

CITIZENSHIP FOR A STRONGER ECONOMY

How Waiving Naturalization Fees Can Accelerate America's COVID-19 Recovery



CONTENTS

Key Messages	3
Vast Untapped Potential	5
Why does naturalization make such a difference?	8
Investing in Your New Homeland	9
Naturalization and COVID-19 Recovery	10
Breaking Down Barriers: Why USCIS Fees Matter	12

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Cover Photo: Citizenship oath ceremony at Grand Canyon National Park. Photo by Michael Quinn, National Park Service. © GPA Photo Archive / Flickr

Back Cover: Naturalization ceremony at Mammoth Hot Springs, Yellowstone National Park. Photo by Jim Peaco, National Park Service. © Yellowstone National Park / Flickr

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About NPNA:

The National Partnership for New Americans is a national multiethnic, multiracial organization that represents 41 of the largest regional immigrant and refugee rights organizations in 37 states. Its members provide large-scale services for the communities, to leverage their collective power and expertise for a national strategy.

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CITIZENSHIP FOR A STRONGER ECONOMY:

HOW WAIVING NATURALIZATION FEES CAN ACCELERATE AMERICA'S COVID-19 RECOVERY

KEY MESSAGES

- Over 9 million green card holders – one-fifth of immigrants – are eligible to become U.S. citizens, but have yet to do so. This is an enormous untapped opportunity with great potential to accelerate America's recovery from the COVID-19 crisis.
- A robust body of research has linked naturalization to higher incomes (8.9% or \$3,200 per year, in one major study) and higher rates of employment, homeownership and access to finance, all of which increase immigrants' economic contributions.
- Evidence shows naturalization opens up new opportunities, such as eligibility for more public-sector jobs and greater appeal to employers, and it provides further benefits through family sponsorships. It also encourages immigrants to make long-term investments in their future in America through education, entrepreneurship, etc.
- The economic benefits of naturalization are already evident within 1–2 years, but keep growing for well over a decade, and are still felt over 30 years later.
- Immigrants have been hailed for their roles as essential workers during the COVID-19 crisis, but they have also suffered outside economic impacts, with disproportionately high job losses and business closures, and very limited help from safety-net programs.
- Promoting naturalization by waiving the \$725 fee as part of the COVID-19 recovery would give a vital boost to immigrants and the communities they live and work in.
- U.S. Census data show that 48.1% of non-citizens earn less than \$35,000 per year, compared with 28.4% of naturalized U.S. citizens and 28.8% of the native-born, and several studies have shown that cost is a significant barrier to naturalization.
- Removing cost barriers works: A study in New York, using a lottery, found that immigrants who won vouchers to cover the \$725 fee applied for naturalization at almost twice the rate of those who did not, 78% vs. 37%.
- There are compelling reasons to reduce naturalization fees for all. The fee was only \$35 in 1985, equivalent to about \$87 today, and as recently as 1970, almost two-thirds of immigrants were naturalized U.S. citizens, compared with 51.6% in 2019.



A newly sworn-in U.S. Citizen outside Faneuil Hall in Boston. © MIRA Coalition

Immigrants have played key roles in getting America through the COVID-19 pandemic, working in everything from food production, to health care, to public transit. They have also been hit hard by the virus – both in terms of hospitalizations and deaths, and economically.

Now, as we emerge from the crisis, we need to work together to ensure an equitable and inclusive recovery. This briefing paper makes the case for one priority that could be transformative for immigrant families: to reduce the cost of naturalization so 2 million eligible green card holders can become U.S. citizens in the next 18 months.

Citizenship is the great equalizer: It enables people who've lived and worked in this country for years, paid taxes, and contributed to their communities, to enjoy the same rights and privileges as those born in the United States. That deepens their ties to this country, opens up new opportunities, and enables them to contribute even more, research shows.

Naturalization today can be expensive: the processing fees from U.S. Citizenship & Immigration Services (USCIS) alone are \$725 – more than a week's gross pay for someone earning \$35,000 per year. And though many nonprofits, including NPNA members, offer free application assistance, there may be added costs: from English classes, to hiring a lawyer if needed.

FOR SOMEONE EARNING \$35,000 A YEAR, THE \$725 NATURALIZATION FEE IS OVER A WEEK'S PAY.

This is why NPNA has long advocated for removing cost barriers to citizenship. Through the New Deal for New Americans Act, NPNA is advocating to reduce the fee to \$50, among other provisions to facilitate naturalization.¹ Most immediately, as part of COVID-19 recovery efforts, NPNA is urging Congress to waive the fee entirely for an 18-month period, at least for essential workers or those earning less than \$75,000 per year.

VAST UNTAPPED POTENTIAL

44.9 million immigrants,² 51.6% of whom were naturalized U.S. citizens. Between 2005 and 2019, USCIS approved an average of 737,000 new citizenship applications per year: from a low of 604,280 in 2005, to a record 1,046,539 in 2008.³ There are large differences in the citizenship rates of longtime residents vs. more recent arrivals (see Figure 1), but altogether, about one-fifth of immigrants, 9.1 million green card holders, were eligible to naturalize by 2019, but had yet to do so.⁴

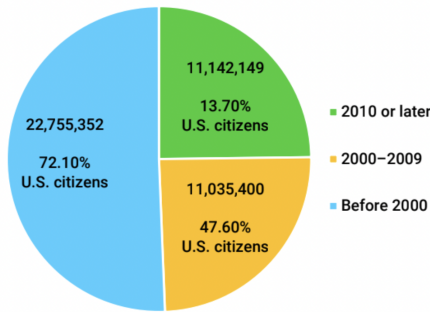
¹ The New Deal for New Americans Act, sponsored by U.S. Sens. Edward J. Markey (D-MA) and Mazie Hirono (D-HI) in the Senate and U.S. Reps. Grace Meng (D-NY), Jesús “Chuy” García (D-IL), and Pramila Jayapal (D-WA), lays out a vision for the federal government to invest strategically in the full integration of immigrants and refugees. For a one-page summary of the bill, see <https://www.markey.senate.gov/download/new-deal-for-new-americans-one-pager>. For the full bill text, see <https://www.markey.senate.gov/download/new-deal-for-new-americans>.

² See U.S. Census Bureau, “Selected Characteristics of the Foreign-Born Population by Period of Entry into the United States,” Table S0502, 2019 ACS 1-year estimates: <https://data.census.gov/cedsci/table?q=foreign%20born&tid=ACSST1Y2019.S0502>.

³ See USCIS data at <https://www.dhs.gov/immigration-statistics/naturalizations>. The numbers fluctuate, but have held fairly steady. The average for those 15 years is 737,238; the totals for 2017, 2018 and 2019 were 707,265, 761,901 and 843,593, respectively.

⁴ Baker, B. (2019). *Estimates of the Lawful Permanent Resident Population in the United States and the Subpopulation Eligible to Naturalize: 2015-2019*. Revised version. Office of Immigration Statistics, U.S. Department of Homeland Security. <https://www.dhs.gov/immigration-statistics/population-estimates/LPR>.

Figure 1: Immigrants by year of arrival and citizenship status



Source: U.S. Census Bureau, Table S0502, 2019 ACS 1-year estimates.²

Table 1: States with largest numbers of immigrants eligible to naturalize

State	Total	State	Total
California	2,340,000	Washington	190,000
New York	1,130,000	Arizona	190,000
Texas	990,000	Virginia	180,000
Florida	880,000	Pennsylvania	170,000
New Jersey	380,000	Georgia	170,000
Illinois	380,000	Maryland	160,000
Massachusetts	210,000	Michigan	140,000

Source: Office of Immigration Statistics, 2019 (Table 4).³

This is an enormous untapped opportunity (see Table 1 for state-by-state data). It is also a chance to regain lost ground: In 1970, 63.6% of immigrants were naturalized U.S. citizens.⁵

A robust body of research in the United States and abroad shows that immigrants who naturalize do better across a range of social and economic measures, even after accounting for differences in education, income and time living in the country.⁶

A 2015 study by the Urban Institute, for example, focused on 21 major cities, found that naturalization increased the earnings of eligible immigrants by 8.9%, or \$3,200 per year and boosted their overall employment rate by 2.2 percentage points and their homeownership rate, by 6.3 percentage points.⁷ If all who are eligible became U.S. citizens, the study found, their combined earnings in the 21 cities would increase by \$5.7 billion, boosting tax revenues by \$2.03 billion and adding 45,000 new homeowners.

Looking more closely at New York City and San Francisco in particular, the Urban Institute study found that if all naturalization-eligible immigrants in

the two cities were to become U.S. citizens, in New York, annual city, state, and federal tax revenue would rise by \$789 million, while in San Francisco, it would rise by \$90 million. The analysis concluded that programs that encourage eligible immigrants to naturalize “could be a powerful mechanism for cities to harness the full economic contribution of immigrants and promote local economic development.”⁸

Indeed, research by the Center for Migration Studies has found that naturalized U.S. citizens match or exceed the native-born on key measures: from income, to employment in skilled occupations, to health insurance coverage, to homeownership (see Table 2 for highlights).⁹ There is a clear pattern:

⁵ See Table 12 of Gibson, C. and Jung, K. (2006). *Historical Census Statistics on the Foreign-Born Population of the United States: 1850 to 2000*. Population Division Working Paper No. 81. U.S. Census Bureau, Washington, DC. <https://www.census.gov/content/dam/Census/library/working-papers/2006/demo/POP-twps0081.pdf>

⁶ For an in-depth exploration of the benefits of naturalization for immigrant integration, as well as a history of naturalization policies in the United States, see National Academies of Sciences, Engineering, and Medicine (2015). *The Integration of Immigrants into American Society*. The National Academies Press, Washington, DC. <https://doi.org/10.17226/21746>.

⁷ Enchautegui, M. E. and Giannarelli, L. (2015). *The Economic Impact of Naturalization on Immigrants and Cities*. Research report, supported by the New York City Mayor’s Office of Immigrant Affairs, Citi Community Development, and Cities for Citizenship. Urban Institute, Washington, DC. <https://www.urban.org/research/publication/economic-impact-naturalization-immigrants-and-cities>.

⁸ Enchautegui and Giannarelli (2015), p. VII.

⁹ Kerwin, D. and Warren, R. (2019). Putting Americans first: A statistical case for encouraging rather than impeding and devaluing US citizenship. *Journal on Migration and Human Security*, 7(4). 108–22. DOI:10.1177/2331502419894286.

citizens do better than green card holders, who do better than undocumented immigrants – leading the authors to conclude that every step that moves immigrants closer to parity with the native-born is beneficial for them and the whole nation.

Table 2: How different categories of immigrants compare with native-born U.S. citizens

Characteristic	Native-born	Naturalized	Lawful status	Undocumented
Employment rate (age 16+)	95%	96%	94%	95%
Average personal income	\$40,600	\$45,600	\$30,500	\$26,600
Employed in skilled occupation	43%	44%	37%	18%
Health insurance coverage	93%	92%	82%	51%
Employment rate (age 16+)	95%	96%	94%	95%
Average personal income	\$40,600	\$45,600	\$30,500	\$26,600
Employed in skilled occupation	43%	44%	37%	18%
Homeowner (incl. mortgaged)	65%	68%	42%	35%

Source: Kerwin and Warren (2019). Selected data from Table I, which presents Center for Migration Studies estimates based on 2017 American Community Survey data.⁹

The economic benefits of naturalization are seen quickly, but build over time, extending for decades. Researchers at the University of Southern California found that within a year or two of becoming U.S. citizens, immigrants reported incomes that were at least 5.6% higher, on average, which rose gradually to average 10.1% within 12–17 years of naturalizing.¹⁰ The benefits tapered off after that, but still averaged 5.9% after more than 30 years.

WHY DOES NATURALIZATION MAKE SUCH A DIFFERENCE?

To some extent, green card holders who become U.S. citizens are self-selecting: they’ve built lives here and want to stay long-term; they’re also likely to speak English, which is required of all applicants except for the oldest and most long standing residents.¹¹ And as noted in the introduction, and discussed further below, naturalization is costly. But all the studies cited here carefully accounted for demographics, and still found naturalization made a real impact.

Why are immigrants – and their families and entire communities – so much better off after naturalization? The evidence shows there are both direct and more subtle, indirect benefits. First of all, you need to be a U.S. citizen not just to vote or run for office – but also to qualify for most federal jobs, or to be a police officer in much of the country. Public-sector jobs tend to pay better than private-sector jobs, so immigrants gain from becoming eligible for a wider range of

¹⁰ These are the lower-bound estimates; the upper-bound estimates, allowing for industry and occupational shifts, range from 7.2% within the first two years, to a peak of 13.5% after 12–17 years, tapering off to 10% after 30 years. See Pastor, M. and Scoggins, J. (2012). *Citizen Gain: The Economic Benefits of Naturalization for Immigrants and the Economy*. Center for the Study of Immigrant Integration, University of Southern California, Los Angeles. https://dornsife.usc.edu/assets/sites/731/docs/citizen_gain_web.pdf.

¹¹ Kerwin and Warren (2019), cited above, found that 84% of naturalized U.S. citizens spoke English “well or very well,” or only English, compared with 67% of non-naturalized lawful permanent residents. They were also likelier to have a college degree (B.A. or higher): 35% vs. 30% – though the latter difference could also reflect expanded access to educational opportunities post-naturalization.

them.¹² One study found naturalized U.S. citizens were 4.3 percentage points more likely to hold public-sector jobs than their non-naturalized peers.

Naturalization also advances financial inclusion for immigrant families.¹³ Immigrants are more than twice as likely to lack bank accounts as the native-born – 13.6% vs. 6.5% – with even higher unbanked rates among Latino immigrants.¹⁴ They are also likely to be “underbanked” – that is, use

Overall, immigrants are more than twice as likely to be unbanked as the native-born, 13.6% vs. 6.5%, but naturalized citizens are on par with the native-born.

non-bank financial services even if they or a family member have a bank account. This imposes additional costs on immigrants, while the lack of bank credit can make it difficult to buy a home or even a car, or to start or expand a small business. Alternatively, immigrants may fall victim to predatory lenders. Naturalized U.S. citizens, however, enjoy similar access to banks as native-born citizens, as shown in Table 3.

A more intangible, but widely seen factor, both in the United States and in Europe, is that naturalization can boost immigrants’ job prospects by signaling to employers that they are committed to staying in this country long-term.¹⁵ A U.S. passport is also valuable for jobs that require international travel. Notably, the benefits are most pronounced for immigrants in lower-skilled jobs and for those who are likelier to experience discrimination, such as people of color, religious minorities, or members of other marginalized groups.¹⁶ This is a key insight for policy-makers eager to tackle broader inequities.

Table 3: Citizens’ and non-citizens’ use of bank and non-bank financial services

Citizenship	Credit card	Home loan	Auto loan	No credit	Check-cashing	Money order
U.S. native-born	69.8%	34.9%	33.3%	18.5%	13.4%	6.0%
U.S. naturalized	70.2%	35.3%	28.8%	19.9%	14.9%	5.3%
Non-citizen	53.3%	18.6%	23.5%	35.9%	24.6%	10.1%

Source: Federal Deposit Insurance Corporation (2017 data).¹⁶ “No credit” indicates no mainstream credit (through a bank).

¹² Shierholz, H. (2010). *The Effects of Citizenship on Family Income and Poverty*. Briefing Paper #256. Economic Policy Institute, Washington, DC. <https://www.epi.org/publication/bp256/>.

¹³ See a detailed discussion in: Cities for Citizenship (2018). *America Is Home: How Individuals, Families, Cities & Counties Benefit by Investing in Citizenship*. 2017-2018 Impact Report. <https://www.populardemocracy.org/news/publications/america-home-how-individuals-families-cities-counties-benefit-investing>.

¹⁴ The data cited are from a June 2013 FDIC survey; it found 18% of Latino immigrants, including 27.5% of Mexican immigrants, were unbanked. See Northwood, J. M. and Rhine, S. L. W. (2016). *Use of Bank and Nonbank Financial Services: Financial Decision Making by Immigrants and Native Born*. DCP Research Working Paper 2016-03. Division of Depositor and Consumer Protection, Federal Deposit Insurance Corporation. https://www.fdic.gov/news/events/consumersymposium/2016/documents/northwood_paper.pdf.

¹⁵ This is discussed at some length by both Shierholz (2010) and Pastor and Scoggins (2012). For a European perspective, see Gathmann, C. and Monscheuer, O. (2020). Naturalization and citizenship: Who benefits? *IZA World of Labor* 2020(125). DOI:10.15185/izawol.125.

¹⁶ See Pastor and Scoggins (2012) and Hainmueller, J., Hangartner, D. and Ward, D. (2019). The effect of citizenship on the long-term earnings of marginalized immigrants: Quasi-experimental evidence from Switzerland. *Science Advances*, 5(12). DOI:10.1126/sciadv.aay1610.

Naturalized U.S. citizens can also confer U.S. citizenship to their minor children, which expands opportunities for them as well. And they can petition for green cards for their family members: not just their spouse and minor children, but also their parents, adult sons and daughters, or siblings. This includes family members who are already in the country, but undocumented (though immigration law is complex, so not all would qualify). Researchers from the Center for Migration Studies estimate that about 1.2 million undocumented people live with 1.1 million eligible-to-naturalize relatives, including about 890,000 who are “immediate relatives” and could thus qualify for expedited admission and adjustment of status.¹⁷

Though researchers to date have focused on individual incomes, sponsoring adult sons and daughters, siblings or parents can also improve the whole family’s economic prospects. Grandparents can help with child care, enabling the parents to spend more time working outside the home. Some 3.2 million immigrants own businesses,¹⁸ mostly small enterprises; the sponsored family members can provide labor and new skill sets. And wherever they choose to work, every additional income flowing into the household makes a difference.

INVESTING IN YOUR NEW HOMELAND



A newly sworn-in U.S. citizen who received application assistance from the Progressive Leadership Alliance of Nevada (PLAN) poses with his certificate. © PLAN.

Naturalization also changes immigrants’ own behavior, research shows, encouraging them to make longer-term investments that deepen their ties to this country and to their local communities. That has long been the case, but the effect is likely to have become even more pronounced in recent years. Non-citizens have always felt less secure in America than citizens,¹⁹ but the aggressive enforcement and anti-immigrant policies of the Trump administration made the lives of even well-established, lawful immigrants feel more precarious.

Citizenship secures immigrants’ place in this country, and as the study of 21 cities put it: “The sense of security that comes with American citizenship and a commitment to one’s adopted home can lead to increased productivity and long-term investments in the receiving country, such as buying a house or opening up a business.”²⁰

For example, that study found that if all those eligible were to naturalize, their homeownership rate could increase from 29 to 35 percent, due both to citizens’ greater sense of belonging, and to their higher overall incomes. Research also suggests that naturalization leads to greater investments in

¹⁷ Kerwin and Warren (2019). Again, these are general estimates; many factors can complicate and delay immigration cases.

¹⁸ See New American Economy data: <https://www.newamericaneconomy.org/issues/entrepreneurship/>.

¹⁹ See, for example, Aptekar, S. (2016). Making sense of naturalization: What citizenship means to naturalizing immigrants in Canada and the USA. *Journal of International Migration and Integration*, 17(4). 1143–61. DOI:10.1007/s12134-015-0458-5.

²⁰ Enchautegui and Giannarelli (2015), p. 1.

human capital, such as additional education or vocational training, starting a local business, and building social networks, though these impacts are harder to quantify.²¹

These investments, combined with naturalized citizens' overall socio-economic gains, benefit not just immigrants and their families, but the broader community and the nation as a whole. Their prosperity translates into more purchases from local businesses, more jobs created at immigrant-owned businesses, and more tax revenue for local, state and federal coffers. Especially in immigrant-rich neighborhoods and communities, where Main Streets are anchored by immigrant businesses, those impacts can be transformative.

NATURALIZATION AND COVID-19 RECOVERY

As essential workers have proven throughout the COVID-19 pandemic, immigrants make vital contributions to America at all levels of the economy: from scientists and engineers, to business owners, nurses, teachers and aides, grocery store workers, janitors and meat packers. Some 6.4 million of those essential workers are green card holders.²² And as the research outlined above shows, the economic benefits of citizenship are particularly strong for immigrants in lower-paid jobs, for whom it can greatly expand opportunities.²³ Almost half of non-citizens (48.1%) earn less than \$35,000 per year, compared with 28.4% of naturalized U.S. citizens and 28.8% of the native-born.²⁴ Table 4 shows immigrants' earnings by year of arrival.

Given that upward mobility is at the core of the American Dream, enabling eligible lower-income immigrants to become U.S. citizens should always be a priority – but it's particularly crucial as we seek to rebuild the economy, because the COVID-19 crisis has disproportionately hurt immigrant households and businesses.

A larger share of immigrant workers are employed in “essential critical infrastructure” categories, including health, infrastructure, manufacturing, service, food, safety and other basic needs, than native-born workers, 69% vs. 65%.²⁵ But not all those jobs survived the spring 2020 shutdown or subsequent waves of layoffs, especially in the hospitality sector, which relies heavily on immigrants. From February to April 2020, the unemployment rate for native-born workers rose from 3.5% to 14%; for foreign-born workers, it jumped from 2.6% to 16.5%.²⁷ In that same time frame, the

²¹ Pastor and Scoggins (2012).

²² FWD.us (2020). *Immigrant Essential Workers Are Crucial to America's COVID-19 Recovery*. <https://www.fwd.us/news/immigrant-essential-workers/>.

²³ See Pastor and Scoggins (2012), Hainmueller et al. (2019), and Gathmann and Monscheuer (2020).

²⁴ See U.S. Census Bureau, “Selected Characteristics of the Native and Foreign-Born Populations,” Table S0501: <https://data.census.gov/cedsci/table?q=foreign%20born&tid=ACSST1Y2019.S0501>.

²⁵ See U.S. Census Bureau, “Selected Characteristics of the Native and Foreign-Born Populations,” Table S0501: <https://data.census.gov/cedsci/table?q=foreign%20born&tid=ACSST1Y2019.S0501>.

²⁶ Based on 2018 data. See Kerwin, D., Nicholson, M., Alulema, D. and Warren, R. (2020). *US Foreign-Born Essential Workers by Status and State, and the Global Pandemic*. Center for Migration Studies, New York. <https://cmsny.org/publications/us-essential-workers/>.

²⁷ JEC and CHC (2020). *Immigrants, the Economy and the COVID-19 Outbreak*. U.S. Congress Joint Economic Committee and Congressional Hispanic Caucus, Washington, DC. <https://www.jec.senate.gov/public/index.cfm/democrats/2020/6/chc-jec-release-report-on-immigrants-the-economy-and-the-coronavirus-crisis>.

Table 4: Annual Earnings of Non-Citizens and Native-Born and Naturalized U.S. Citizens

Citizenship	Total Number	<\$25,000	\$25,000 - \$34,999	\$35,000 - \$49,999	\$50,000 - \$74,999	> \$75,000
U.S. Native-Born	283,306,622	14.2%	14.6%	19.9%	23.4%	27.9%
U.S. Naturalized	11,035,400	14.0%	14.4%	18.8%	20.9%	31.9%
Non-Citizen	22,755,352	26.4%	21.7%	18.9%	14.3%	18.8%

Source: U.S. Census Bureau, Table S0501, 2019 ACS 1-Year Estimates²⁴

number of active foreign-born business owners fell by 36%, compared with a 22% drop in business ownership overall.²⁸ Immigrants of color with small businesses were particularly hard-hit. Inequities in America’s social safety net, reinforced by inequitable choices by Congress in the first rounds of COVID-19 stimulus, further disadvantaged non-citizens. Federal law bars green card holders from accessing key programs, such as Medicaid and nutritional assistance, for five years, and fear and confusion caused by the Trump administration’s “public charge” rule discouraged many immigrants who did qualify from applying.²⁹ (Indeed, many immigrants feared that even going to a food pantry could jeopardize their status.)

The CARES Act, in April 2020, and the second round of stimulus payments, in December 2020, included green card holders, but both excluded households in which anyone had used an Individual Taxpayer Identification Number (ITIN) to pay taxes – a common occurrence in mixed-status families. The Migration Policy Institute estimates that 14.4 million people in such families, including 5.1 million U.S. citizens and lawfully present non-citizens, were shut out.³⁰ The American Rescue Plan was less restrictive, but immigrant families still lag behind in terms of federal stimulus support. Immigrant-owned businesses have also faced greater difficulties in accessing loans and other COVID-related assistance for businesses.³¹

To be truly fair, equitable and effective, America’s COVID-19 recovery strategies need to recognize that the pandemic has hit some populations harder than others and tailor policies accordingly. Based on the evidence presented in this briefing paper, removing cost barriers to citizenship, starting with essential workers, looks like a natural choice.

²⁸ Fairlie, R. W. (2020). *The Impact of Covid-19 on Small Business Owners: Evidence of Early-Stage Losses from the April 2020 Current Population Survey*. NBER Working Paper 27309. National Bureau of Economic Research. <https://www.nber.org/papers/w27309>.

²⁹ For a more in-depth discussion, see JEC and CHC (2020).

³⁰ Gelatt, J. (2020). *Mixed-Status Families Ineligible for CARES Act Federal Pandemic Stimulus Checks*. Migration Policy Institute, 12 May. <https://www.migrationpolicy.org/content/mixed-status-families-ineligible-pandemic-stimulus-checks>.

³¹ See JEC and CHC (2020). In February 2021, the Biden administration clarified a key rule to ensure that lawful immigrants using an ITIN could access Payroll Protection Program funds. See <https://www.whitehouse.gov/briefing-room/statements-releases/2021/02/22/fact-sheet-biden-harris-administration-increases-lending-to-small-businesses-in-need-announces-changes-to-ppp-to-further-promote-equitable-access-to-relief/>.

BREAKING DOWN BARRIERS: WHY USCIS FEES MATTER

As noted in the introduction, as of 2019, about 9.1 million green card holders were eligible to naturalize, but had yet to do so.³² The question is: why? A study at the University of Southern California compared data on the naturalized and not-naturalized and group the latter into three categories, based on several factors found to facilitate or hinder naturalization.³³

- Immigrants with a **low probability** of naturalizing were generally older, less educated and lower-income, and less skilled in English; 71% were Latinx, 60% spoke English “not well” or “not at all,” and 54% had incomes below 200% of the federal poverty level.
- Immigrants with a **medium probability** of naturalizing were somewhat better-off and more educated, and more demographically diverse (though still 53% Latinx), and they were majority middle-aged (ages 35–54); 60% had incomes at or above 200% of the federal poverty level, over 70% had at least a high school diploma, and 70% reported speaking English “well” or better.
- Immigrants with a **high probability** of naturalizing were typically younger, more educated and more fluent in English; 69% had incomes at or above 200% of the federal poverty line; only 12% had less than a high school diploma, while 67% had at least some college education; about 88% spoke English “well” or better. They were the most demographically diverse group, with the largest shares of Black and Asian and Pacific Islander immigrants, the latter of whom made up 34% of the category.

Overall, about 40% of immigrants eligible for naturalization were deemed to have a low probability of becoming citizens; 35%, a medium probability, and 25%, a high probability. The researchers also compared data for naturalized citizens overall, the recently naturalized, and those eligible but not yet naturalized, and noted that immigrants seem to be waiting longer to seek citizenship. While 47% of all naturalized citizens applied within 6 years of eligibility, among those who naturalized in 2014–2016, it was just 39%, and among those who qualified but had not yet naturalized, 72% had been eligible for 7 or more years.

What is the most effective way to turn more eligible immigrants into U.S. citizens? The study stressed the need for strategies tailored to different groups’ needs: from civic engagement campaigns, perhaps combined with application assistance, for the high-probability group, to incrementally more intensive support for the medium- and low-probability groups, who are also likelier to need English classes, for instance, and perhaps support to ensure they feel safe even if they have undocumented family members. Some of these challenges are complex, but one is not: addressing the cost. Indeed, another analysis based on the same dataset found that the numbers

³² Baker (2019). *Estimates of the Lawful Permanent Resident Population in the United States and the Subpopulation Eligible to Naturalize: 2015-2019*. Revised version. Office of Immigration Statistics, U.S. Department of Homeland Security. <https://www.dhs.gov/immigration-statistics/population-estimates/LPR>.

³³ The researchers also created interactive maps with state-by-state data. See <https://dornsife.usc.edu/eri/map-eligible-to-naturalize-puma/>.

“argue for reduced naturalization fees and generous fee waiver policies,” because those who are eligible but have not yet become U.S. citizens have significantly low incomes.³⁴



A citizenship application clinic hosted by El Centro de Igualdad y Derechos in Albuquerque as part of the Naturalize Now campaign. © El Centro de Igualdad y Derechos.

An earlier analysis of the incomes of naturalization-eligible immigrants who did and did not naturalize in 2011–2011 had also found “a distinct bias” toward higher-income groups: Only 26% of those who naturalized had incomes under 150% of the federal poverty level, compared with 32% of those who did not; conversely, 53% of those who naturalized had incomes above 250% of the federal poverty line, compared with 45% of those who did not.³⁵

But does removing cost barriers actually make a difference? A study in New York City suggests the answer is yes, absolutely.³⁶ The project, launched in 2016 as a partnership between the state, two

³⁴ See p. 318 in Warren, R. and Kerwin, D. (2015). The US Eligible-to-Naturalize Population: Detailed Social and Economic Characteristics. *Journal on Migration and Human Security*, 3(4). 306–29. DOI:10.1177/233150241500300401.

³⁵ Pastor, M., Oakford, P. and Sanchez, J. (2014). *Profiling the Eligible to Naturalize*. Research commissioned by the National Partnership for New Americans. Center for the Study of Immigrant Integration, University of Southern California, and Center for American Progress, Los Angeles. https://dornsife.usc.edu/assets/sites/731/docs/Report_Profiling-the-Eligible-to-Naturalize.pdf.

³⁶ Hainmueller, J., Lawrence, D., Gest, J., Hotard, M., Koslowski, R. and Laitin, D. D. (2018). A randomized controlled design reveals barriers to citizenship for low-income immigrants. *Proceedings of the National Academy of Sciences*, 115(5). 939–44. DOI:10.1073/pnas.1714254115.

For a summary, see Shashkevich, A. (2018). Low-income immigrants face barriers to U.S. citizenship. Stanford University News, 17 January. <https://news.stanford.edu/2018/01/17/low-income-immigrants-face-barriers-u-s-citizenship/>.

foundations, and Stanford University's Immigration Policy Lab, invited low-income immigrants to register for a lottery to receive vouchers to cover the USCIS fee. Among those who won a voucher, 78% sought citizenship, nearly double the 37% rate for those who did not win a voucher. Echoing other studies showing that Latinx immigrants, who tend to be lower-income, benefit particularly from removing cost barriers, the effect was larger among those who used the Spanish-language registration form: 70% vs. 19%, compared with 80% vs. 44% for those who registered in English.

Analysis from the Migration Policy Institute offers a broader perspective: Since 1985, it notes, citizenship application fees have risen from \$35 to \$640 (plus \$85 for biometrics, for a total of \$725), one of the highest in the world.³⁷ Adjusted for inflation, the 1985 fee would be about \$87 today.³⁸ How many more green card holders could realize their American Dream at that rate?

The evidence is clear: Promoting naturalization is good for immigrants, good for social and economic integration, and good for building shared prosperity across the country. As America works to “build back better” after the COVID-19 crisis, waiving naturalization fees – at least for essential workers or those earning less than \$75,000 – could be a powerful tool to uplift immigrant families and entire communities, with benefits that last for decades.

³⁷ Echeverría-Estrada, R. C., Carlos (2020). *A Rockier Road to U.S. Citizenship? Findings of a Survey on Changing Naturalization Procedures*. Migration Policy Institute, Washington, DC. <https://www.migrationpolicy.org/research/changing-uscis-naturalization-procedures>.

³⁸ See <https://www.inflationtool.com/us-dollar/1985-to-present-value?amount=35>.

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