

## Extending Relief: Projections of Unemployment Benefits for California Undocumented Immigrants in the Pandemic era

### EXECUTIVE SUMMARY

We examine the cost of extending aid to California undocumented immigrants from one-time relief to weekly unemployment insurance. We analyze American Community Survey 2018 and Current Population Survey 2020 data, and apply estimates of the undocumented population. We estimate 1.2 million Californian undocumented workers, and project that 266,103 lost their jobs by April 18 due to the COVID-19 pandemic. Applying California Employment Development Department (EDD) formulas, we estimate undocumented workers would have access to \$2.82 billion in extended unemployment benefits across 39 weeks.

### KEY FINDINGS

1. California has 2.0 million undocumented immigrant residents, 1.2 million of which were in the labor force as of March 2020.
2. We project that California lost 3.1 million jobs to the pandemic between March 15 and April 18.
3. Early pandemic (February 16 to March 15) employment fell more among “non-essential” work (270,685 jobs lost) than “essential” work (18,241 jobs gained). Undefined work lost an additional 118,474 jobs.

4. We estimate 73,796 undocumented workers lost their job between February 16 and March 14, and that between March 13 and April 18, 170,478 undocumented workers lost their jobs.

5. We estimate that pandemic-related weekly unemployment insurance for undocumented workers would provide \$2.82 billion in benefits. Their mean weekly benefit would be \$272.

### RECOMMENDATION

The State of California should consider extending relief to undocumented immigrants, beyond the current temporary relief fund.

The Employment Development Department (EDD) currently uses formulas to determine eligibility for weekly unemployment insurance and to calculate benefits. We recommend expanding eligibility to undocumented immigrants, and applying the same formulas, as a way of providing economic aid beyond the current relief fund.

We estimate such aid would amount to \$2.82 billion for 39 weeks for undocumented immigrants who live in California and lost their job during the COVID-19 pandemic.

## UNDOCUMENTED WORKER RELIEF

On April 15, 2020, the Office of California Governor Gavin Newsom announced \$125 million in disaster relief assistance for workers excluded from unemployment insurance. The fund was planned as a public-private initiative, drawing \$75 million from state funds and \$50 million from philanthropic partners. It is intended to provide one-time aid of \$500 per adult (with a cap of \$1,000 per households) to about 150,000 undocumented adult Californians affected by COVID-19 and unable to receive federal unemployment insurance or a federal stimulus check.

We examine estimates of undocumented workers in California in light of Governor Newsom’s disaster relief fund. While the fund provides aid for about 150,000 undocumented immigrants, we estimate 1.2 million Californian undocumented workers—of which 267,528 lost their jobs during the COVID-19 pandemic. We project the cost of undocumented immigrant access to state unemployment (and extended unemployment) benefits, per existing Californian Employment Development Department (EDD) formulas, at \$2.82 billion.

## THE CCRI STUDY

CCRI analyzed IPUMS Current Population Survey (CPS) Public Use Microdata Series (PUMS) for February and March 2020.<sup>1</sup> We estimated the undocumented population in California and projected their rise in unemployment during the COVID-19 pandemic crisis.

First, we calculated estimates of the undocumented population by applying the PEW Research Center’s (2019) estimate of undocumented immigrants, as 42% of the non-citizen population, to the “non-citizen” population identified by the CPS and the American Community Survey.

Second, we analyzed IPUMS American Community Survey (ACS) PUMS 2018 data to estimate undocumented immigrants’ earnings and benefit eligibility under state unemployment insurance formulas.

Third, we drew upon the “essential” work classifications outlined by Governor Newsom’s stay-at-home executive order (see table 1) to code 2018 census “Industry” and “Occupation” classifications in the CPS and ACS datasets.

Table 1. "Essential" Infrastructure Sectors

Healthcare/ Public Health
Emergency Services Sector
Food and Agriculture
Energy
Water and Wastewater
Transportation and Logistics
Communications and Information Technology
Other Community-based Government Operations and Essential Functions
Critical Manufacturing
Hazardous Materials
Financial Services
Chemical
Defense Industrial Base

Source: California Coronavirus (COVID-19) Response

Each industry and occupational category was coded as “essential,” “non-essential,” or “unknown.” For example, we coded physicians, or food service workers in medical settings, as “essential,” but bartenders or restaurant hosts/hostesses as “non-essential.” Categories not clearly definable (e.g. manufacturing metal parts—which may or may not be used in medical devices, for example) were coded as “unknown.”

We analyze differences among essential, non-essential, and undefined categories of work to estimate and project unemployment, earnings and benefits.

<sup>1</sup> See IPUMS USA, University of Minnesota, [www.ipums.org](http://www.ipums.org)

**Table 2. Employment-related figures for California labor force participants, by essential worker and citizenship, February**

		Estimates of citizenship status		All non-citizen	Citizen	Total
		Undocumented	Legal resident			
California Population (February)		2,054,220	2,836,780	4,891,000	34,143,104	39,034,104
<i>Labor force</i>	Employed	1,211,572	1,673,124	2,884,696	15,656,724	18,541,420
	Unemployed	78,838	108,872	187,710	698,035	885,745
	Unemp rate			6.1%	4.3%	4.6%
<i>Essential</i>	Employed	458,689	633,428	1,092,117	4,985,245	6,077,362
	Unemployed	44,783	61,843	106,626	188,496	295,122
	Unemp rate			8.9%	3.6%	4.6%
<i>Unknown</i>	Employed	310,262	428,456	738,718	2,719,644	3,458,362
	Unemployed	6,486	8,958	15,444	129,389	144,833
	Unemp rate			2.0%	4.5%	4.0%
<i>Non-essential</i>	Employed	442,622	611,239	1,053,861	7,951,835	9,005,696
	Unemployed	27,569	38,071	65,640	380,150	445,790
	Unemp rate			5.9%	4.6%	4.7%

Source: CCRI Analysis of IPUMS Current Population Surey February 2020 data

## 1.2 Million Undocumented Workers

Leading sources in the study of immigration have tracked a decline in the US undocumented immigrant population from historic highs a decade ago. Robert Warren (2017, 496) estimated that the undocumented population stood at 11.5 million in 2008, but declined to 10.6 million by 2018 (e.g. Center for Migration Studies 2020). Similarly, Pew Research Center (2020) estimated that the US undocumented population reached its peak in 2007, at 12.2 million, before declining to 10.5 million in 2017.

California’s undocumented immigrant population decline has been more pronounced than that of the rest of the nation—the state has roughly one-fourth fewer undocumented migrants now than during its peak. Warren (2017, 497) estimated California’s undocumented immigrant population at 3.0 million in 2008, but only 2.3 million by 2018 (Center for Migration Studies 2020). Pew Research Center (2020) estimated California’s undocumented population at 2.8 million in 2007, but only 2.0 million by 2017. Pastor and

Marcelli’s (2013) estimates of the California undocumented population tracked closely with those from Pew Research Center and Center for Migration Studies during the higher peak (2.7 million in 2010), though without estimates for 2017 or 2018.

Our analysis of Current Population Survey (CPS) data suggests a slow, but persisting, decline in California’s undocumented immigrant population. In February 2020, California’s non-citizen immigrant population was 4.9 million (see table 2), but decreased to 4.8 million by March 2020 (see table 3). We apply figures from Pew Research Center’s national estimates, which suggest 42% of non-citizens are undocumented. When multiplying the number of non-citizens by 42%, we find that the California undocumented population may have decreased between February and March 2020, from 2.1 million to 2.0 million.

We estimate that 1.2 million undocumented immigrants were in California’s labor force in February 2020; 1.2 million were employed, while 78,838 were unemployed (see table 2).

**Table 3. Employment-related figures for California labor force participants, by essential worker and citizenship, March**

		Estimates of citizenship status		All non-citizen	Citizen	Total
		Undocumented	Legal resident			
California Population (March)		2,000,493	2,762,586	4,763,079	34,271,746	39,034,825
<i>Labor force</i>	Employed	1,137,777	1,571,215	2,708,992	15,461,510	18,170,502
	Unemployed	104,367	144,125	248,492	836,021	1,084,513
	Unemp rate			8.4%	5.1%	5.6%
<i>Essential</i>	Employed	468,901	647,530	1,116,431	4,979,172	6,095,603
	Unemployed	42,250	58,346	100,596	235,421	336,017
	Unemp rate			8.3%	4.5%	5.2%
<i>Unknown</i>	Employed	282,667	390,349	673,016	2,666,872	3,339,888
	Unemployed	27,552	38,047	65,599	155,285	220,884
	Unemp rate			8.9%	5.5%	6.2%
<i>Non-essential</i>	Employed	386,209	533,336	919,545	7,815,466	8,735,011
	Unemployed	34,565	47,732	82,297	445,315	527,612
	Unemp rate			8.2%	5.4%	5.7%

Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

### The Onset of the Pandemic

We find that total persons employed in the labor force declined between February 2020 and March 2020. In February 2020, California had 18,541,420 employed workers. But in March 2020, California’s employed workforce declined to 18,170,502—a loss of 370,918 jobs.

What could account for such a drop? The U.S. Bureau of Labor Statistics (2020) recently published a commentary on the impact of the pandemic on The Employment Situation for March 2020. The CPS is administered during the week that contains the 19<sup>th</sup>, and the reference period is for the week that contains the 12<sup>th</sup>. During the March CPS data collection period, respondents were asked about their employment during the week of March 8-14. As the Bureau of Labor Statistics (2020, 5) noted, the national unemployment rate rose by .9%, or 1.4 million, and particular industries—such as leisure and hospitality—were particularly affected.

In tables 2 and 3, we examine employment and unemployment among workers in

industries/occupations deemed “essential,” “non-essential,” or lacking any clear categorization into either category (i.e. “unknown”).

We find that rising rates of unemployment during the onset of the pandemic were positively related with non-essential work and non-citizenship status. The rise in the unemployment rate was higher among “non-essential” workers (1.0%) than it was among essential workers (0.6%) (see table 4). An even higher percentage of workers who could not be defined in relation to essential/non-essential categories suffered the highest increase in unemployment (2.2%)—though this is simply owing to the inability to code census industry and occupational classifications according to definitions of critical infrastructure.

In terms of citizenship status, the unemployment rate increased more sharply among California’s non-citizens (2.3%) than it did among its citizens (0.9%) (see table 4). We estimate that, between February 16 and March 14, undocumented immigrants lost roughly 73,796 jobs.

**Table 4. Observed job gain/loss, by essential worker and citizenship, February 16 to March 14**

	Noncitizen		Citizen		All	
	Unemp. rate	Job loss/gain	Unemp. rate	Job loss/gain	Unemp. rate	Job loss/gain
Essential	-0.6%	24,314	0.9%	-6,073	0.6%	18,241
Unknown	6.8%	-65,702	1.0%	-52,772	2.2%	-118,474
Non-essential	2.4%	-134,316	0.8%	-136,369	1.0%	-270,685
Total	2.3%	-175,704	0.9%	-195,214	1.1%	-370,918

Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

**Table 5. Observed job gain/loss by essential worker, February 16 to March 14**

	February CPS Jobs	March CPS Job loss/gain	Share of Job loss/gain
Essential	6,077,362	18,241	4.9%
Unknown	3,458,362	-118,474	-31.9%
Non-essential	9,005,696	-270,685	-73.0%
Total	18,541,420	-370,918	100%

Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

**Table 6. Observed job gain/loss, by essential worker and legal status estimates, February 16 to March 14**

	Undocumented	Legal resident
Essential	10,212	14,102
Unknown	-27,595	-38,107
Non-essential	-56,413	-77,903
Total	-73,796	-101,908

Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

## “WE ARE NOT ‘ALL IN THIS TOGETHER’”

Two interesting patterns emerged from analysis of unemployment by essential work and citizenship. First, non-citizens experienced pandemic job loss at a rate disproportionate to their employment in non-essential or undefined jobs. Only 2.7 million workers in California were non-citizens, compared with 15.5 million citizen workers (see table 3). **While non-citizens only comprised one in seven workers, they experienced almost as many pandemic job losses as citizens (175,704 vs. 195,214)** (see table 4). The non-citizen unemployment rate for non-essential work increased by 2.4% between February and March, three times greater than

the 0.8% increase among citizens in essential work. Job losses in occupations that could be classified neither as essential or non-essential exhibited even greater disparities; the unemployment rate increased 6.8% for noncitizens in undefined job—a rate nearly seven times higher than that of citizens in similar jobs (1.0%) (see table 4).

The second interesting pattern pertained to job gain. **During the onset of the pandemic, non-citizens in essential work experienced an increase in employment.** Despite the Bureau of Labor Statistics (2020, 5) finding that “jobless rates rose among all major worker groups” during the onset of the pandemic, we found that non-citizens in essential work gained 24,314 jobs between February 16 and March 14. The associated unemployment rate for this category declined by 0.6%.

We apply a flat estimate of citizen/non-citizen pandemic unemployment disparities to our estimate of undocumented immigrants. We multiplied the non-citizen net job loss/gain for each category of worker (e.g. essential, non-essential) by 42%, because undocumented immigrants are estimated to be 42% of the non-citizen population. While this likely underestimates how vulnerable undocumented workers were to unemployment during the onset of the pandemic crisis, it provides us with a rough figure of their job loss between February 16 and March 14: 73,796 (see table 6).

**Table 7. Estimated job gain/loss, by essential worker, March 15 to April 18**

	March CPS Jobs	April RPS Job loss/gain*	Est. share of Job loss/gain	April RPS Job loss/gain
Essential	6,095,603		4.9%	151,016
Unknown	3,339,888		-31.9%	-980,841
Non-essential	8,735,011		-73.0%	-2,240,990
Total	18,170,502	-16.9%		-3,070,815

\*Bick and Blandin (in progress, 1) estimate national unemployment at a 16.9% rate

Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

**Table 8. Estimated job loss, by essential worker and citizenship status, March 15 to April 18**

	Undocumented	Legal resident	All non-citizen	Citizen	Total
Essential	11,617	16,042	27,659	123,357	151,016
Unknown	-83,012	-114,636	-197,648	-783,193	-980,841
Non-essential	-99,083	-136,829	-235,912	-2,005,078	-2,240,990
Total	-170,478	-235,422	-405,900	-2,664,914	-3,070,815

Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

## PROJECTING UNEMPLOYMENT AMONG UNDOCUMENTED WORKERS

To project California’s undocumented workers’ unemployment *forward*, between March 15 and April 18, we first drew upon Bick and Blandin’s (in progress) estimates of the national unemployment rate. Bick and Blandin (in progress, 1) designed a survey—the Real Time Population Survey—that closely followed the labor market portion of the Current Population Survey to gauge unemployment. The survey was administered to over one thousand adult respondents on April 8-9, 2020, as well as on April 22-23.

We apply Bick and Blandin’s estimate of the national job loss rate (16.9%) to our analysis of March CPS data; in other words, we multiplied our March estimate of total California jobs (18,170,502, see table 7) by 16.9%. This produced an estimate of 3,070,815 jobs lost in the California labor market between March 15 and April 18.

We further estimated March 15 to April 18 job loss by applying the share that essential (4.9%), unknown (-31.9%), and non-essential jobs (-73.0%) comprised of the California labor market to the overall projected job loss of 3,070,815 (see table 7). Our results suggested that the essential jobs sector gained 151,016 jobs between March 15 and April 18, while non-essential jobs sectors lost 2,240,990 during the same time period. Job undefined according to this schema declined by 980,841.

Lastly, to finish our projections of March-April unemployment among undocumented immigrants, we distributed projected gains/losses of each job category to each citizenship status (citizen and non-citizen) and legal status (undocumented status and legal resident). For this, we used a very conservative approach—distributing job gains/losses *evenly*, according to the distribution of job categories within each citizenship group. For example, on March 14, non-citizens comprised 919,545 of 8,735,011 non-essential workers (see table 3); we applied this ratio to the projected job losses

**Table 9. Projections of unemployment insurance benefits (UI) for undocumented immigrants**

Length of UI	Unemployed*	Annual Earnings	UI estimate**	Total UI
1 week	266,103	\$44,905	\$272	\$72,400,486
1 month	266,103	\$44,905	\$1,179	\$313,735,439
26 weeks	266,103	\$44,905	\$7,074	\$1,882,412,633
13 weeks	266,103	\$44,905	\$3,537	\$941,206,316
39 weeks	266,103	\$44,905	\$10,611	\$2,823,618,949

\*Source: CCRI Analysis of IPUMS Current Population Survey March 2020 data

\*\*Source: CCRI Analysis of IPUMS American Community Survey 2018 data

**Figure 1. Projected unemployment insurance benefits to undocumented immigrants**



Source: CCRI Analysis of IPUMS ACS 2018 data, CPS 2020 Feb/Mar data, and independent projections

between March 15 and April 18 (see table 8) to arrive at a projection of -235,912 non-citizen job losses in non-essential work. We then multiplied the -235,912 figure by 58% and 42% to arrive at the number of California legal residents (136,829) and undocumented immigrants (99,083) that we projected worked in non-essential job sectors and would have lost their jobs between March 15 and April 18.

Our projections suggest that a total of 170,478 California undocumented immigrants experienced unemployment between March 15 and April 18. While 11,617 may have gained jobs in essential sectors, 99,083—as just

mentioned—may have lost their jobs. We also predict that 83,012 undocumented workers in occupations that may or may not have been essential would have also lost their jobs.

### PROJECTING THE COST OF EXTENDING UNEMPLOYMENT INSURANCE

In a crisis of epic proportions—rivalling the Great Depression as the nation’s greatest economic disaster—what are the policy implications of such a large share of the workforce being unemployed and lacking access to economic aid? The simple solution is to provide greater aid.

The wide-ranging consensus of the need for economic relief for our nation's most disadvantaged workers cannot be understated. At a time when inter-party relations at the nation's capital are often described as polarizing, historic spending bills have been passed, providing direct stimulus payments, extended unemployment insurance, unemployment insurance for non-traditional workers (e.g. gig workers), and extended paid sick leave.

It is in light of these emergency reforms designed to provide relief for disadvantaged American workers—and the broader economy at large—that we examine the cost of a new idea: extending traditional unemployment benefits to undocumented immigrant workers.

Figure 1 illustrates the tiny amount of economic aid that Governor Newsom's \$125 million relief fund for undocumented immigrants provides in comparison to what would be provided with traditional—or even extended (due to the current crisis)—unemployment benefits.

Our earlier analysis of CPS February and March 2020 data suggested that unemployment figures for undocumented immigrants in non-essential jobs totaled 56,143, while those in undefined job sectors totaled 27,595. Our analysis also projected increasing job losses for the undocumented at 99,083 in non-essential jobs, and 83,012 in undefined job sectors, between March 15 and April 18. Thus, the total number of undocumented immigrants that have experienced unemployment since the COVID-19 pandemic numbers 266,103.

Using regular State of California Employment Development Department (EDD) formulas, we also estimated probable unemployment insurance (UI) benefits for workers in the American Community Survey that met the basic thresholds for receiving UI benefits. We found that non-citizen workers earned an average of \$44,905 in annual earnings, and that mean benefits for non-citizens amounted to \$272 per week (see table 9).

After multiplying the estimated, mean weekly benefit for each of the 266,103 unemployed, undocumented workers in the State of California, we arrived at a figure that projected the amount of benefits that would be due to undocumented Californian workers had they qualified for regular unemployment insurance: \$1.88 billion (see figure 1). This figure increases by \$941 million when we add extended unemployment insurance (currently available to workers with legal residence status laid off during the pandemic), for a total of \$2.82 billion.

## **POLICY IMPLICATIONS**

1. California has 1.2 million undocumented immigrants in the workforce—a sizeable element of the workforce highly vulnerable during moments of economic crisis.
2. We find that the onset of the pandemic led to employment loss, and that such employment loss was especially acute among non-essential workers and non-citizen workers. Public policy and economic aid should focus on those groups particularly affected by the current crisis.
3. We project that California had lost 3.1 million jobs to the pandemic by April 18. Of these workers, 266,103 are undocumented and will have little to no access to the same relief offered to workers with work authorization.
4. The cost of pandemic-related unemployment insurance for undocumented workers would reach \$2.82 billion—if such workers were allowed to access such benefits.

## **POLICY RECOMMENDATIONS**

1. State policy-makers should consider the benefits of extending traditional unemployment insurance to undocumented immigrants. Current public policy only provides a \$75 million relief fund—a small amount compared to the \$2.82 billion undocumented immigrants would earn under traditional unemployment insurance.

## References

Bick, Alexander and Adam Blandin. In Progress. "Real Time Labor Market Estimates During the 2020 Coronavirus Outbreak." Paper in progress.

Bureau of Labor Statistics. 2020. "Frequently asked questions: The impact of the coronavirus (COVID-19) pandemic on the Employment Situation for March 2020."

California Coronavirus (COVID-19) Response. 2020. "Essential Critical Infrastructure Workers." Stay Home Except for Essential Needs. Accessed online on April 28, 2020 at: <https://covid19.ca.gov/stay-home-except-for-essential-needs/>

Center for Migration Studies. 2020. "State-Level Unauthorized Population and Eligible-to-Naturalize Estimates. Accessed online on April 28, 2020 at: <http://data.cmsny.org/state.html>

Office of Governor Gavin Newsom. 2020 "Governor Newsom Announces New Initiatives to Support California Workers Impacted by COVID-19." Press Release. April 15. Accessed online on April 28, 2020 at: <https://www.gov.ca.gov/2020/04/15/governor-newsom-announces-new-initiatives-to-support-california-workers-impacted-by-covid-19/>

Pastor, Manuel and Enrico A. Marcelli. 2013. "What's at Stake for the State: Undocumented Californians, Immigration Reform, and our Future Together." Center for the Study of Immigrant Integration. Los Angeles: University of Southern California.

Pew Research Center. 2019. "Key Findings about U.S. Immigrants." Accessed online on April 28, 2020 at: <https://www.pewresearch.org/fact-tank/2019/06/17/key-findings-about-u-s-immigrants/>

Pew Research Center. 2020. "Unauthorized Immigrant Population Trends for States, Birth Countries and Regions." Accessed online on April 28, 2020 at: <https://www.pewresearch.org/hispanic/interactives/unauthorized-trends/>

Warren, Robert. 2017. "Zero Undocumented Population Growth is Here to Stay and Immigration Reform Would Preserve and Extend These Gains." *Journal on Migration and Human Security* 5(2):491-508.

## **About CCRI at UC Merced**

The Civic Capacity Research Initiative is a public service initiative located at the University of California Merced. It conducts research and education on issues of community, labor and employment.

This report was prepared by Edward Orozco Flores, Ana Padilla, Karina Juarez and Rabia Qaiser.

The authors gratefully acknowledge the Irvine Foundation for providing financial support for this project.