AN ACTION AGENDA FOR ESOL

Number of immigrants in New York State, 2008	**4.2 million**
Number of working-age residents with limited English proficiency, 2008	**1.8 million**
Number of seats in state-administered adult ESOL, 2006	**87,000**
Total funding for state-administered adult ESOL programs, 2006	**$73.9 million**

Organizations from all over New York State have signed on to the following ESOL agenda for 2010 and beyond. It calls for protecting the state's present funding levels for ESOL as well as initiating several budget neutral reforms to improve ESOL programming, including overhauling a state funding formula and incentivizing partnerships between workforce and literacy providers.

New York State's English for Speakers of Other Languages (ESOL) programs provide immigrants with the tools they need to become not just more civically engaged but more effective employees and small business owners. Failing to meet the needs of this population could negatively effect the state's competitiveness in the long term.

IN 2006, THE CENTER FOR AN URBAN FUTURE AND THE SCHUYLER Center for Analysis and Advocacy released "Lost in Translation," a report which found that while immigrants have been fueling the population growth of communities in nearly every corner of New York State, from Suffolk County to Syracuse, the state-run English for Speakers of Other Languages (ESOL) program has not come close to keeping pace with demand.

The recent economic downturn has brought new urgency to this issue. Immigrants are playing an increasingly important role in the economic life of New York's communities, but today's economy offers few opportunities for obtaining a job, let alone advancing in one, without at least some English proficiency. Limited English skills among the immigrant workforce 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 state'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 in New York when the economy bounces back may go elsewhere.

The phenomenal growth in immigration throughout New York State has outpaced the overall population growth in 12 of the state's 15 largest counties. Several areas have seen huge spikes in immigration: Onondaga County, which includes Syracuse, saw its immigrant population rise by 29 percent between 2000 and 2007, while its overall population grew by just 2 percent. Long Island's Suffolk County added nearly 54,000 new foreign-born residents during that same period—an increase of 40 percent, compared to the more modest 5 percent growth in the overall population. In New York City, all four boroughs outside of Manhattan saw immigration that surpassed the general population trends.

New York State is home to approximately 1.8 million working-age residents with limited English proficiency, yet state-funded programs serve only a tiny fraction of that need. In 2006, there were fewer than 87,000 seats in ESOL programs administered by state government. That accounts for just five percent of the population that could benefit from these services.

And because ESOL programs provide immigrants with the tools they need to become not just more civically engaged but more effective employees and small business owners, failing to meet the needs of this population could have a considerable negative effect on the state's competiveness in the long term. "It's a constraint on the labor force," says Pearl Kamer, chief economist at the Long Island Association, Long Island's largest business and civic organization. "If you don't have the labor force you need, you can't grow the jobs."

Given the importance of English proficiency for New York's workforce, employers and general economic health, public and private sector leaders alike must address the myriad issues facing the ESOL system. In his State of the City address on January 20, Mayor Michael Bloomberg acknowledged the importance of investing in New York's immigrant workforce and announced plans to expand ESOL classes to an additional 5,000 participants. Nevertheless, funding is still extremely low relative to demand. And Governor David Paterson recently proposed a $2.6 million cut to the already meager state support for ESOL.

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While new state funding to expand programs will be hard to come by in this disastrous budget year, holding the line on present funding levels should be seen as a minimum down payment on the state's rapidly growing immigrant population. Moreover, there a number of important ways ESOL programming can be significantly strengthened without adding any extra costs to state or local budgets.

The governor, legislature, local leaders and the business community have the opportunity to chart a new course for New York on English-language programming and reaffirm the state's commitment to integrating its newest residents into their communities and local economies. Below are a series of recommendations to help them do just that.

Recommendations

Guarantee level funding for ESOL at the state and local level. The current fiscal climate makes increased state and local funding for ESOL unlikely, but policymakers must ensure that programs continue to be supported at their current levels. With a paltry five percent of the potential demand for ESOL instruction in New York being met, these funds are just a drop in the bucket. Cuts make little sense given the importance of English language skills in today's economy. "Even in a bad budget year, these are investments, not expenses," says one workforce development expert. "There is a cost of doing nothing. If you don't support ESOL, you don't find a way to build pathways to jobs. It means lost sales tax revenue, lost income tax revenue, less money into the Social Security trust fund." Funding should remain level for:

- Employment Preparation Education (EPE), a state legislature appropriated funding stream that supports both ESOL and Adult Basic Education, and is the single largest funding source for ESOL in New York State. Of the $96 million in EPE funding, approximately $53 million goes towards ESOL.
- Adult Literacy Education (ALE), a much smaller fund also appropriated by the legislature, which is available to a wider mix of providers. ALE is currently funded at a paltry $6.3 million, about half of which supports ESOL. Governor Paterson has proposed $2.6 million in additional cuts for the upcoming year.

The current EPE funding formula should be discarded or vastly overhauled. EPE funding suffers from a badly outdated reimbursement system that pays providers according to a formula based on local property values rather than where the need is and limits who is eligible for grants. The state legislature should look at amending both of these issues.

First, while property values do provide some measure of a community's wealth, they do not adequately account for recent spikes in immigration and the enormous demand for ESOL services. For instance, Merrick on Long Island and White Plains in Westchester County both have relatively high property values. As a result, they receive just $4.56 an hour to serve one student compared to more than $10 an hour in other cities. New York City, which is home to 1.3 million working-age adults with limited English proficiency, receives $7.31 an hour. But all of these communities have comparatively large immigrant populations and a higher than average demand for ESOL services.

Moreover, high local real estate prices and sharp differences in teacher salaries mean that the overhead costs for running a class in a community with high property values could be double that of another community with lower property values. And yet they may receive half the funding.

It should be possible to distribute funds more fairly. Some believe that EPE funding should be entirely disconnected from property values and tied instead to indices that provide a more accurate measurement of a community's need for ESOL, like median income or the numbers of adults with limited English proficiency. Others think that the costs of running programs in different areas of the state

should also be taken into account when designing the reimbursement rate for a community. The New York State Department of Education (NYSED) has proposed reforms that may incorporate some of these factors into funding decisions, but it is not clear how much weight they will be given in determining total allocations.

One way to address the wide disparity between jurisdictions would be to set a minimum hourly reimbursement rate for EPE. In 2006, legislation was proposed in the State Senate to ensure that all providers received at least 70 percent of the highest EPE rate; if enacted now, that would guarantee providers at least $7 an hour.

Second, the legislature should also explore opening EPE up to more literacy providers—or else create a new funding stream that these organizations are eligible for. Currently, EPE grants can only go to the state's school districts, BOCES and the Consortium for Worker Education. That means that community colleges, libraries, nonprofit literacy providers and community-based organizations (CBOs)—many of which are key sources of information and training for immigrants—can't receive one cent of EPE funding and are left to fight for the remaining few million in funds that they can access. For years, advocates have championed opening up EPE to a range of providers, perhaps through a competitive RFP process. An alternative would be to create a new funding stream, possibly building off of the existing ALE fund, which would be open to groups that are currently ineligible for EPE. "The state can go two ways here: they can open up EPE to CBOs or make a major new investment aside from EPE that allows CBOs to access it," says one literacy advocate. "CBOs shouldn't be a second class citizen when it comes to literacy instruction."

The legislature should revise EPE regulations to allow providers to roll over unexpended funds from one fiscal year to the next. Currently, providers have to spend every cent of their EPE funds by the end of their local fiscal year and are unable to roll over funds from one year to the next. Providers are reimbursed retroactively, so they have to shell out money upfront and count on being reimbursed for that exact amount. Since they can't carry unspent funds to the next fiscal year, providers sometimes deliberately lowball their needs to avoid financial liability, or even end up sending money back to the state, though that practice has declined in recent years. Allowing funds to be rolled over wouldn't require any additional resources, but would have a major impact on the quality and continuity of service provision. Other state aid school funding streams allow programs to count accruals instead of expenditures.

EPE funding is often not dispensed in a timely manner, making this reform even more necessary. In 2009, some EPE grants were not received by providers until the fall, even though their fiscal year had begun several months earlier. With the ability to carry funds over from the prior year, providers would be able to support their programs with EPE

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funding on the first day of the new fiscal year, rather than scramble to get fronted the money from local government in the intervening months and then begin the time- and labor-intensive process of paying it back once they eventually receive their EPE grant.

Incentivize partnerships between workforce programs and literacy providers by giving higher points for these joint ventures in the state's competitive RFP process. Some ESOL providers are eligible to receive funding from both Title I and Title II of the federal Workforce Investment Act (WIA). Title I, which is administered by the New York State Department of Labor, supports everything from incumbent worker training to programs for dislocated workers. The New York State Department of Education administers Title II funding, which is dedicated to literacy programming. But few providers actively pool the two funding streams, which is a missed opportunity to tap into additional funding and diversify the type of instruction available to New York's workforce.

WIA is likely to be reauthorized in 2010 and most workforce experts believe it will call for a stronger alignment between Titles I and II. New York State could mandate that workforce programs serving students with literacy needs must partner with a Title II-eligible adult education program, and vice versa. Or they could take a less direct approach by providing an incentive for these partnerships: more points—meaning a higher overall score—in the increasingly competitive Request for Proposals (RFP) application process.

Businesses should invest money and resources in ESOL for their workers. Employers throughout the state increasingly report that the limited English proficiency of their workers hurts their ability to grow their businesses, and causes problems in everything from job retention to safety. The Center for an Urban Future's 2009 survey of Central New York businesses found that 40 percent of local businesses employ workers with limited English proficiency, and more than two thirds of those firms reported that the English language skills of their workforce are very important to the success of their company.

Although New York's businesses are struggling to stay afloat during the recession, any investment they can make in the English skills of their workers will yield a significant return. Most directly, businesses can provide some or all of the funds for an English-language instruction program, working in partnership with government, a workforce intermediary and/or a nonprofit training provider. Several existing programs have shown promise, like the contextualized workplace literacy program run by the Greater Syracuse Chamber of Commerce and the Brooklyn Chamber's vocational ESOL program for manufacturers at the Brooklyn Navy Yard. Businesses can also provide release time for workers who enroll in ESOL classes, and offer training on site, making it easier for workers to access the instruction.

Chambers of Commerce, Workforce Investment Boards and other local business intermediaries should promote the value of English-language proficiency to local employers. Local business groups and industry associations should take a leadership role in publicizing the importance of English-language instruction and the availability of existing ESOL services in communities where there is unmet demand. They should also stress that ESOL curriculum can be tailored to a specific industry or even a particular business.

Beyond just publicizing these programs in public service campaigns and their newsletters, one no-cost tactic would be for business leaders to author opinion pieces to run in local newspapers, about the economic importance of ESOL and how limited English proficiency has impacted their business or

the local economy. These would be even more powerful if done in conjunction with a local ESOL provider or a leader in the immigrant community. Local chambers can also serve as matchmakers by targeting small businesses that don't have the resources to send their own workers to ESOL training. If a larger company is organizing an ESOL class nearby, the local intermediary can arrange for workers from smaller companies to take part.

The philanthropic community can play a larger role in boosting New York's ESOL programs. The philanthropic community is uniquely positioned to draw together four key constituencies – employers, business intermediaries, immigrant leaders and ESOL providers – that share a common vision for ESOL reform. Foundations can serve as the catalyst to bring these groups together, particularly by hosting or convening briefings with these stakeholders to discuss the importance of English-language proficiency, share promising practices and make connections.

Foundations can also provide seed money or matching funds for innovative local pilots that combine workforce training and English-language instruction, fund additional research on the return on investment (ROI) for boosting English-language proficiency and support a public relations campaign to reframe the perceptions of immigrants.

In the longer term, the state legislature should increase the amount of funding appropriated for EPE and ALE. For years, state and local officials have fallen short in their commitment to fund ESOL programs, particularly EPE, which has been capped at $96 million since 1996. Removing or raising the cap is long overdue, and would have a seismic impact on the availability and quality of ESOL provided in New York State. While it would be tough to raise the cap in this budget climate, the legislature could commit to increase it in a certain time frame—perhaps 18 months or two years.

As a corollary to a cap increase, the legislature could also commit to more transparency in the funding stream and require that all recipients of EPE funds demonstrate the outcomes of their programs, using standards of success that are tied to common benchmarks but also reflect the diversity of programs and providers.

A commitment to raising the EPE cap while instituting quality control measures would also allow the legislature to seriously consider funding formula reforms, in particular opening up the fund to new providers who integrate innovative approaches to English language instruction. For example, some providers might go beyond language acquisition to include lessons on business terms and business preparation, creating resumes and preparing for interviews. EPE's allowable activities could also be broadened to include time for teacher planning, professional development, counseling and support for students to transition into the workforce and post-secondary education.

Reforming EPE without increasing the cap doesn't solve existing problems – instead, it creates more competition for the same small pot of funds. "It's fine to reform the EPE funding formula, but if you don't at the same time increase or take the cap off, all you've done is diminish a program's ability to perform," says one literacy advocate. "Smaller grants to more people doesn't equal greater impact."

ALE faces similar challenges. The legislature created the program in 1988, and allocated $3.5 million in funding. Adjusted for inflation, that would be worth $6.3 million in 2009 dollars, which is exactly the same amount ALE has now after a small recission in December. Obviously, while demand for ALE has skyrocketed in the 21 years since the legislation initially created the program, funding hasn't followed suit.

Endorsements

Advocates for Children
Bowen Language
The Brooklyn Chamber of Commerce
The Business Council of New York State
The Center for an Urban Future
College of Mount St. Vincent, Institute for Immigrant Concerns
The Community Service Society
The Federation of Protestant Welfare Agencies
Fifth Avenue Committee
Good Shepherd Services
Highbridge Community Life Center
Literacy Assistance Center
Literacy New York
The Livingston County Chamber of Commerce
Long Island Wins
Make the Road New York
The New York Association of Training and Employment Professionals
The New York Immigration Coalition
The Queens Chamber of Commerce
The Queens Community House
Schuyler Center for Analysis and Advocacy
St. Nick's Neighborhood Preservation Corporation
Turning Point
UJA-Federation
United Neighborhood Houses of New York
University Settlement of New York
Westchester Hispanic Coalition, Inc
Workforce Professionals Training Institute
YWCA of Queens