

POLICY BRIEF

**PUBLIC CHARGE:
HOW A NEW POLICY
COULD AFFECT POVERTY
IN NEW YORK CITY**

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The federal government has proposed changing a rule that determines if someone can get a green card.

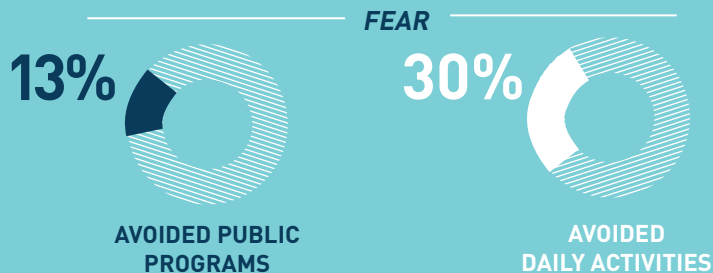


The proposed rule would discourage people from enrolling in proven poverty-fighting programs including **SNAP**, **Medicaid** and **housing assistance**.

When policies change, many people drop out of public programs even if they aren't directly affected because of misinformation or fear. We call that a "chilling effect."



We surveyed New Yorkers in 2018 and found that nearly 15 percent of non-citizens have avoided public programs, and 30 percent of non-citizens have avoided a wide range of daily activities because they do not want to be asked about their immigration status.



With those **chilling effects**, we estimate this proposed rule could affect the incomes of **400,000-700,000** New York City residents.

It could push **65,000 to 115,000** New Yorkers, including up to **45,000** children, into poverty.



This proposed rule could increase the number of poor New Yorkers by as much as



On September 22, 2018, the Department of Homeland Security (DHS) proposed an update to the “public charge” rule, which determines whether certain immigrants are eligible for green cards or admission into the country. The expanded rule would penalize immigrants who legally receive Supplemental Nutrition Assistance Program (SNAP, commonly known as food stamps), parts of Medicaid, housing assistance and other public benefits.

To understand how this proposed rule would affect poverty in New York City, we utilize data from the Poverty Tracker, a citywide survey sponsored by Robin Hood in partnership with Columbia University. We supplement this data with new analyses of the Census Bureau’s Current Population Survey, which tracks year-to-year trends in poverty across the country.

What would happen to poverty in New York if the rule is implemented?

We estimate that between 400,000 and 700,000 New Yorkers would see their family incomes drop as a result of this policy change. Furthermore, between 65,000 and 115,000 New Yorkers, including between 25,000 and 45,000 children, would fall into poverty.

We estimate that the number of New Yorkers in poverty could increase by almost 5 percent. This could increase the city’s poverty rate by 1.4 percentage points, to 24.6 percent. The child poverty rate would increase by 2.5 percentage points, to 28.3 percent. Table 1 illustrates these changes.

Table 1

NEW YORK CITY OVERALL					NEW YORK CITY CHILDREN			
	NYC Poverty Rate	Change in Poverty	Change in Number in Poverty	Number of New Yorkers Affected	NYC Child Poverty Rate	Change in Poverty	Change in Number in Poverty	Number of New York City Children Affected
	23.2%				25.8%			
2% Chilling	23.3%	0.1%	11,000	59,000	26.0%	0.2%	4,000	21,000
15% Chilling	24.0%	0.8%	66,000	406,000	27.2%	1.4%	25,000	139,000
20% Chilling	24.2%	1.0%	84,000	517,000	27.5%	1.7%	31,000	175,000
25% Chilling	24.4%	1.2%	102,000	617,000	27.9%	2.1%	38,000	208,000
30% Chilling	24.6%	1.4%	116,000	715,000	28.3%	2.5%	45,000	241,000
35% Chilling	24.7%	1.5%	129,000	804,000	28.5%	2.7%	49,000	271,000

Authors’ calculations based on 2012-2017 Annual Social and Economic Supplements to the Current Population Survey, restricted to households living in New York City. Data downloaded from IPUMS: Sarah Flood, Miriam King, Renae Rodgers, Steven Ruggles and J. Robert Warren. Integrated Public Use Microdata Series, Current Population Survey: Version 6.0 [dataset]. Minneapolis, MN: IPUMS, 2018. <https://doi.org/10.18128/D030.V6.0>

How did we come to these estimates?

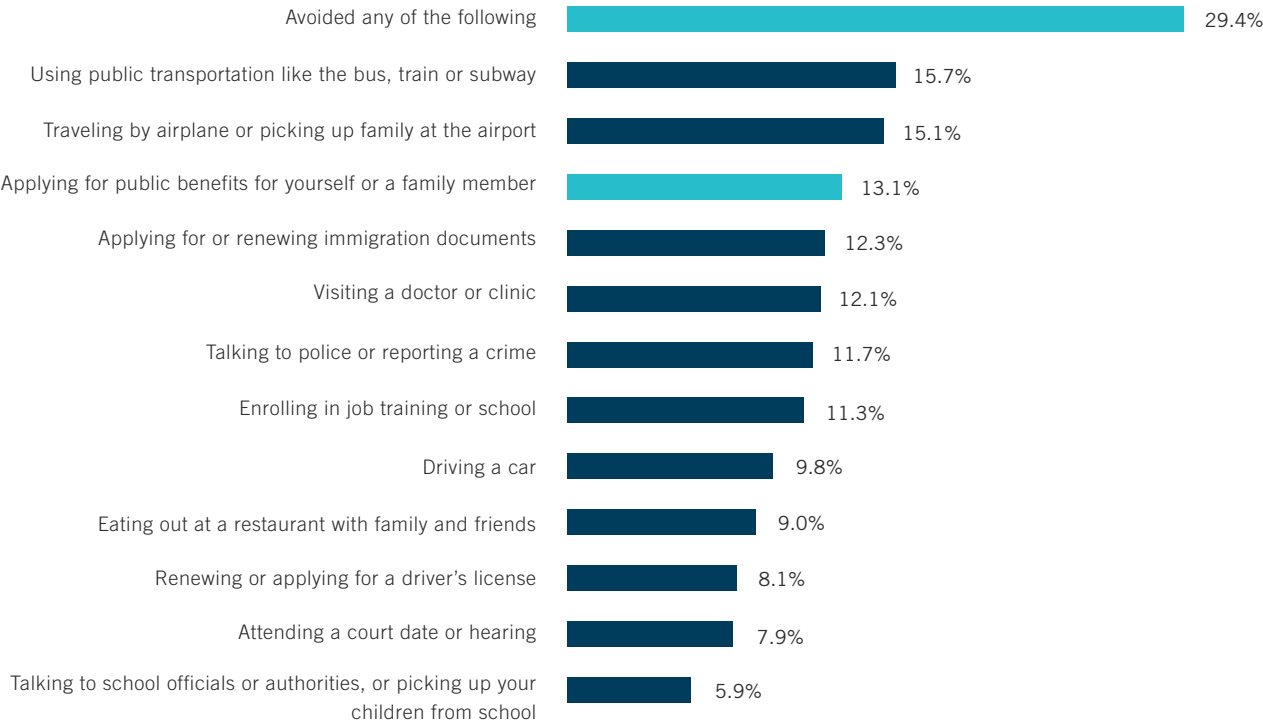
Policy changes target specific subsets of the population — in this case, certain immigrants who may be applying for green cards or for entry into the country. However, our experience suggests that policy changes also often have indirect effects on many more people. Immigration policies are complex, and New York City nonprofits have shared that many immigrants who are not directly subject to the public charge rule might disenroll from public programs simply out of confusion or fear.

With an increase in anti-immigrant rhetoric throughout the country, we added questions to the Poverty Tracker survey in 2018 aimed at examining how non-citizens are navigating life in New York City and what, if any, services or daily life activities they are refraining from in order to avoid questions about their citizenship status. This can help us understand how far-reaching the indirect effects of the public charge rule might be.

Figure 1 shows that nearly 30 percent of non-citizens — nearly 400,000 New Yorkers — have avoided common activities like using public transportation, applying for immigration documents or visiting a doctor’s office. Moreover, 13 percent of non-citizens have avoided enrolling in public benefits programs for themselves or for a family member, simply because they do not want to be asked about their immigration status. These percentages are good proxies for the proportion of non-citizens who might disenroll from SNAP, Medicaid, housing assistance and other programs if the new public charge rule is enacted.

Figure 1

Have you ever avoided any of the following because you do not want to be bothered or asked about your citizenship status? (Among non-U.S. citizens¹)



¹See page 4 for an explanation of the legal statuses that comprise “non-citizens.”

What did we ask New Yorkers?

We asked a representative sample of all New Yorkers the following question in 2018:

“We hear a lot these days about people getting questions about their immigration status just because of how they look or how they talk. For some people, this has changed how they go about their daily life. Below is a list of common things people do. Have you ever avoided any of the following because you do not want to be bothered or asked about your citizenship status?”

We specifically analyzed the responses among non-citizens, which can include: (a) permanent residents and green card holders; (b) those granted asylum, refugee status or temporary protected immigrant status; (c) those with a visa or other document that permits them to stay in the U.S. for a limited time; and (d) another status.

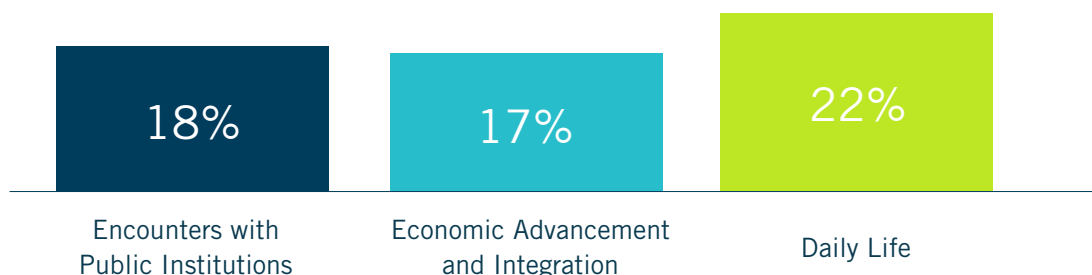
Another way to look at these findings is to break them into categories of activities:

- 1. ENCOUNTERS WITH PUBLIC INSTITUTIONS**, which includes: talking to police or reporting a crime, attending a court date or hearing, applying for new immigration documents, and talking to school officials or picking up children from school.
- 2. ECONOMIC ADVANCEMENT AND INTEGRATION**, which includes: enrolling in job training or school, applying for or renewing a driver’s license, and applying for public benefits.
- 3. DAILY LIFE**, which includes: traveling by airplane or picking up someone at the airport, eating at a restaurant with friends or family, visiting a doctor, driving a car and using public transportation.

Figure 2 shows that 18 percent of non-citizens avoided encounters with public institutions, 17 percent of non-citizens avoided economic advancement and integration activities, and 22 percent of non-citizens avoided general daily life activities.

Figure 2

Have you ever avoided any of the following because you do not want to be bothered or asked about your citizenship status? (Among non-U.S. citizens)



These estimates suggest the chilling effect of the public charge rule could reach 15 percent to 30 percent of non-citizen New Yorkers.

Further, because families pool resources, any chilling effect will affect entire families, not just fearful non-citizens. For example, if a non-citizen withdraws from SNAP, anyone in their family who is fed from those SNAP benefits will also be affected.

We select a random sample of non-citizens receiving these benefits, simulate a cancellation of any of these benefits received, subtract the value of these benefits from total family income and then recalculate poverty rates. Further detail on the data and the mechanics of these simulations is provided in the appendix.

Conclusion

Programs like SNAP, Medicaid and housing assistance are essential components of America's safety net, and they provide critical support for parents and children trying to build a new life in the United States. The public charge proposal would affect hundreds of thousands of New Yorkers and throw as many as 115,000 New Yorkers into poverty.

For More Information

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Methodology

Estimates of non-citizens' fear of interactions in public life and with public agencies come from the second panel of the Poverty Tracker, a joint effort between Robin Hood and Columbia University. The second panel, which was recruited in 2015, consists of over 4,000 adults in New York City who are being surveyed every three months. The questions on fear among immigrants were asked between two and three years after enrollment in the survey, in 2018. Survey responses are weighted to be representative of the adult population 18 and older in New York City. For details on the data, please visit:

www.povertycenter.columbia.edu/poverty-tracker-data

and

www.robinhood.org/programs/special-initiatives/poverty-tracker/

Estimates of the poverty impacts of a chilling effect come from a larger household survey that includes many New York City households, the Census Bureau's Current Population Survey (CPS). This is the annual household survey used to calculate poverty rates each year in the United States. The survey is large enough to be representative of New York City when using a multiyear file.

To arrive at these estimates we use a six-year CPS file (2012-2017) to identify non-citizens receiving SNAP benefits, rent subsidies, public housing, SCHIP and/or Medicaid. We then randomly select a percentage (2 percent, 15 percent, 20 percent, 25 percent, 30 percent, and 35 percent) of non-citizens receiving one of these benefits. Once selected, we cancel their SNAP benefits, rent subsidies and public housing value. We do this using the Supplemental Poverty Measure (SPM) calculated by the United States Census Bureau in the CPS, which includes the monetary value of SNAP benefits and housing assistance in the family (or SPM "unit") definition of resources.

Among units with an SCHIP and/or Medicaid recipient who do not move into poverty after this adjustment, we estimate that another randomly selected 5.24 percent of noncitizens (and their family members) in a unit where someone receives Medicaid or SCHIP will be moved into poverty. This value of 5.24 percent is based on a method developed by Oellerich and Sommers (2013) and extended by Zewde and Wimer (forthcoming) that estimates the value of public health insurance in the context of the SPM by estimating a counterfactual distribution of medical out-of-pocket expenditures for recipients in the absence of government health insurance. Using this approach in the context of recipients losing public insurance in the face of increased work requirements, Zewde and Wimer find that 5.24 percent of those losing Medicaid/SCHIP would be classified as poor given estimated medical expenses in the absence of public insurance. We thus add to the total pushed into poverty 5.24 percent of non-citizens in a unit receiving Medicaid/SCHIP not already pushed

into poverty through simulated canceled SNAP or housing benefits (as well as members of these non-citizens' family unit members). Since we take a random selection of 2 percent, 15 percent, 20 percent, 25 percent, 30 percent, and 35 percent of non-citizens receiving at least one of these benefits, we run this analysis 150 times and present the median results across simulations.

Table 1 in the body of the report illustrates the simulated change in poverty rate, the number newly classified as poor as a result of the proposed public charge policy, as well as the number of people impacted (i.e., including those whose incomes are reduced but who are not necessarily moved across the poverty line). We highlight the 30 percent figure, as this is approximately the percent of non-citizen New Yorkers who, in the Robin Hood/Columbia Poverty Tracker study, report a fear of interaction with public officials or the public sphere because of immigration status. Others estimate a range of such a “chilling effect” on immigrants between 15 and 35 percent, so we show that full range here as well. Finally, we show a very narrow 2 percent lower-bound estimate if only those directly affected (i.e., an estimate of those actually applying for change in status; see Laird et al., 2017 for details). Estimates are person-weighted, with weights divided by 6 to account for our six-year starting CPS file.

References

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- Zewde, N., & Wimer, C. (Forthcoming). Antipoverty impact of Medicaid growing with state expansions over time. *Health Affairs*.