

Memorandum

To: The California Governor's Office

From: Thomas Radwick, Mirthala Santizo, and Jenny Yi

Date: 12/4/2007

Re: Cash Assistance Program for Immigrants (CAPI) Policy Analysis for State Budget 06-07

The attached policy analysis is provided to assist the Governor's office in its decision regarding the future of the Cash Assistance Program for Immigrants (CAPI). The analysis includes cost, benefit, equity, administrative ease, and political viability as the set of criteria for evaluating the following five alternatives: (1) status quo, (2) extending the deeming period (Governor's proposal), (3) eliminating CAPI, (4) eliminating benefits to post-August 1996 sponsored immigrants, and, (5) targeting benefits to sponsored immigrants pursuing U.S. citizenship.

The analysis was performed for informational purposes and a proposal of the future of CAPI is included as well. The analysis contains a variety of considerations beyond simple costs and savings, including assessments of political acceptability and evaluations of the ethicality of policy decisions as they relate to the target community – low-income sponsored immigrants in California. CAPI is a program that many people rely on and a thorough analysis was performed so that the Governor's office can consider the financial, political, and ethical components of each alternative.

Executive Summary

Background

The Cash Assistance Program for Immigrants (CAPI) is a California state program that provides monetary assistance to low-income sponsored and non-sponsored immigrants that are over the age of 65 or disabled. To qualify for CAPI, recipients must not be eligible for Supplemental Security Income (SSI), have resided in the United States before 1996, or be sponsored for a 10-year deeming period. In the proposed 2007 Governor's Budget, budget savings are created by increasing the 10-year deeming period to a 15-year deeming period. The CAPI policy analysis performed shows that the Governor's proposal may lower the budget's bottom line, but risks political unpopularity and ethical unfairness to the target population.

Recommendation and Rationale

The recommendation is a compromise between providing assistance to low-income sponsored immigrants and cutting costs: targeting benefits to post-1996 sponsored immigrants pursuing US citizenship. The full recommendation entails the State targeting benefits along with mandating the California counties to hire SSI advocates and allocating \$1.5 million of funding towards naturalization services that directly help legal aliens achieve citizenship.

According to the recommended proposal, post-1996 immigrants who have been sponsored for 10 years and who can prove that they have good cause for not pursuing citizenship would qualify for CAPI. If they are currently pursuing citizenship, CAPI assistance would be given until they receive SSI. The recommendation also benefits the State by cutting costs in the budget. The costs will be spread out among the different levels of government: county, state,

and federal. Targeting benefits to post-1996 immigrants pursuing US citizenship is the best way to cut State costs and still provide an adequate service to the low-income sponsored immigrants.

Analysis Performed

The recommendation was reached by performing three types of analyses: Cost-Benefit, Political, and Ethical. The Cost-Benefit analysis showed that the State will have an estimated savings of \$49.9 million minus administrative costs. The Political analysis performed showed that targeting benefits to post-1996 sponsored immigrants pursuing US citizenship was not currently favored by the governor and the advocate groups. However, in order to create a recommendation that would benefit all parties, incorporating budgets cuts along with increased services in other areas made the recommendation acceptable. The Ethical analysis showed that the recommendation is more likely to achieve overall happiness of the low-income sponsored immigrants, advocates, legislature, governor, and general public than any other proposal. Fairness is also achieved for low-income sponsored immigrants. All three analyses performed provided evidence that support the recommendation.

The analyses performed indicated that targeting benefits, along with mandating the counties to hire SSI advocates and allocating \$1.5 million of funding towards naturalization services for legal aliens, is acceptable to the stakeholders financially, politically, and ethically.

Problem Identification

Many impoverished legal aliens in the United States depend on cash assistance to aid their survival. Federal legislation in 1996 rendered most legal aliens ineligible for Supplemental Security Income (SSI) benefits from Social Security¹. In response to this, California created the Cash Assistance Program for Immigrants (CAPI) in 1998. CAPI provides impoverished legal aliens with a cash benefit amount similar to SSI.²

Throughout its brief history, CAPI has been subject to numerous revisions of its qualification criteria, and is currently facing the prospect another such revision. As part of an effort to curb deficit spending by the state, the Governor has proposed a policy that would curtail the growth of the program, which had a budget of approximately \$78 million in 2005-2006 fiscal year (CDSS, 2006). This report will explore a variety of alternatives—including the Governor's—and determine which of these would provide the most satisfactory outcomes for all involved. Most of these alternatives propose adjusting the qualification criteria of the program, in an attempt to more narrowly distribute CAPI benefits to the most appropriate population.

Background

To qualify for CAPI, non-citizen immigrants must be over the age of 65, blind, or disabled, and have entered the U.S. before August 22, 1996. Non-citizen immigrants who have entered the country after August 22, 1996 must meet additional sponsorship criteria. The current

¹ Legislation also denied most legal aliens the State Supplemental Payment (SSP), a state-funded, federally administered benefits program that augments SSI (CAPI, 2002).

² For example, the current CAPI benefit amount for a person over 65 years of age who resides in his or her own household is \$826. The SSI equivalent is \$836 (J. Coombs interview, personal communication, 3/31-06)..

CAPI requirement states that post-August 1996 immigrants must be sponsored at least 10 years, or have a sponsor who is deceased, disabled, or abusive (CAPI, 2002).³

Because the income of a sponsor is “deemed” (counted) as the income of the immigrant, few sponsored immigrants qualify for CAPI (CAPI, 2002). A legal immigrant must have a minimum of 10 years of deeming to be considered. In the beginning of CAPI, the deeming period was only five years. The Governor is proposing to extend this deeming period to 15 years (LAO, 2006). According to an official at the California Department of Social Services, which oversees the administration of CAPI, the Governor’s policy would “maintain the status quo” (CDSS Official Interview, personal communication, 3/29/2006) for five more years. During that time, the only post-August 1996 immigrants who would qualify for CAPI would be those whose sponsors die, become disabled, or are abusive. None of the immigrants who reach their ten-year deeming period between August 2006 and August 2011 would qualify for CAPI, as they do under current law.

To qualify for CAPI, a typical applicant and his or her sponsor must earn less than \$826 per month and not have assets above \$4,000. Currently \$603 per month of a sponsor's income and \$2,000 of a sponsor's assets can be excluded from the amount deemed to the immigrant (CA Subcommittee, 2006). So, for example, if the immigrant had no countable income or assets, the sponsor could have an income as high as \$1,429 per month and assets worth as much as \$6,000, and the immigrant would qualify for CAPI.

³ A sponsor is a U.S. citizen who formally agrees to financially support an alien.

Criteria of Evaluation

The alternatives for CAPI were evaluated using five criteria: cost, benefit, equity, administrative ease and political viability.

- **Cost:** Assessing how expensive each alternative would be for the stakeholders.

The Governor's proposal to move the number of deeming years from 10 to 15 is purely a way to cut costs in the state budget. The biggest rationale for choosing cost as a criterion is that since the CAPI program currently costs the state \$211.5 million, a cut in CAPI costs will allow the governor and legislators to balance the budget appropriately. In order to determine which alternative will work best for the state's budget, a cost analysis must be done. Also, figuring the cost for each alternative is a necessary part for the cost-benefit analysis. Cost is a heavily weighed criterion in the CAPI analysis. The best alternative needs to be the program that can give the most amount of service for the lowest possible cost.

- **Benefit:** Determining the financial advantages stakeholders would gain from each alternative.

Choosing benefit as a criterion is necessary for the CAPI analysis. The monetary cost of each alternative cannot be fully weighed if the monetary benefits are not considered. Benefit is the second part the cost-benefit analysis. The CAPI program does not earn money and a benefit will not be present unless the alternative creates savings for either the state or the counties administering CAPI. Although, the benefit

is important to look at for the CAPI analysis, it is not the most important in comparison to the other criteria

- **Equity:** Considering how fair each alternative would be in its relation to the legal alien population, which is the target of each policy alternative.

Equity is chosen as a criterion because the cut or elimination of the CAPI program will incur issues of fairness among the low-income sponsored immigrants. The CAPI program is a support system for California's low-income sponsored immigrants. Equity is a chosen criterion because the alternatives picked must be socially acceptable to the low-income sponsored immigrants, their sponsors, and their advocates. Equity is weighed heavily against the other alternatives in the CAPI analysis. California is a state that has a large immigrant population and to cut a welfare program designed especially for this population would be unfair. As with cost, equity is weighted heavily in this analysis.

- **Administrative Ease:** Appraising how expeditiously each alternative could be executed by the California Department of Social Services and county agencies.

Administrative ease is another necessary criterion for the CAPI analysis. An alternative may be the best politically and ethically, however, if it cannot be executed administratively then it will never work. The rationale for choosing administrative ease is to determine the feasibility of each alternative. Although it is important for evaluation, administrative ease is not a heavily weighed criterion.

- **Political Viability:** Estimating how acceptable each alternative is to relevant groups such as legal aliens, advocacy groups, sponsors, voters, and politicians.

The political viability of each alternative is a necessary criterion for the CAPI analysis. Since the CAPI program is beneficial for a population that is greatly present in California, eliminating or drastically changing the program will be a consequential political decision for the Governor. Political viability is also necessary for the analysis because it will indicate what is politically acceptable among the stakeholders. Political viability is an important criterion for the CAPI analysis; however it is not quite as heavily weighted as cost or equity.

Alternatives

The five policy alternatives for CAPI are (1) status quo, (2) extending the deeming period (Governor's proposal), (3) eliminating CAPI, (4) eliminating benefits to post-August 1996 sponsored immigrants and (5) target benefits to sponsored immigrants pursuing U.S. citizenship.

1. **Retain the Current Law.** This would perpetuate the 10-year deeming requirement for sponsored post-August 1996 immigrants, after which time they could qualify for CAPI.

The status quo is the first and archetypal alternative in the analysis. The other alternatives need the status quo as a comparison to what can be a feasible decision for the state. There is always a likelihood that the status quo will be the chosen alternative by the state and so it should not be dismissed as a choice.

2. **Extend the Deeming Period (Governor's Proposal).** This would increase the deeming period to 15 years, thereby forestalling the availability of CAPI benefits to sponsored immigrants by an additional five years.

The Governor's proposal is a necessary alternative to include in the CAPI analysis because it has already been created as a possible solution for the state. Aside from it being the Governor's proposal, the possibility of extending the deeming period in order to help reduce the state budget is feasible, and has been practiced previously. A cost-benefits analysis will determine how much it will save the state and an ethical analysis will determine whether it is fair for the target community.

3. **Eliminate CAPI.** This would completely eradicate the program.

In order to determine the entire cost savings for the state, the elimination of CAPI should be an alternative. Although, it is an unlikely alternative choice, it is not entirely dismissible.

4. **Eliminate Benefits to Post-August 1996 Sponsored Immigrants.** This would narrow the distribution of CAPI benefits to pre-August 1996 immigrants and post-August 1996 immigrants whose sponsors are deceased, disabled, or abusive.

In an analysis by the California Legislative Analyst's Office (LAO), eliminating benefits to post-August 1996 sponsored immigrants was an alternative that they evaluated. This alternative is included in the CAPI analysis because it will show what different solution will be acceptable to the stakeholders. This alternative will continue to give benefits to pre-1996 low income immigrants. However, post-1996

immigrants will not be eligible. Obviously, this solution is cut of services and its sole purpose is to cut costs. The analysis will determine whether the alternative is acceptable by all the stakeholders and also, by all the criteria.

5. **Target Benefits to Sponsored Immigrants Pursuing U.S. Citizenship.** This would limit CAPI to post-August 1996 immigrants who have been sponsored for 10 years and who are actively pursuing citizenship, or who can establish good cause for being unable to become citizens. Post-August 1996 immigrants whose sponsors are deceased, disabled, or abusive and pre-August 1996 immigrants would still qualify for CAPI under this alternative.

Targeting benefits to sponsored immigrants pursuing U.S. citizenship is an alternative that suggested by LAO. Like alternative four, it is a way to cut costs by cutting services. However, it does not completely cut services for low-income immigrants. This alternative is another feasible option for the state.

Evaluation of Alternatives

In the analysis of the five policy alternatives for CAPI, three types of analysis were conducted: cost benefit analysis (CBA), ethical analysis, and political analysis. Each alternative was evaluated according to the following criteria: cost, benefit, equity, efficiency, administrative ease, and political viability.

Criteria are evaluative standards used to judge the goodness of the projected policy outcomes associated with each of the alternatives (Gen, 2006). The first criterion, cost, was a calculation of expenditures for fiscal years 2006-2007 and 2007-2008. All proposed expenditures were valued in U.S. dollars. The projected the cost of each alternative was based

on historical data and professional opinions. The benefits of each alternative were determined by the amount of money saved. The projection of figures came from LAO, the California Department of Social Services (CDSS) 2005-2006 Budget, and an interview with the CAPI program supervisor.

The cost and benefit calculations determined the efficiency of each alternative. CBA calculates the savings CAPI would bring to the state and counties⁴ minus the cost of sustaining the program under each alternative. Cost of each program is standardized in million of dollars. Due to data constraints, a decision tree was not used in the analysis. Also, the discount rate was not considered in the analysis since converting amounts into present value dollars would not have much influence on the evaluation of the alternatives. Furthermore, it is unknown if the additional cost figures from LAO for the next two fiscal years had been similarly adjusted. Therefore, unadjusted figures for the CAPI budget were used.

A political analysis was also conducted for each stakeholder in order to measure their political acceptability of each alternative. The stakeholders' anticipated support or lack thereof measured the political acceptability of each alternative. The major stakeholders such as the Governor's office, legislators, legal aliens in California, and advocates for legal aliens. Description of their positions on the issue, roles, beliefs/values, and motivations were used to determine the political viability of each alternative.

The ethical analysis conducted establishes the policy beliefs and evaluates the intrinsic/extrinsic value between alternatives. Defining a social or political policy belief is important in policy analysis because finding ethical values behind policy debates will enable the government to decide fair alternative. In the analysis, CAPI is based on deontic intrinsic value of

⁴ Because access to resources was limited, San Mateo county CAPI office served as an indicator of costs to the counties.

justice which emphasizes both the general happiness and fairness in the distribution of happiness (Ellis, 1998). Because CAPI touches on equity rights, an ethical analysis was used. Equity measures whether the distribution of cost and benefits for each alternative is fair to the target and general population.

The last criterion, administrative ease, appraised how expeditiously each alternative could be executed by the California Department of Social Services and county agencies. This is an important measure since it determines the viability of implementing each alternative. If the alternative seems appealing, but involves using too many administrative resources, it might not be the appropriate course of action.

Comparison of Results

Option 1, retaining the current law, incurs the greatest cost to the state over the next two fiscal years (approximately \$211.5 million), because it provides CAPI benefits to all qualifying legal aliens who have been sponsored for 10 years. It provides the greatest equity to legal aliens in California who do not qualify for SSI, as it offers a benefit of an equivalent dollar amount. Additionally, Option 1 would reduce the number of sponsored immigrants collecting General Assistance benefits from county governments. This option also has rather high political viability, as retaining the current program is likely to be the favored policy option among legal aliens and their advocates. However, the high costs associated with this option make it unfavorable with the Governor and like-minded legislators, and is therefore not recommended.

Option 2, extending the deeming period to 15 years, preserves the general qualifying criteria for CAPI, delays payment to sponsored post-August 1996 immigrants for another five years, and therefore saves the state \$65.5 million over the next two years. This option would also

reduce future costs after 2011, due to attrition of eligible recipients that pass away or qualify for SSI (LAO, 2006).⁵ This option is more controversial than Option 1, and will meet with opposition from legal aliens and, especially, their advocates. The basis of the opposition to this option is its lack of equity; it denies a benefit equivalent to SSI to legal aliens who, if not for the fact that they are aliens, would qualify for SSI. Option 2 is therefore not recommended.

Option 3, eliminating the CAPI program altogether, creates the greatest financial benefit to the state (\$211.5 million over the next two years) and allows money that would be otherwise budgeted for CAPI to be spent elsewhere for years to come. However, this option is highly unacceptable politically, would take away benefits from those already receiving them, and would likely spark outrage beyond the immigrant community and its advocates. It would also put a significantly increased financial strain on the General Assistance (GA) programs of county governments.⁶ For all of these reasons, Option 3 is not recommended.

Option 4, eliminating CAPI for post-August 1996 immigrants, incurs costs equal to those of Option 2 (\$156 million) and the same amount of savings over the next two years (\$65.5 million). However, because it eliminates the possibility of sponsored immigrants ever receiving CAPI after a deeming period, its long-term, post-2011 savings would far exceed those of Option 2, which would provide benefits for those immigrants who have been sponsored for 15 years or more. Option 4 therefore denies sponsored immigrants who don't qualify for SSI the possibility of ever receiving benefits equivalent to SSI. This renders this option even less politically acceptable than Option 2, and is certain to be opposed by legal aliens and their advocates. Option 4 is a decisive policy, however. It does not perpetuate the possibility that sponsored immigrants

⁵ Legal permanent residents who have lived in the U.S. continuously for five years and who are disabled qualify for SSI (SSA, 2006).

⁶ In San Mateo County, for example, the maximum GA benefit amount is \$336 per person (J. Coombs, personal communication, 3/31/06).. The cost of CAPI recipients in San Mateo transferring to GA would be approximately \$2.1 million over the next two years.

may qualifying for CAPI, only to deny them benefits by extending the deeming period again, a policy the state has practiced in the past,⁷ and which Option 2 proposes again. Despite its harsh integrity, Option 4 is not recommended.

Option 5, extending CAPI only to those post-August 1996 immigrants who have been sponsored for 10 years and are pursuing (or can demonstrate good cause⁸ for not pursuing) U.S. citizenship, is the most complex policy alternative. With a cost of \$161.6 million over the next two years, it is less expensive than Option 1, but more expensive than all of the other options. Since, according a CAPI official's estimate, about 10 percent of CAPI recipients pursue citizenship (J. Coombs interview, personal communication, 3/31/2006), Option 5 would provide on its face savings to the state of approximately \$49.9 million⁹. Although the Legislative Analyst's Office suggests that this policy requires increased administrative costs for monitoring the citizenship efforts of CAPI applicants and recipients (LAO, 2001) it is not anticipated that these costs are going to be very high (Mostly these efforts would entail inquiries with U.S. Citizenship and Immigration Services at regular intervals.) Two advantages of this policy are that 1) by promoting the pursuit of citizenship, CAPI ultimately will assist the reduction of the number of CAPI recipients once aliens become naturalized, and 2) it extends benefits equivalent to SSI to 10-year sponsored immigrants who are pursuing (or can show good cause for not pursuing) citizenship. This policy does not, however, extend this equity to permanent residents who do not wish to pursue citizenship. Although this policy is likely to receive a mixed reaction

⁷ Such a policy was adopted in 2001, when the deeming period was extended from five to 10 years (LAO, 2001).

⁸ Such as advanced age or inability to complete necessary coursework (LAO, 2006).

⁹ This savings would decrease if Option 5 creates incentive for more than 10 percent of 10-year sponsored immigrants to pursue citizenship. However, since under this policy CAPI would serve as an interim benefit for sponsored immigrants until they became citizens and therefore qualified for SSI, Option 5 would create more long-term savings than Options 1 and 2.

from legal aliens and their advocates (both of whom would almost certainly prefer Option 1), its compromising character may ingratiate it with other stakeholders and members of the public.

Recommendation

The best recommendation for the future of CAPI is Option 5 for several key reasons. First, by promoting the pursuit of citizenship among sponsored immigrants, it creates budget savings for the CAPI program, especially in the (post-2011) long-term. Second, it extends benefits equivalent to SSI to 10-year sponsored immigrants who are pursuing (or can show good cause for not pursuing) citizenship. Third, because of its compromising character, which reduces future program costs compared to the current law while extending benefits to more sponsored immigrants than are currently receiving them, Option 5 is politically viable, and should appeal to a variety of stakeholders, including legislators, legal aliens, their advocates, and the Governor.

Also, two additional measures should be taken to reduce the number of CAPI cases (and therefore program costs) no matter what policy alternative is adopted. First, every county office administering CAPI should be required to have an SSI advocate charged with identifying which CAPI applicants and recipients might qualify for SSI, and assisting them with the application process. Second, it should be the policy of each county office to establish a network with local organizations that assist with the naturalization efforts of immigrants, and to refer to these organizations CAPI applicants and recipients who are interested in pursuing citizenship.¹⁰

¹⁰ The state-run Nationalization Services Program provides \$1.5 million annually to public and private organizations that help immigrants pursue citizenship. The New California Act (AB 2060), a proposal currently before the state legislature, would require that this funding be devoted exclusively to the provision of free immigration services (C. Sanders Interview, personal communication, 3/29/2006).

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Telephone Interview with Cary Sanders, Northern California Policy Analyst for California Immigrant Welfare Collaborative and Tanya Broder, Public Benefits Staff Attorney the National Immigration Law Center. (2006). Conducted on 4/5/06.

Appendices

- A. Criteria of Evaluation table
- B. Cost Benefit Analysis table
- C. Present Value Calculations
- D. Political Analysis
- E. Ethical Analysis
- F. Interview questions
- G. Interview #1 Write-up – CIWC
- H. Interview #2 Write-up – San Mateo County
- I. Interview #3 Write-up – CIWC and NILC

Appendix A: CAPI Criteria of Evaluation

Proposals	Cost	Benefit	Equity	Administrative Ease	Political Viability
1) Retain current law	<ul style="list-style-type: none"> • Increase cost by 12.5 million (2006-2007) • Increase cost by 42 million (2007-2008) 	<ul style="list-style-type: none"> • More applicants qualify • Counties get more funding (lower GA cost) • Could alleviate cost for Medical. 	<ul style="list-style-type: none"> • Legal alien receives SSI parity with citizens 	<ul style="list-style-type: none"> • Apparatus at county level already in place • Were prepared for this anyway - such as having a SSI advocate in San Mateo) 	<ul style="list-style-type: none"> • High (not particularly controversial)
2) 15-year deeming (Governor)	<ul style="list-style-type: none"> • Decrease the estimated cost of 12.5 million (2006-2007) • Decrease the estimated cost by 42 million (2007-2008) 	<ul style="list-style-type: none"> • State avoids increase in CAPI budget and spends money elsewhere 	<ul style="list-style-type: none"> • Delays the SSI parity with citizens 	<ul style="list-style-type: none"> • No increase in caseloads; also attrition of caseloads due to death and qualifying for SSI 	<ul style="list-style-type: none"> • Medium • CAPI advocates object, so do aliens and counties.
3) Eliminate CAPI	<ul style="list-style-type: none"> • Decrease 78 million entire program budget (limits cost to SSI and GA) 	<ul style="list-style-type: none"> • State can spend \$78 million elsewhere 	<ul style="list-style-type: none"> • Low income immigrants and refugees, all CAPI recipients, lose out 	<ul style="list-style-type: none"> • Excellent! 	<ul style="list-style-type: none"> • Lowest possible, unacceptable
4) Eliminate benefits to post-1996 sponsored immigrants	<ul style="list-style-type: none"> • Eliminate deeming period; therefore, the possibility of significantly increases CAPI cost in the future (retains current strain on GA) 	<ul style="list-style-type: none"> • Maintains immediate status quo indefinitely 	<ul style="list-style-type: none"> • Eliminates the possibility of non-citizens achieving SSI parity with citizen 	<ul style="list-style-type: none"> • No changes; maintains status quo 	<ul style="list-style-type: none"> • Medium low
5) Target benefits to sponsored immigrants pursuing US citizenship	<ul style="list-style-type: none"> • Increase State's administrative cost • Program cost is less than retaining current law, but more than 15-year deeming option 	<ul style="list-style-type: none"> • Benefits those who have been sponsored for 10 years and are actively pursuing citizenship • Increase funding for County • Encourages the pursuit of CAPI rolls pursuing for citizenship 	<ul style="list-style-type: none"> • It gives SSI parity to aliens pursuing citizenship • No SSI parity for aliens who don't desire citizenship 	<ul style="list-style-type: none"> • Increase administrative burden in the process of verification of pursuit of citizenship 	<ul style="list-style-type: none"> • Medium (controversial)

Appendix B: CAPI Cost-Benefit Analysis

Alternative	State Costs: (06-07 through 07-08)	State Benefits	County costs	County benefits
1) Retain Current Program	12.5 m (additional costs for 06-07) 43 m (additional costs for 07-08) (78 m approx. annual CAPI costs) x 2 years = 156m 211.5 m total			Will reduce the number of legal aliens on county General Assistance (GA) roles, because some of them will qualify for CAPI (lack data to estimate this amount)
2) Extend Sponsor Deeming Period to 15 Years	156 m total	12.5 m (savings for 06-07) 43 m (for 07-08) 65.5 m total		
3) Eliminate Program	(no more future costs for CAPI, ever)	156 m 12.5 m 43 m 211.5 m total	Increased number of legal aliens collecting General Assistance. In San Mateo: 100 (former CAPI recipients) x \$376 (GA benefit amount plus 11% admin cost) x 24 months = 0.9 m total	
4) Eliminate CAPI for Post-1996 Sponsored Immigrants	156 m total	65.5 m total (no more deeming period—no post 1996 sponsored immigrants receive CAPI, ever—therefore greater long-term savings than option 2)		
5) Target CAPI to post-1996 immigrants who are pursuing citizenship or have been officially rejected	156 m 1.3 m 4.3 m (the latter two figures are based on an estimation by San Mateo county officials that 10% of CAPI recipient pursue citizenship) 161.6 m total <i>Plus unknown additional administrative costs</i>	11.2 m 38.7 m (estimated additional costs for CAPI in years 06-07 and 07-08 if program remains unchanged, less 10% for recipients who qualify due to pursuit of citizenship) 49.9 m total		

Appendix C: CAPI Present Value Calculation

Consumer Price Index for 2007: 2.2%

Consumer Price Index for 2008: 2.2%

current discount rate (federal funds target): 4.75%

$pv = FV / (1 + d)^t$

CAPI budget adjusted for 2007: 79.7 million (budget base = 78 million)

CAPI budget adjusted for 2008: same

so,

$PV = 159.4 / (1.048)^2 = 159.4 / 1.1 = 144.9$ million

Appendix D: CAPI Political Analysis

	Governor	Legislators	Legal aliens in CA	Advocates for legal aliens
Role	Formal decision maker	Formal law maker	Target of policy	Interest group
Position 1). Retain law 2). 15-yr. sponsor deeming 3). Eliminating CAPI 4). Nothing for post-1996 aliens 5). Target those who pursue citizenship	No Yes No No No	? ? ? ? ?	Yes No No No ?	Yes No No No ? (tend to No)
Power	Formal decision making	Formal decision making	None by themselves	Campaign capital, media attention
Values				Protecting the rights and welfare of immigrants
Motivation	Re-election, public interest, cost cutting	Re-election, public interest	Survival, living in a reasonable degree of comfort in a foreign country	Public interest, immigrant protection

Appendix E: CAPI Ethical Analysis

Proposals	Intrinsic or Extrinsic Value	Effectiveness of Achieving Intrinsic Value	Value Type
1. Retain current law	<ul style="list-style-type: none"> • Extrinsic – not valuable for its own sake. • By retaining the current law, it achieves the intrinsic value of fairness and increased happiness for low income sponsored immigrants who can get assistance and pass the 10 yr. deeming period. 	<ul style="list-style-type: none"> • Legal aliens and advocates – very likely • Governor’s office – unlikely • Legislature (diverse group of politicians) – unknown/mixed opinion • General public – likely <p>Overall likelihood of achieving intrinsic value – likely.</p>	<ul style="list-style-type: none"> • Deontic – achieves fairness for low income sponsored immigrants, but decreases the happiness of the state govt.
2. 15-year deeming (Governor)	<ul style="list-style-type: none"> • Extrinsic – not valuable for its own sake. • By increasing the deeming period to 15 years, it achieves the intrinsic value of increased happiness for the state government by saving \$65.5 million in the state budget over the next two years. 	<ul style="list-style-type: none"> • Legal aliens and advocates – unlikely • Governor’s office – very likely • Legislature (diverse group of politicians) – unknown/mixed opinion • General public – likely <p>Overall likelihood of achieving intrinsic value – very likely.</p>	<ul style="list-style-type: none"> • Utilitarianism – Spending would-be CAPI funds in a way that benefits larger population, but decreases the happiness of low income sponsored immigrants that now need to wait 15 yrs.
3. Eliminate CAPI	<ul style="list-style-type: none"> • Extrinsic – not valuable for its own sake. • By eliminating CAPI, it achieves the intrinsic value of increased happiness for the state government by saving \$211.5 million in the state budget over the next two years. 	<ul style="list-style-type: none"> • Legal aliens and advocates – very unlikely • Governor’s office – unlikely • Legislature (diverse group of politicians) – unknown/mixed opinion • General public – unlikely <p>Overall likelihood of achieving intrinsic value – very unlikely.</p>	<ul style="list-style-type: none"> • Utilitarianism – Spending would-be CAPI funds in a way that benefits larger population and state government’s budget, but it is not fair to low income sponsored immigrants.

<p>4. Eliminate benefits to post-1996 sponsored immigrants</p>	<ul style="list-style-type: none"> • Extrinsic – not valuable for its own sake. • By eliminating benefits to post -1996 sponsored immigrants, it achieves the intrinsic value of increased happiness for the state government by saving \$65.5 million plus additional future savings in the state budget over the next two years. 	<ul style="list-style-type: none"> • Legal aliens and advocates – very unlikely • Governor’s office – unlikely • Legislature (diverse group of politicians) – unknown/mixed opinion • General public – unlikely <p>Overall likelihood of achieving intrinsic value – unlikely to unknown.</p>	<ul style="list-style-type: none"> • Utilitarianism – Spending would-be CAPI funds in a way that benefits larger population, and state government’s budget, but it is not fair to low income post 1996 sponsored immigrants.
<p>5. Targeting benefits to sponsored immigrants pursuing US citizenship</p>	<ul style="list-style-type: none"> • Extrinsic – not valuable for its own sake. • By targeting benefits to sponsored immigrants pursuing US citizenship, it achieves the intrinsic value of fairness and increased happiness for low income sponsored immigrants who have been trying to get citizenship and general happiness for the state government by saving \$49.9 million minus additional administration costs in the state budget over the next two years. 	<ul style="list-style-type: none"> • Legal aliens and advocates – unlikely • Governor’s office – likely • Legislature (diverse group of politicians) – unknown mixed • General public – likely <p>Overall likelihood of achieving intrinsic value – likely to unknown.</p>	<ul style="list-style-type: none"> • Deontic – achieves fairness for low income sponsored immigrants who are pursuing citizenship, but decreases the happiness low income sponsored immigrants who chose not to pursue citizenship and possibly the state government.

Appendix F: CAPI Interview Questions

1. What's your organization's involvement with CAPI or CAPI recipients?
2. Is there any benefit(s) to your organization if CAPI stays funded?
3. Are there any disadvantages to keeping CAPI funded?
4. Should sponsors always be held fiscally responsible for immigrants?
5. Who do you think should be funding cash assistance programs for immigrants?
6. What options are available to immigrants who do not qualify for CAPI or SSI?
7. Are there any other programs or assistance that could be created or utilized to help immigrants eligible for CAPI?
8. Should the state allow funds that were saved from low CAPI enrollment from the previous years to carryover?
9. Do you think that the state should extend the statutory sponsor deeming period from ten years to fifteen years? Why or why not?
10. What decision would you or your organization like to see in the 2006 – 2007 CA budget May revision?

Appendix G: CAPI Interview #1 – CIWC (C. Sanders)

CIWC Interview – Cary Sanders (Northern Policy Analyst)
3/29/2006, 3:00 pm

CIWC overview

The CIWC is a collaborative immigrant rights group that works with other CA immigrant organizations. They were founded in 1996 when changes to immigration laws began at the federal level. After changes in the federal law for immigration assistance began, many of the recipients were very upset about the loss of service and how they felt helpless in the system. The CIWC became the CAPI advocacy frontrunners. Many CAPI recipients are elderly and/or disabled. Since many of them are refugees or did not live the majority of their lives in the US, they did not have a lifestyle that compliments the lifestyle here. In addition, barriers such as language and lack of job skills made it difficult to survive without assistance.

CIWC's preferences

CAPI stay the same

The CAPI recipients that would be affected by the proposed sponsor deeming extension period are the low-income recipients not the refugees. The number of low-income CAPI recipients is not high and it only costs the state government a small percentage of their total budget. By refusing services to a community that really doesn't have any other options is detrimental. Since many of the recipients are unable to care for themselves, the idea of pursuing citizenship is not an option for them due to language and capacity barriers. The government assistance is a safety net for the recipients and it's now in danger of becoming harder to get.

Federal government immigrant assistance changes

CIWC would like to see citizenship barriers for immigrants lessen. The biggest barriers are language and bureaucracy. CIWC would like to see federal assistance for elderly and/or disabled immigrants and refugees.

Also, the fact that immigrants need to become citizens before they can get assistance is another problem. Part of the reason that CAPI recipients receive funding is because they are unable to get SSI. CIWC would like to see law changes that help low-income immigrants whether they are citizens or not.

Finally, they have been working to educate policymakers about shifting assistance from the state back to the federal government. They would like to see the federal government take responsibility for the immigrants that are unable to care for themselves.

Increase funding for programs that assists immigrants obtain citizenship

With \$1.5 million funding from the state run Nationalization Services Program, private and public agencies are able help immigrants pursue citizenship without dealing with barriers. As of today, the Department of Community Services allocates the \$1.5 million and the Nationalization Services Program uses the money at their discretion. Under the

New California Act AB 2060, as introduced by De La Torre, the funding would specifically be used to provide free naturalization services. CIWC would like to see this bill go through so that immigrants are able to get the most amount of service from this program. This will increase the number of immigrants receiving citizenship and SSI. (http://www.aroundthecapitol.com/billtrack/billview.html?bill=AB_2060)

Views: CIWC vs. LAO vs. proposed Governor's Budget

The Governor's budget is definitely not along the line of what is in the best interest of the community that the CIWC works with. They feel that increasing the sponsor deeming period to 15 years is unfair and detrimental to elderly and/or disabled low-income immigrants.

The LAO suggested an alternative that CAPI funding should be award to immigrants that can prove that they have been denied citizenship repeatedly. The CIWC feels that the LAO's alternative is another bureaucracy barrier that this particular group of immigrants lacks the capacity to handle without assistance. They feel that if they are not able to obtain citizenship, then the problems are more extensive.

Appendix H: CAPI Interview #2 – San Mateo County (J. Coombs)

San Mateo County Interview - Jackie Coombs (Human Services Supervisor for San Mateo County)

3/31/2006, 9:00am.

1. Jackie works for the County of San Mateo Human Services Agency as a Human Services Supervisor. San Mateo County Human Service Agency is the headquarter for the Bay Area Cash Assistance Program for Immigrants Consortium (which include San Mateo County, Alameda County, Contra Costa County, Solano County, Stanislaus County, Marin County, San Cruz County, Sonoma County, Merced County, and Monterey County).
2. Benefits of CAPI: keeps people off of General Assistance. GA is operated using County fund. As a consortium, additional administrative cost and position is funded by the State. The County is happy to receive additional funding for CAPI.
3. Disadvantages: can't think of any for the County of San Mateo
4. Sponsors should be responsible for the sponsorees; however, CAPI is needed when things happen to the sponsors. It really depends on the situation.
5. The Welfare Reform Act results the creation of CAPI. Since CAPI is created by the State, the State should be responsible for the funding of CAPI.
6. SSI Advocate has two roles: 1). Helps CalWORKS and GA clients to get on CAPI which save County funds. 2). Helps CAPI clients get on SSI/SSP which will save State money.
7. CAPI case load has gone down from 12,000 to 8,000. This is mainly due to SSI. Also, many people pursue US citizenship after their 5 years in the states.
8. State should not extend the sponsor deeming period. 10 years is long enough for these citizens. Note that one other requirement for the CAPI program is that clients must be over the age of 65. State should, however, use a 3 year deeming period for those who signed the Old Affidavit of Support and life time deeming for those who signed the New Affidavit of Support.
9. The new proposal is likely to pass because a similar proposal was passed five years ago when extending 5-years support to 10-years support.
10. An estimated percentage of CAPI recipients who pursue US citizenship is ~10%. This is particular high for Chinese and Indian but not so much for the Latino population.

Appendix I: CAPI Interview #3 – CIWC and NILC (C. Sanders and T. Broder)

CIWC and NILC Interview – Cary Sanders (Northern Policy Analyst) and Tanya Broder
(Public Benefits Staff Attorney)

4/5/2006, 1:30 pm

- They are pretty much extremely opposed to the fourth alternative - Eliminating Benefits to post 1996 sponsored immigrants. They will never support an alternative that eliminates the possibility the sponsored immigrants receiving CAPI assistance. They feel that it is extremely unfair.
- They are also opposed to the fifth alternative - Targeting benefits to sponsored immigrants pursuing US citizenship. Although this alternative is not so much in opposition as the fourth alternative, they feel that the costs are higher than the benefits. Since, there are no investments in helping low income sponsored immigrants get citizenship, many would just not try. Therefore, the state govt. just eliminated the hope of receiving CAPI assistance to the majority of the population.
- Their ideal alternative:
 - Have the Governor prioritize his budget to keep CAPI funding the same.
 - Put the pressure on the county, by using the county SSI advocate. The SSI advocate should be looking at the CAPI recipients' paperwork to see who are now eligible for SSI. This will get more funding from the feds.
 - There was a first round of sponsored immigrants that applied for SSI in past and were denied. Now any senior immigrants who resided in the US on August 22, 1996 are eligible if they show disability.
 - Invest in citizenship assistance programs – The paperwork and procedure is difficult to do with assistance from a professional that understands the citizenship process. This could help the low income sponsored immigrants that do want citizenship.