

February 11, 2009

The Honorable Dave Camp  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Max Baucus  
Chairman of the Finance Committee  
U.S. Senate  
Washington, DC 20510

The Honorable Jerry Lewis  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Thad Cochran  
U.S. Senate  
Washington, DC 20510

The Honorable David Obey  
Chairman of the Appropriations Committee  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Charles Grassley  
U.S. Senate  
Washington, DC 20510

The Honorable Charles Rangel  
Chairman of the Ways and Means Committee  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Daniel Inouye  
Chairman of the Appropriations Committee  
U.S. Senate  
Washington, DC 20510

The Honorable Nydia Velázquez  
Chairwoman of the Congressional Hispanic  
Caucus  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Harry Reid  
Senate Majority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Henry Waxman  
Chairman of the Energy and Commerce  
Committee  
U.S. House of Representatives  
Washington, DC 20515

Dear Conferees:

As you enter negotiations on the “American Recovery and Reinvestment Act of 2009” (H.R. 1), the National Council of La Raza (NCLR) and the Mexican American Legal Defense and Educational Fund (MALDEF) urge you to eliminate damaging measures from the package and strengthen the potential for job creation through targeted investments in job training programs for limited-English-proficient (LEP) workers.

We are encouraged by several aspects of the legislation, including provisions modernizing the unemployment insurance system and expanding the Earned Income Tax Credit (EITC) for larger families. Yet, the evidence suggests that, absent changes to this legislation, the gaps between minority workers and their non-minority counterparts will grow. The nation’s 22 million Latino workers currently face a 9.7% unemployment rate, compared to 7.6% unemployment for the

nation overall. Projections by the Economic Policy Institute show that without improvements in targeting of the package, the unemployment rate for Latinos will rise by 7.3 percentage points by 2010, compared to a 5.4 percentage-point rise for the overall workforce.

Unfortunately, neither the House nor Senate version of the bill includes sufficiently targeted adult education and training provisions necessary to get more minority, Latino, and other legal immigrant workers into newly created jobs. In fact, the House bill undermines job creation and job savings efforts for Latinos, through a massive expansion of the flawed E-verify program and through a provision that effectively bars many Latino families from receiving the signature “Making Work Pay” Tax Credit and the Child Tax Credit.

There is still time for Congress to ensure that economic recovery reaches all workers and families, including Latinos. Our specific priorities for the Conference Committee are as follows:

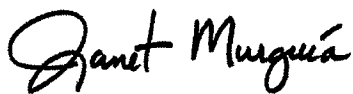
- **Strip E-Verify from the final bill.** The House bill would require all businesses and other public or private “entities” that contract to receive money from the stimulus package to use the flawed federal E-Verify/Basic Pilot program. Given E-Verify’s track record of discriminating against immigrants and U.S. citizens alike, this costly measure threatens to drive up Latino unemployment rates even further. *In keeping with the job-creating intent of this legislation, Conferees should recede to the Senate version of this section, which does not contain this onerous provision.*
- **Fix the “Making Work Pay” Tax Credit to remove the citizen and legal immigrant marriage penalty.** The House and Senate bills contain identical provisions denying the centerpiece “Making Work Pay” credit to “nonresident aliens” and any other individual who does not meet the taxpayer identification requirements of EITC. Under the EITC, filers must have a Social Security number (SSN) to qualify and, in the case of a married couple, both spouses must have an SSN. The rule would disqualify approximately 2.5 million married taxpayers and their children who file their taxes separately rather than jointly, because one spouse may not be eligible for the credit. Not only does this deny the eligible spouse the benefit of the credit, it also denies critical tax relief to the children who reside in these low-income, working families, virtually all of whom are U.S. citizens. Even the stimulus bill enacted by former President Bush was far less restrictive. *Conferees should retain current law, which already prevents ineligible persons from receiving EITC benefits. Spouses—while they should be allowed to file jointly—should not be required to file jointly in order to be eligible for the credit; the spouse with the SSN should be allowed to receive the credit as if s/he were filing separately.*
- **Adopt the House eligibility threshold language for the refundable Child Tax Credit.** The refundable Child Tax Credit is essential to ensuring that many Latino families can meet basic needs during this recession. The Senate version of the recovery package has a minimum earnings requirement of \$8,500; poor families with earnings below that amount are excluded from receiving any of the credit. Once families qualify, their credit phases in at 15% of the amount over \$8,500. So, a family earning \$8,600 would receive a credit of only \$15. Setting the threshold at the first dollar of earnings, as in the House version, would provide a credit to 14 million more children than the Senate version. *Conferees*

*should adopt the House language, which calculates the value of the refundable Child Tax Credit starting with the first dollar of earnings.*

- **Invest in targeted job-training programs.** Both the House and Senate bills include significant funding for job training programs. Unfortunately, most of the funds allocated are barred from serving workers facing multiple barriers to employment. In particular, language presents a barrier to employment for 13.4% of native-born and 73.0% of foreign-born Hispanic workers. Despite the vast need for programs that enable workers to improve their English proficiency, only 4.9% of individuals served through the current public workforce system are LEP. Targeted investments are necessary to ensure that LEP workers have an opportunity to compete for newly created jobs. *We request that the final package give the Secretary of Labor discretion to invest up to \$50 million under the Workforce Investment Act (WIA) directed toward programs integrating English-as-a-second-language (ESL) instruction and job training for LEP workers.*
- **Prioritize adult education and literacy.** Neither the House nor the Senate bill provides funding for adult educational opportunities that will have the greatest impact on employment prospects for LEP workers. It is essential to invest in adult education, especially programs that provide ESL services. *Both bills contain a State Fiscal Stabilization Fund which can provide resources for this purpose. We urge Conferees to permit adult education and literacy as a funding priority under the State Fiscal Stabilization Fund.*

We are also supportive of the Center for Community Change's efforts to include targeted hiring provisions for infrastructure projects that seek to employ low-income, LEP, and other targeted groups to contribute 15% of work hours to these projects. With the aforementioned modest adjustments to the American Recovery and Reinvestment Act of 2009, this Conference Committee can ensure that this legislation will create employment opportunities for all workers and put the nation on a viable path to full economic recovery.

Sincerely,



Janet Murguía  
President and CEO  
National Council of La Raza



John Trasviña  
President and General Counsel  
Mexican American Legal Defense and  
Educational Fund

cc: President Barack H. Obama  
Honorable Nancy Pelosi, Speaker of the House