



The VOTER

LEAGUE OF WOMEN VOTERS
OF THE PENSACOLA BAY AREA

Volume 56, Issue 7
March 2007

School Attendance Zone
Advisory Committee Chair
Addressed Rezoning
Criteria at General Meeting

Council/Manager vs. Strong Mayor
Form of Government

Saturday, March 17, 2007

Speaker: John Peacock

Saturday, March 24, 2007

Speaker: Jerry Maygarden



V Faircloth

Pictured are Cindy Gerhardt, chairman of SAZAC, left, with Barbara Goggins, Chair of the local League Education Committee at the February general meeting. Sharon Barnett, co-president, relays questions from the audience.

Cindy Gerhardt, SAZAC chairman, discussed the process and progress underway in the Escambia County School District plan to close and rezone many elementary schools. She was assisted in the presentation by Kathie Lasky, PTA/PTSA representative, Kevin Adams, SAZAC District I Representative also attended the Saturday meeting.

Gerhardt stated that no person in the Escambia County School District will be unaffected by the attendance zone changes. SAZAC recognizes that growth will force the School Board to review attendance zones every two years.

More than fifty League members and interested residents attended the February general meeting. A lengthy question and answer period brought out details of this project, and the audience gained a better understanding of factors involved in the decision-making of redrawing school boundaries in Escambia County

Coffee at 9:00 am, 9:30 am program
Institute for Human and Machine Cognition (IHMC)

The issue for consideration is whether the City of Pensacola should retain its Council/Manager form of government or change to the Strong Mayor form of government. Two speakers, John Peacock, speaking on March 17th, and Jerry Maygarden, speaking on March 24th, will address this issue. Both programs will take place at the IHMC, beginning with a 9 A.M. social time. The programs are scheduled to begin at 9:30 A.M., and will be followed by a public question and answer period.

John Peacock has been a Certified Financial Planner with Edward Jones since 1995. Formerly, he was a consultant to the U.S. Dept. of Energy and a Nuclear Prototype Plant Instructor in the U.S. Navy Nuclear Program. He is a board member of ARC, Pensacola Little Theater and the Council on Aging. He is a member of Sertoma, Rotary and the Panhandle Tiger Bay Club. Mr. Peacock will speak in favor of the Strong Mayor form of government for the City of Pensacola. It is his contention that the City's current form of government does not provide sufficient accountability or for adequate planning.

On March 24th, Jerry Maygarden, who has held leadership positions in education, government, and healthcare for more than three decades will speak. Mr. Maygarden is a former City Councilman and a former Mayor of the City of Pensacola. He served eight years in the state legislature and two terms as majority leader. Mr. Maygarden is a founder of the Sacred Heart Foundation and the Ronald McDonald House Charities of Northwest Florida. For the past 18 years, he has served as Chief Development Officer and Foundation President of Baptist Health Care of Florida. Mr. Maygarden is also President-Elect of the Pensacola Rotary Club. He will speak in favor of the City's present Council/Manager form of government. It is his contention that the quality and character of elected leaders is largely determinative of the nature and success of democratic institutions.

Note: The League has not studied the structure of municipal government and has no position on this topic. This program is offered to give information to our community.

Message from Co-Presidents

Program Study Items

This is the time for you, the members, to tell the Board the issue(s) you would like the local League to study during the next year. The Board will review your suggestions and the local program study issues will be voted on at our Annual Meeting on June 2. Please contact the Co-Presidents or any member of the Board with your ideas.

Immigration Study

The LWVUS study of Immigration has begun. In the National Voter (January 2007), Katherine Fennelly's "U.S. Immigration: A Historical Perspective" presents a documented overview of immigration in the nation. Additionally, there are four background articles on the website at www.lwvus.org. Please go to this site and become informed on the myriad aspects of this complex issue. (The first article is included in this Voter and the others will be printed in upcoming months.)

Hal Retting has agreed to chair the local study, and consensus questions for our consideration will be received from LWVUS in August. Local Leagues throughout the United States will respond to these questions in early 2008. If you would like to participate in this study, please call Hal at 478-8995 or by email at: halbetret@aol.com.

Florida Legislative Session

The Legislative session will begin on March 6 and legislators will spend the next sixty days considering bills that will impact all Floridians. If you are willing to send messages on LWVF priorities when requested, please respond to Action emails sent to you. If you would like to have your name removed from the Action list, contact Betty Enfinger at 438-2842 or send an email to bettyenfinger@cox.net.

2007 Capitol Reports

During the legislative session, LWVF depends on members to contact specific legislators to lobby for the League's position on priority issues. Capitol Reports is a weekly League publication that updates the status of bills as they proceed through committees of both chambers. For years, Capitol Reports was offered by subscription; however it is now available without cost on the website at www.lwvfla.org. Go to the website and click on Capitol Reports in the left column. You can help to promote better government for all by participating in this effort.

Alternative Voting Systems Consensus

Nine Florida Leagues participated in the Alternate Voting Systems study. The question for consideration was whether the current method of plurality voting is adequate in all circumstances or whether alternate options should be considered. **There was overall agreement (consensus) that Instant Runoff Voting is the recommended alternative to the current plurality system.** (Refer to January, 2007 local Voter for background material.)

Bylaws Revisions

Do you want to make changes in the Bylaws of the local League? You can do so by calling Vivian Faircloth, Chair of the Bylaws Committee, at 438-5539. Your suggestions must be submitted by the end of March

Nominations of Board Members

Are you willing to take a leadership role in the local League next year? If so, please contact Gene Feicht, Chair of the Nominating Committee, at 479-3352. This group will be meeting during the next month to complete the slate of officers, who will be voted on by the membership at the Annual Meeting on June 2.

February Program Planning Breakfast

On a recent Saturday morning, fifteen League members enjoyed breakfast at IHOP and discussed important government issues for LWVF action during the upcoming League year. Our recommendations have been sent to the state office and will be considered, along with input from other Leagues, as the Board proposes action items for consideration at Convention in May.

LWVF Convention

LWVF Convention will be held in Tampa on May 18-20, and our local League is entitled to have at least six voting delegates. If you are interested in attending this two-day meeting, contact Janet deLorge, 478-2581, for details.

Janet deLorge, & Sharon Barnett

Calendar

March

- 16 Friday **Committee for a Sustainable Emerald Coast** 8 am - 5 pm Pelican Beach Resort 1002 Hwy 98, East Destin, E. Roston, 453-0730
- 17 Saturday 9:00 am **General Meeting, Mayor-Council Government** Speaker John Peacock Institute for Human and Machine Cognition
- 19-20 **Legislative Seminar**, Tallahassee
- 19 Monday, 10:00 am, **International Relations Committee**, Azalea Trace, "South Africa Facing a New Challenge", Jean Hiles leader. Contact Gene Feicht, 470-3352
- 20 Tuesday, 5:00 pm **Natural Resources**, Village Inn 9th Ave, Contact Ellen Roston, 453-0730
- 24 Saturday 9:00 am **General Meeting, Mayor-Council Government** Speaker Jerry Maygarden, Institute for and Human Machine Cognition

April

- 3 Tuesday, 5:30 pm **Board Meeting** Tryon Branch Library, 9th Ave. Members welcome
- 5 Thursday, 4:30 pm **Education Committee**, Azalea Trace, contact Barbara Goggins, 478-2953

Economic Aspects of Authorized and Unauthorized Immigration

By Dorrit Marks

Over the years U.S. economic growth has accommodated an expanding labor supply that includes 1.5 million immigrants per year whose spending on homes and consumer goods has stimulated the economy and increased the demand for still more labor. Economists expect this demand to create millions of new jobs in the future at the same time that the workforce is decreasing as a result of declining fertility rates among the native-born and retiring baby boomers. Many see new immigrants as a necessary labor source to meet these increased needs. ¹

Effect on American Workers and Their Wages

Do immigrants hurt the economic prospects of American workers? Do they lower wages?

The effect of immigrants on the economic prospects of American workers is an important factor in the national debate on immigration. George Borjas, a Cuban immigrant and pre-eminent scholar in immigration research at Harvard University, believes that more job seekers from abroad result in fewer opportunities and lower wages for Americans. Borjas says that poorly educated Mexicans hurt the economic prospects of poorer Americans, especially African Americans.²

Borjas's research divides workers by education and work experience, and compares immigrants to natives in each category. His research indicates that between the years 1980-2000 immigrants were the cause of about a 3 percent reduction in wages. Furthermore, wages for high school drop-outs were reduced by about 8 percent.

David Card, immigration researcher and economist at the University of California, Berkeley, presents research results to counter Borjas' arguments. Card compares wage trends in cities with large immigrant populations to cities having few immigrants and finds very little wage difference.³

In addition, Card studied the impact of the 1980 Mariel boatlift. In that year, 125,000 Cubans came to Miami, adding to the city's already sizeable Cuban immigrant population. He compared wages in Miami with those in a 'control group' of cities, Tampa, Atlanta, Houston and Los Angeles, and found that by 1985 black unemployment in Miami was lower than it had been in 1979, while unemployment in the control cities remained higher during that same period. Based on this research, Card concludes that Mariel immigrants had almost no effect on wages or on unemployment rates of less-skilled workers in Miami.⁴

The relationship between immigration and wages is not clear cut because it can't be reduced to a simple one-to-one relationship. Wages depend on the supply of capital creating new jobs as well as the supply of labor. A greater supply of immigrant workers and the resultant cheaper cost of labor increases the return to employers. They then could build new factories or open additional service facilities, ultimately creating an increased demand for workers. An article in *The Economist* concludes that neither of these studies is decisive, but "taken together they suggest that immigration, in the long run, has had only a small negative effect on the pay of America's least skilled and even that is arguable."⁵

Cost and Benefits

In North Carolina, a state with a fast-growing immigrant population, immigrants contribute more to economic growth than to the cost of public services. Over the past decade, foreign workers filled one-third of new jobs in North Carolina and cost the state much less than their contribution to the economy. A comparison of the cost of supplying public services to immigrants with the income from their taxes resulted in a net cost to the state of \$61 million. This is minuscule, however, compared to the immigrants' sizeable overall \$11 billion contribution to economic expansion in the state.

Over the past decade, immigrants filled more than half of all new jobs across the U.S., even more in some parts of the country—two-thirds in the Midwest and Southwest. On average, the additional tax burden per native household is no more than a couple of hundred dollars a year. However, the tax burden caused by immigrants can be large where the proportion of immigrants to the total population is exceptionally high. For example, in California the tax burden in the mid-1990s was \$1,178 per native-born household, the highest in the nation.⁶

The effect of authorized and unauthorized immigrants on public-sector budgets is small. Immigrant workers pay into social insurance programs, lessening strains on social assistance for the elderly. Many unauthorized workers use false ID numbers and pay Social Security taxes but are not eligible to receive benefits. Fewer than 3 percent of immigrants receive food stamps. Unauthorized workers support local school districts, indirectly as rent payers or directly as homeowners through property taxes. They are a financial burden for hospitals and jails, but this is applicable to all low income, uninsured populations as a whole – unauthorized, authorized, and native-born.⁷

LWVUS Immigration Study

The Immigration Study, adopted in 2006, is to include the underlying values and principles regarding immigration, reasons for immigration, current federal immigration policy, and the impact of immigration.

Fiscal Pressure on State and Local Budgets

1996 Welfare reform restricted immigrant access to many public benefits, such as, Supplementary Security Income (SSI) and federal food stamps. Immigrants (authorized or unauthorized) are not barred from public education, the largest public expenditure item. Net fiscal transfer from natives to immigrants at the national level is small, albeit higher in certain states that have both generous welfare benefits and large immigrant populations.⁸

An interesting case study measures the costs of immigrants in New York against their fiscal contributions. Tax contributions of legal immigrants in New York State differ substantially from those of unauthorized immigrants, an average of \$6,300 vs. \$2,400. Unauthorized immigrants pay a relatively smaller share of their income in taxes (15 percent) partly because their lower income places them in a lower federal tax bracket. Average annual income differs as well. Legal permanent resident aliens earn an average of \$18,700; refugees, \$8,300; and unauthorized immigrants, \$12,000. A large part of their tax payments go to the

federal government; yet public education, the most expensive public service, is paid for at local and state levels.⁹

A recent report issued by the Texas State Comptroller estimates that the 1.4 million unauthorized immigrants in Texas are improving the Texas economy by \$17.7 billion a year, but this is unevenly divided between state and local communities. State costs are \$1.15 billion and contributions in the form of state taxes and revenues are \$1.58 billion, yielding the state a net profit of \$430 million. On the other hand, local costs are \$1.44 billion and contributions are only \$513 million, resulting in a considerable loss to cities and counties. The complete report is at <http://www.window.state.tx.us/>

Cited studies and reports indicate that costs and benefits are not evenly allocated. Taxes paid to the federal government and added productivity of the macro economy make immigration a net benefit to the country as a whole. But, at the local level, communities face demands for costly services from immigrants, particularly in education and health care, that are not offset by tax income.¹⁰

The Influx of Unauthorized, Less Skilled Labor

Nationwide attention focuses on immigration largely because of the growing number of unauthorized immigrants in the U.S. – an estimated 10 to 12 million persons, making up nearly one-third of the foreign-born population, with a growth rate of approximately 500,000 per year. The influx of unauthorized immigrants is primarily a response to laws of supply and demand. The number of authorized immigrants cannot meet the demand for labor. Filling workforce openings, many of which are year-round, permanent jobs has proven more powerful than immigration enforcement. To a lesser degree, unauthorized immigration is also a response to the difficulty and time delays associated with immigrating legally.¹¹

On the whole, immigrants are young, mobile, hard workers who, for a variety of reasons, are willing to work at jobs shunned by native-born workers. According to Jacoby, the addition of more low-skilled immigrant construction workers results in greater demand and higher wages for skilled construction workers such as plumbers, electricians and architects. Immigrant workers tend to raise wages rather than lower them because they tend to complement rather than compete with most native-born workers.¹²

The CEO of the National Association of Home Builders estimates 25 to 30 percent of construction workers are immigrants (authorized and unauthorized). Removing these immigrants from the workforce would produce a serious negative impact. Construction costs would rise, causing a decreased demand for new housing.¹³

Andrew Sum, director of labor studies at Northeastern University, Boston, argues that the large supply of immigrants has displaced low-skilled, native-born workers, particularly the young and poor, from jobs. He does concede that unauthorized immigrants have had a positive effect on the country's economy and have helped improve productivity of highly skilled workers. "Without the immigrants, we would have a decline in labor force of 3 to 4 percent. We couldn't have grown nearly as much as we did in the '90s if we didn't have immigrants. Still, he argues, "...we've ignored that illegal immigration has put a lot of young adults into economic jeopardy."¹⁴

Mexican Workers

During the 1990s, the U.S. workforce absorbed 2.9 million Mexican workers. At the same time, the unemployment rate fell from 6.3 percent to 3.9 percent. This influx of Mexicans gave American employers access to needed workers in a tight labor market. Owners and managers of factories, restaurants, hotels, construction firms, hospitals, orchards and innumerable other places of employment express a need for continued access to immigrant workers, mostly from Mexico. Although many Mexican immigrants lack formal education, they have skills compatible with available jobs. For instance, it is estimated that by 2010 nearly 43 percent of all job openings will require only minimal education. At the same time, native-born Americans are obtaining college degrees in record numbers and are unlikely to accept positions requiring just minimal education.¹⁵

Other researchers disagree and find that the large influx of immigrants from Mexico has adversely affected the wages of less-educated native-born workers and improved the earnings of college graduates. Low Mexican wages, in turn, helped lower prices of non-traded goods and services. Largely due to lower levels of education, the economic performance of Mexican immigrants lags considerably behind other immigrant groups and native-born workers. Non-Mexican immigrants' earnings begin to converge with that of native-born workers as they accumulate work experience, but the correlation is weaker for Mexican immigrants.¹⁶

High-Skilled Immigrants

Immigrants make a large contribution in high-skilled occupations in the U.S. There is increasing global competition for skilled professionals as well as competition to attract foreign students to graduate studies. Skilled foreign-born persons make up an ever-increasing portion of the skilled workforce in the United States – 8 percent of 25-year-old or older skilled persons in the U.S. in 1990, 13 percent in 2000, and 15 percent in 2004.

The steady supply of skilled immigrants is important for the U.S. economy because these immigrants bring skills that are in short supply in this country. They raise productivity and, with their demand for goods and services, they help create additional jobs for the native-born. More than half of U.S. Nobel prize winners are foreign-born and have made exceptional contributions in the fields of science and engineering. In California's Silicon Valley, 29 percent of technology firms were started and run by Chinese or Indians between 1995 and 1998.¹⁷

Immigrants have had a profound impact on company creation, economic innovation and market value in the United States. Over the past 15 years, immigrants have founded one of every four (25 percent) U.S. public companies that received venture capital. Forty-seven percent of current venture-backed companies in the U.S. have immigrant founders. Nearly half of immigrant entrepreneurs in the survey came to the U.S. as students and started their own businesses within 12 years of entering the country.¹⁸

Borjas finds that foreign students receiving PhDs can adversely affect the earnings of native-born students earning doctorates in the same field by 3 percent. On the other hand, Madeline Zavodny found the inflow of high-skilled professionals did not depress wages of other technology workers. Another

study by Jeanne Batalova concludes that having a larger number of immigrants in the same job results in higher earnings for skilled men and women, but notes that there is a tipping point beyond which additional immigrant workers result in a decline in earnings for all workers.¹⁹

Looking Forward

Demographers expect to see increasing numbers of authorized and unauthorized immigrants coming to the U.S. in future years. New arrivals, mostly from Latin America and Asia, will spend money in the U.S. and increase earnings for businesses such as discount retailers, apartment building owners and home builders.²⁰

In addition many experts believe that young, tax-paying immigrants will help meet increasing labor needs resulting from a growing economy and a declining native-born workforce.²¹ Productive immigration discussions must include the impact of immigrants on the country's economy – their contributions as well as the costs.

Dorrit Marks, LWV of Miami-Dade County, FL, is a member of the Immigration Study Committee.

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21 Meissner, Immigration and America's Future, p. 4.

The Immigration Study Scope includes:

- Underlying values and principles regarding immigration
- Reasons for migration from other countries, including but not limited to:
 - Effects of global interdependence on migration
 - Motivation of refugees and asylees
 - Motivation of other immigrants
- Current federal immigration policy, including but not limited to:
 - Overview
 - Effectiveness in uniting families
 - Effectiveness in meeting needs of businesses
 - Effectiveness of enforcement
 - Human rights concerns
- Impact of immigration, including but not limited to:
 - Economic effects of authorized and unauthorized immigration
 - Diversity
 - Inclusion of immigrants in American society

As Leaguers research this complicated issue: Some issues to consider are:

- What should U.S. immigration policies aim to achieve?
- How do we best meet the future U.S. demand for workers to fill employer needs?
- On a yearly basis some 1.5 million immigrants, skilled and unskilled enter the U.S. workforce. Quotas allow only 1 million immigrants.
- The 2000-mile border with Mexico is the conduit of many unauthorized migrants (Mexicans and Central Americans). Yet, nearly half of unauthorized immigration is accounted by those who come to the U.S. as tourists and overstay their visas.
- How can we best protect our country from entry into the U.S. of potential terrorists?
- Can we enlist Mexico and Canada in helping to manage migration in North America?

Welcome New Members!

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The following members no longer use email and their addresses should be removed from your address book:
Hulda Carastro and Jacqueline Young



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The VOTER
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Established in 1949, the Pensacola Bay Area League of Women Voters is a non-partisan political organization that encourages citizens to play an informed and active role in government. At the local, state and national levels, the League works to influence public policy through education and advocacy. Any person of voting age, male or female, may become a member. All members receive the *National Voter*, the *Florida Voter* and this publication.

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