protections for workers.

Safety Net Benefits for California's undocumented workers would advance the state's interest in public health, environmental safety, workplace health and safety protections, as well as provide greater support to workers and their family members during moments of unemployment and crisis. State-sponsored programs in Colorado and New York provide examples of how COVID-19 safety net benefits to undocumented workers served in the public's interest and assisted a vulnerable population. 42

Given the rising threat of public health, but also climate-related environmental disasters facing undocumented Californians across the state, policymakers might consider the public good that a safety net benefits system would serve the state and its workers and families.

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**ESTIMATING SAFETY NET BENEFITS** 

<sup>&</sup>lt;sup>42</sup> See Century Foundation (2021).

Table 6.1 Estimated unemployment benefits for California undocumented workers

	2019	2020	2-yr avg
Noncitizen workers unemployed at any moment	283,602	518,802	401,202
Noncitizen workers with qualifying earnings	248,133	420,559	334,346
Undocumented workers with qualifying earnings	104,216	176,635	140,425
75% of undocumented workers unemployed for at least	10 wks	8 wks	8 wks
50% of undocumented workers unemployed for at least	17 wks	20 wks	20 wks
25% of undocumented workers unemployed for at least	26 wks	26 wks	26 wks
Median benefit	\$281	\$301	\$300
Mean benefit	\$287	\$299	\$300
Est. mean wage replacement (in millions), 8 weeks	\$229	\$365	\$297
Est. mean wage replacement (in millions), 17 weeks	\$409	\$658	\$533
Est. mean wage replacement (in millions), 20 weeks	\$455	\$739	\$597
Est. mean wage replacement (in millions), 26 weeks	\$531	\$882	\$706

Source: UC Merced Community and Labor Center analysis of IPUMS- CPS ASEC 2020-2021 Public Use Microdata Series (PUMS) data

Note: Estimates based on assumption of legislative reform providing eligibility to state-funded unemployment benefits, for undocumented workers, with the same thresholds for minimum earnings as federal unemployment insurance. Shaded cells represent projections based on \$300 weekly benefit.

While not possible to make valid projections about major economic and environmental conditions, we draw from American Community Survey (ACS) and Current Population Survey (CPS) data to estimate safety net benefits for California's undocumented workers at similar levels as Unemployment Insurance benefits. We base this upon prepandemic and pandemic-era figures.

First, we assume 140,425 undocumented unemployed workers. In 2019, 104,216 undocumented Californians experienced unemployment, and in 2020, the year of the COVID-19 pandemic, 176,635 undocumented Californians experienced unemployment (see table 6.1). As a result, we estimate that in the 2019-2020 period California had an annual average of 140,425 unemployed undocumented immigrants, and we use this as a baseline for years in the near future.

Second, we assume unemployment of twenty weeks. In the 2019-2020 period, the median total weeks of unemployment among California non-citizen workers who experienced unemployment was twenty weeks. Three in four (75%) undocumented workers who experienced unemployment were unemployed for at least a total of eight weeks, while one in four (25%) undocumented immigrant workers experienced twenty-six weeks of unemployment or more. For this reason, unemployment benefits estimates are conservatively limited to twenty weeks.

Third, we assume \$300 in weekly benefits per undocumented worker. In the most recent year of data, 2020, unemployed noncitizen workers in California had earnings that would have qualified them (if they all had access to Unemployment Insurance) for an average of \$299 in weekly benefits. The median weekly benefit would have been \$301. In turn, we assume a \$300 benefit per undocumented worker.

We find that, in California, an investment of \$597 million (not including administrative costs) could provide \$300 in weekly benefits for twenty weeks—the full length of unemployment for half of all California undocumented workers. Such a program could provide safety net benefits for most undocumented immigrants at levels similar to federal Unemployment Insurance.

### **CONCLUSION**

California undocumented immigrant workers are critical to the state's workforce, numbering 1.1 million and contributing an estimated \$3.7 billion in annual state and local tax revenues. Unfortunately, such workers face high rates of extreme hardship and do not have access to unemployment benefits. Nearly four in ten (38%) noncitizen workers, and over six in ten (61%) of children living with noncitizen workers, live under a living wage, facing chronic and severe housing and food insecurity.

California's undocumented workers are especially vulnerable during major public disasters. During the COVID-19 pandemic, California unemployed undocumented immigrant workers were only eligible to receive up to \$1,700 in benefits, while California unemployed citizen workers were eligible to receive up to \$35,000—twenty times as much as undocumented immigrant workers.

We found that California immigrants' vulnerable economic position exposed them to greater risks during the pandemic. Immigrants were a majority (58%) of pandemic-related deaths in the ten industries with the highest increases in pandemic-related deaths. In addition, a relationship existed between lack of access to unemployment benefits and pandemic-related deaths. Most industries with the highest rate of pandemic related deaths were characterized by both high rates of inperson work and low use of unemployment benefits.

Unfortunately, the elevated disadvantage and risks that California's undocumented immigrant workers faced during

the COVID-19 pandemic will persist during future major public disasters. FEMA's risk index suggests that California is characterized by more consistent and severe risk for natural disaster than any other state in the nation, and undocumented workers comprise a significant share of the workforce in the state's major regions at highest risk of natural disaster.

What can be done to support undocumented immigrant workers excluded from federal Unemployment Insurance benefits? Existing initiatives in Oregon, New York and Washington provide models for state-funded benefit programs replacing undocumented immigrant workers' lost wages.

In California, an investment of \$597 million (not including administrative costs) could provide \$300 in weekly benefits for twenty weeks—the full length of unemployment for half of all California undocumented workers. Such a program could provide safety net benefits for most undocumented immigrants at levels similar to federal Unemployment Insurance.

Correction: A previous version of this report stated that California employers' estimated annual contributions to federal Unemployment Insurance were \$236 million. The correct figure for California employers' estimated annual contributions to federal UI were \$39 million according to the source cited. This report now draws from more recent research to state, on page 3, footnote 9, that employer contributions to federal and state Unemployment Insurance taxes are estimated at \$302 million annually.

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### Appendix A. Data and methods

This report utilizes data from three publicly available US Census Bureau sources. <sup>43</sup> The American Community Survey (ACS) Public Use Microdata Series (PUMS) samples roughly one in one hundred American households—the largest annual survey of its kind. <sup>44</sup> The CPS Basic Monthly is the largest monthly survey of American households, sampling nearly 60,000 American households per month. <sup>45</sup> Lastly, the CPS Annual Social and Economic Supplement (ASEC) is administered once a year, and is drawn from 75,000 households. <sup>46</sup> We utilized single-year data files from the ACS 2010-2019, CPS-ASEC 2010-2021, and CPS 2010-2021.

In the analyses, we use the term "workers" to refer to employees who are wage earners (either hourly wage earners or salaried—excluding those with incorporated businesses, and those self-employed and unincorporated) and in the civilian labor force (excluding the armed forces). In estimates of number of workers, we include those employed and unemployed.

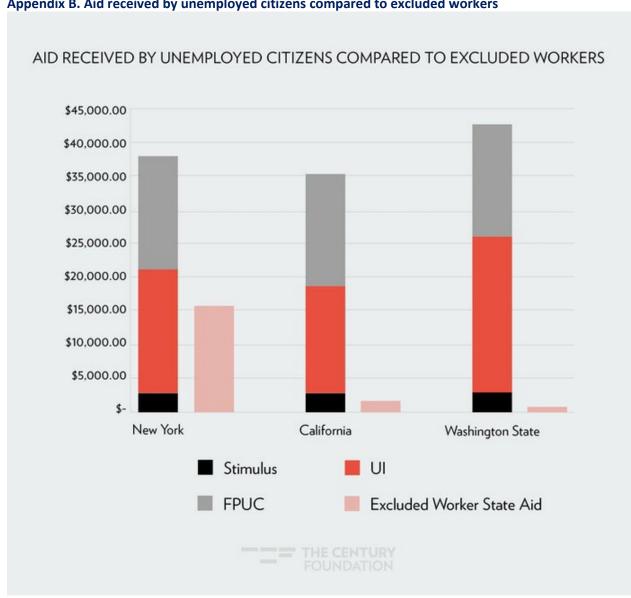
Lastly, in analyses of worker households living below a living wage, we include only those households with one or more workers currently employed. We define "noncitizen worker households" as those with one or more noncitizen workers.

https://www.census.gov/acs/www/methodology/sample-size-and-data-quality/sample-size/

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 <sup>&</sup>lt;sup>43</sup> Steven Ruggles, Sarah Flood, Sophia Foster, Ronald Goeken, Jose Pacas, Megan Schouweiler and Matthew Sobek. IPUMS USA: Version 11.0 [dataset]. Minneapolis, MN: IPUMS, 2021. https://doi.org/10.18128/D010.V11.0
<sup>44</sup> In 2019, the ACS sampled 3.5 million American households, and interviewed 2.1 million households.

https://www.census.gov/programs-surveys/cps/technical-documentation/methodology.html
https://www.census.gov/programs-surveys/saipe/guidance/model-input-data/cpsasec.html



Appendix B. Aid received by unemployed citizens compared to excluded workers

Credit: Century Foundation (2021)

Appendix C. California county areas with highest rate of noncitizen workers, 2019

		Undoc.		Undoc.
	Noncitizen	(est.)	All Workers	% (est.)
Monterey and San Benito	55,719	23,402	201,805	12%
Santa Clara	217,556	91,374	929,948	10%
Merced	24,125	10,133	103,311	10%
Santa Barbara	40,425	16,979	186,714	9%
Madera	11,959	5,023	56,759	9%
Los Angeles	817,110	343,186	4,354,177	8%
San Mateo	69,452	29,170	379,837	8%
Imperial	9,907	4,161	56,452	7%
Tulare	30,606	12,855	178,513	7%
Fresno	63,856	26,820	375,618	7%
Kern	54,692	22,971	325,108	7%
Alameda	128,226	53,855	789,861	7%
Kings	8,581	3,604	53,890	7%
Orange	214,399	90,048	1,408,547	6%
San Joaquin	45,425	19,079	301,153	6%
Ventura	53,884	22,631	375,019	6%
Stanislaus	30,612	12,857	214,746	6%
Napa	8,184	3,437	59,849	6%
San Francisco	65,336	27,441	477,860	6%
Santa Cruz	15,341	6,443	115,998	6%
Contra Costa	67,821	28,485	514,721	6%
San Bernardino	110,504	46,412	871,687	5%
Marin	12,664	5,319	103,028	5%
Yolo	10,783	4,529	89,685	5%
Riverside	109,514	45,996	967,896	5%
Sutter & Yuba CountiesYuba City	7,341	3,083	64,939	5%
Sonoma	23,599	9,912	219,175	5%
San Diego	154,579	64,923	1,475,606	4%
Sacramento	64,737	27,190	670,767	4%
Solano	18,279	7,677	200,549	4%
Lake & Mendocino Counties	4,553	1,912	51,776	4%
Colusa, Glenn, Tehama & Trinity Counties	3,227	1,355	42,532	3%
San Luis Obispo	8,472	3,558	117,048	3%
Placer	12,433	5,222	171,787	3%
El Dorado	5,155	2,165	80,909	3%
Alpine, Amador, Calaveras, Inyo, Mariposa, Mono				
& Tuolumne Counties	3,038	1,276	63,546	2%
Butte	3,689	1,549	81,482	2%
Nevada & Sierra Counties	1,565	657	36,816	2%

Humboldt	2,223	934	53,335	2%
Del Norte, Lassen, Modoc, Plumas & Siskiyou				
Counties	959	403	38,293	1%
Shasta	1,528	642	69,554	1%
California	2,592,058	1,088,664	16,930,296	6%

Source: UC Merced Community and Labor Center analysis of IPUMS-USA 2019 Public Use Microdata Series

This report was prepared by Edward Flores, Ana Padilla, Rodrigo Alatriste-Diaz and Karina Juarez.
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Mission Statement
The UC Merced Community and Labor Center conducts research and education on issues of community, labor and employment, in the San Joaquin Valley and beyond.