The Costs of Immigration

Children from immigrant families are more expensive to educate, and districts across the country are paying the price. But many say the cost of not educating them would be much higher

Lawrence Hardy

Thirteen different languages are spoken by students in the Storm Lake Community Schools. That might not sound like a lot until you consider that this rural district in central Iowa has just over 2,300 students.

Hispanics make up nearly a third of these students, and the district has significant numbers of Hmong and Laotian students as well. In all, 77 percent of Storm Lake's students are minorities, nearly three-quarters qualify for federally subsidized lunches, and almost half are English language learners.

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Superintendent Carl Turner is proud of that inclusive atmosphere as well as of the district's intensive efforts to teach English to new arrivals. He says this diversity "is good for our kids, because that is what the world is like." And, on the financial side, he knows that all those immigrants are a lifeline of sorts in a state with more than 370 mostly small, rural districts, two-thirds of which are declining in population.

"Most districts in Iowa are losing kids," Turner says. "The exceptions are if you're in a metropolitan area like Des Moines, or you have diversity. So we're very fortunate to have the number of English language learner students we have, because if we didn't we wouldn't be able to provide other things to students."

How much does it cost to educate immigrant students, both legal and undocumented? And what are the short- and long-term benefits of those efforts? These questions are both tremendously complex and politically charged.

A growing force

To see how immigration has become a hot button issue, consider the ongoing presidential campaign, when GOP front runner Mitt Romney declared that America's 11 million illegal immigrants, if pressured enough by strict employment regulations and ID requirements, would opt to engage in a process of "self-deportation."

There is no agreed-upon estimate of the costs—let alone the benefits—of educating the children of immigrants, legal or otherwise. "Immigrants are poorer, pay less tax, and are more likely to receive public benefits than natives," writes economist Edwin S. Rubenstein in the winter 2007-08 issue of *The Social Contract*, which takes a hard line on illegal immigration. "It follows that federal government finances are adversely impacted by immigrants—and this negative will increase as the foreign-born share of the population increases."

The simplest way to estimate the cost is to multiply the average per-pupil cost by the number of undocumented students, which works out to $31.9 billion annually, Rubenstein says. But he says even this number underestimates the cost, because illegal immigrants "usually live in urban areas, where salaries are relatively higher" and require additional English language instruction, which he said "can increase costs by as much as 200 percent over average per-pupil costs." (The U.S, Department of Education, in its 2012 Fiscal Year budget request, put the annual cost of English language instruction at much less—$770 per student in 2011.)

Others say such criticisms of immigrants and the costs of educating them are misguided and, in at least one sense, moot. Regardless of what one thinks about the cost of immigrant education, according to the 1982 U.S. Supreme Court ruling in *Plyler vs. Doe*, schools are legally required to educate all children, including those whose parents are here illegally. Second, whatever the cost of educating immigrants, they say, the cost of *not* educating them would be economically devastating.

"Assuming current immigration levels continue, immigrants will account for approximately half of the growth of the working-age population in the United States between now and 2015, and immigrants will account for *all* labor force growth from 2015 to 2025, when the share of the native-born in the working-age population is projected to decline," noted a 2008 report by the Migration Policy Institute (MPI) in Washington, D.C. "As the native-born population ages, immigrants will increasingly constitute the productive portion of the U.S. population."

Moving back to old roles

Just how productive these new workers become will depend, in large part, on how well they are educated. As economists Henry M. Levin of Columbia University and Cecilia E. Rouse of Princeton point out in a recent *New York Times* article, society gets a return of $1.45 to $3.55 for every dollar invested in a high school graduate because of their increased earning and tax contributions. That's a net gain of about $127,000 over a graduate's lifetime.

If the U.S. could reduce its staggering number of high school dropouts—1.3 million a year—by 700,000, the social benefits would reach nearly $90 billion for each year that this occurred, and close to $1 trillion over 11 years, Levin and Rouse say.

But to make anywhere near that kind of progress, the nation must do a better job of educating all immigrants, and particularly Hispanics, who make up more than half of the children of immigrant parents but have some of the highest dropout rates in the nation.

For Hispanic students born in the U.S., the "status" dropout rate—the percentage of 16- through 24-year-olds who are not in school or have not earned high school credentials—was 10 percent in 2009, according to *The Condition of Education 2011*, a report by the National Center for Education Statistics. This was the same as the rate for blacks and 5 percentage points higher than that of whites. But for Hispanic students born outside the U.S., the rate was 32 percent, compared to 7 percent for blacks and 5 percent for whites born abroad.

Addressing this dropout crisis will take money and a more coordinated strategy to confront the challenges ahead. Storm Lake might see an economic benefit to having a steady growth in immigrant children but, as with any students with special educational or family needs, they generally cost more to educate. Yet while the federal government provides several funding streams that may or may not apply to particular immigrant students—such as Title 1, subsidized lunches, and

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Language Acquisition Formula State Grants—without a comprehensive federal funding program, much of these costs are passed on to states and school districts.

"There is no national office charged with immigrant integration to guide policy and, in the absence of congressional action, integration policies fall, by default, to an increasingly restive set of state and local governments," says the MPI report, which examined immigration costs and benefits in California and the nation as a whole.

In addition, the influence of what MPI calls "mediating institutions"—close-knit political parties, labor unions, and other institutions that have traditionally supported immigrants and helped them assimilate—has waned, leaving more of these responsibilities to the public schools.

It is, to be sure, a role they never totally relinquished, says Michael Fix, a senior vice president at MPI and one of the report's authors. But now, in the midst of continued growth in the number of first- and second-generation immigrants—who are expected to account for about one third of the nation's population by 2040—that role has taken on renewed significance.

"I think that schools are, in many ways, being returned by demographics to their historical role in the last great wave of immigration," Fix says. "I think they're being thrust back into that immigrant role now."

Mobility, stability are challenges

As immigrant populations continue to expand beyond traditional strongholds like Texas, New York, and California, schools and communities in other states are being asked to step into that role. In 2005-06, California had the highest percentage of children with immigrant parents—nearly half of all students—followed by Nevada (34 percent), New York (33 percent), and Texas (31 percent), according to the U.S. Census. But the largest percentage growth between 1990 and 2006 was in North Carolina, where the number of immigrant children nearly quadrupled to 257,000.

Though not as dramatic, Iowa and other Midwestern states also saw rapid growth in the number of immigrant families. In Iowa, this was largely the result of Hispanic immigrants seeking jobs in the state's meat-packing plants. During the same 25-year period that North Carolina's immigrant population soared, the number of children with immigrant parents in Iowa increased from 17,000 to 47,000, or 178 percent.

Superintendent Turner of Storm Lake Community Schools says his district's English language learners, who make up 45 percent of his pupils, are critical to the fiscal health of his 2,345-student district. However, some costs aren't adequately covered by the state.

For every English language learner student, Iowa districts get additional funds of about one-fifth the $5,800 standard per-student costs. But these funds are only available for four years, and, on average, it takes a student more than four-and-a half years to complete the classes, says Larry Martin, director of student services for Iowa's 10,555-student Waterloo Community School District, which has about 630 Bosnian students and 610 Spanish speakers.

An analysis of state data, published in February by the *Des Moines Register*, found that 82 Iowa districts needed more money from local taxpayers to fund English language instruction in 2011, compared to 62 districts five years ago. On average, these districts spend about $500 more per student than they were provided through English language program funding. Amounts of local contributions varied greatly across the state.

Storm Lake and the 565-student Postville Community School District are two of a handful of Iowa districts that also receive federal funds for migrant students. "That's a challenge," says Postville Superintendent Ottie Maxey. "We don't usually know what we're getting until mid-July.

"There's not really a pot of money that supports these students directly," Maxey says, referring to his district's immigrant students.

In Storm Lake, several teachers have earned English language learner endorsements, and 30 more have started the program this year, Turner says. The cost of the sheltered classrooms that the district offers these students—basically the regular teacher and an aide—has resulted in a slight increase in class sizes in the "property-poor" district. But Turner said that, all totaled, the program benefits everyone.

"I always feel that good instruction is good instruction," Turner says. "So that, while teachers have English language learner strategies, they don't just help [those] kids. They help all students." ■

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