

OFF  
THE CUF



By Tara Colton

# OPPORTUNITY COSTS

With immigrants comprising a growing share of the city's workforce, New York City ought to be expanding ESOL programs; however, this year's budget reduces critical city funding for English language instruction by 55 percent

**FOR MORE THAN 1.3 MILLION NEW YORKERS WITH LIMITED OR NO** English language proficiency, the climb toward economic security and full participation in civic life got longer and steeper late last month. In the face of a sharp economic downturn prompting the need for budget cuts, and a funding scandal that continues to cast a shadow over City Hall, Mayor Michael Bloomberg and City Council Speaker Christine Quinn agreed to a municipal budget that included a devastating cut to the Immigrant Opportunity Initiative (IOI), a city program that provides immigrants with English-language instruction and legal services.

The 2009 city budget slashes funding for the IOI program by 55 percent, reducing the budget from an already-modest \$11.25 million in Fiscal Year 2008 to a paltry \$5 million, an amount that covers both English for Speakers of Other Languages (ESOL) and immigrant legal services. This past year, about 60 percent of the IOI allocation went toward legal services; at the same ratio, only around \$2 million of IOI funds would go to ESOL over the next year.

The cuts to IOI make little sense given both the importance of English language skills in today's economy and the huge unmet need for ESOL services in New York. Indeed, New York ought to be seeking to expand English language programs—not decimate them.

For much of New York's history, immigrants with limited English skills could easily obtain decent paying jobs with opportunities for career advancement in manufacturing and other sectors. But there are considerably fewer positions like this today. In the current economy, workers without English proficiency have few opportunities for advancement beyond entry-level jobs, as skills, teamwork and communication become ever more important assets in the workplace. Workers need English to communicate with supervisors, interact with customers and understand everything from computer databases to safety regulations. In previous Center for an Urban Future reports about ESOL, employers told us that they wanted to promote reliable workers into mid-level and managerial positions they had vacant, but could not do so because the workers' English was not adequate for jobs with greater responsibilities.

Limited English skills among the immigrant work-

Cutting the program's budget by more than half, however, will significantly reduce the amount of ESOL classes that can be provided. "These cuts to the IOI are definitely going to hurt when it comes to the number of clients being served," says Elana Broitman, director of city policy and public affairs for the UJA-Federation of New York, an umbrella group with multiple member agencies that provide ESOL instruction in the five boroughs. "If somebody doesn't speak enough English to get a better job, that's going to have a ripple effect for the entire New York City economy."

For all its value, the IOI is far from perfect. The modest funds available are dispersed almost evenly among the 51 council members. Though the funds are allocated based on a formula that takes into account factors such as the overall number of immigrants in each district, each council member is guaranteed at least \$100,000 and the largest grant available is only

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force aren't just a barrier for low-wage employees—they're a constraint on New York's economic competitiveness. Immigrants comprise a large and growing share of the city's labor pool, and New York's competitive position will increasingly depend upon getting these individuals the skills that employers need. If that doesn't happen, businesses looking to relocate or expand here may very well go elsewhere.

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Despite its modest budget, IOI at least went part of the way in addressing this shortfall. Indeed, the Center for an Urban Future touted the program as a model in our 2006 "Lost in Translation" report, explaining that no other municipality in New York had supplemented state ESOL funding with their own allocation for ESOL programming,

\$275,000. The result is that Councilmember Helen Sears, whose Jackson Heights district included more than 58,000 adults with limited English proficiency in 2000—representing fully 52 percent of all working-age adults in the district—received only \$175,000 more than Councilmember Daniel Garodnick, whose Manhattan district had fewer than 7,300 limited English proficient adults during the same period, or just six percent of all working-age adults in the district.<sup>3</sup>

Another potential flaw is that each Council member has almost complete discretion over how they parcel out their IOI funds. As the City Council's recent budget scandal illustrated, the funding process is open to political influence and abuse—and there is no guarantee that the grants go to the most qualified providers. "Over the years, programs that have ESOL experience have been getting a smaller share of a growing pot of money, and a significant portion of this money is going to groups that have no experience," says K.C. Williams, director of adult education at Queens Community House.

But city leaders should correct IOI's flaws, rather than use them as an excuse to de-fund the program. There are several ways to overhaul the IOI that would create the transparency and oversight the public in-

creasingly demands of government funding. One possible solution is to take the granting of IOI funds out of the Council's hands entirely, and let the executive branch of city government—presumably the Mayor's Office of Adult Education, which has demonstrated a commitment to reinventing the city's current adult education system—decide which groups receive grants, perhaps through a competitive RFP process.

Regardless of which side of City Hall controls the IOI's purse strings, cutting the program's funding by 55 percent makes little sense at a time when immigrants continue to fuel the city's population growth and make up a growing share of the local workforce. ESOL should be seen as a crucial human capital investment, one that will pay significant dividends for the city's economy in the long run.

*Off the CUF* commentaries are published each month by the Center for an Urban Future (CUF). Alternatively written by outside experts and CUF staff, the commentaries aim to highlight critical opportunities and challenges facing New York and other cities, and generate fresh ideas for policymakers, business leaders and nonprofit practitioners.

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## ENDNOTES

1 2006 American Community Survey

2 Enrollment in classes refers to programs administered by New York State Dept. of Education: WIA Title II, EPE, WEP and ALE. Enrollment data provided by NYSED and ALIES data generated by the Literacy Assistance Center. Limited English proficiency data from the United States Census, 2006 American Community Survey. Working-age adults with limited English proficiency includes adults aged 18-64 that speak English "well," "not well," or "not at all."

3 Analysis of City Council Fiscal Year 2008 Adopted Expense Budget: Adjustments Summary/Schedule C City Council (revised October 17, 2007), available online at [http://www.nycouncil.info/tempissues/Schedule\\_c\\_Oct172007.pdf](http://www.nycouncil.info/tempissues/Schedule_c_Oct172007.pdf) (see pages 27-34) and 2000 U.S. Census data (long-form), which is the most recent data on limited English proficiency available at the Council district level.

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*Lost in Translation*, by Tara Colton, Center for an Urban Future, November 2006

*Still Lost in Translation*, by Tara Colton, Center for an Urban Future, November 2007

"Immigrant Services and their Funding," by Anthony Ng, Gotham Gazette, May 2006

"The State of Immigration in New York City," City Council Briefing Paper, Committee on Immigration, May 25, 2006

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