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Learning Begins at Home

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Suburbs

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Photograph: The Boston Globe

SCHOOL READINESS: by Carol M. Rubin, Parent-Child Home Program

Learning through Play

Why would parents have to be taught what many of us take for granted—the importance of spending one-on-one time with our children reading, building, imagining, talking, questioning, listening, singing, and creating? For many parents, such concepts are foreign. Perhaps they grew up in homes where there wasn't the time to read together or there was no understanding of the power of play. When someone models these behaviors in a positive and caring way, parents can be helped to become powerful teachers for their children.

That's the premise behind the Parent-Child Home Program (PCHP), a research-validated, home-visiting program started in 1965 by psychologist Phyllis Levenstein at New York's Stony Brook University. Originally called the "Verbal Interaction Project," the program was created to enhance the verbal, thinking, and social-emotional development of 2- and 3-year-old children from low-income families. The assumption was simple: cognitive enrichment should occur when a child is young and language skills are developing. Levenstein chose home visits as the most effective approach and initiated a two-year, twice-weekly program cycle.

Laying a Foundation

"Learning through play" is the method modeled by the home visitors. The theory is that children's cognitive growth results from the natural, playful exchange of conceptually rich language between parent and child. The program provides strong motivation through its curriculum materials. Bilingual books, puzzles, blocks, and educational toys are given to families in their native language and serve as

tools to encourage parents to talk, read, and play with their children. When the program ends, each family has a library of high-quality children's books and educational toys.

Parents are taught that they are their children's first and most important teacher. Through reading and playing together, they see the school-readiness skills their children are learning. PCHP serves families challenged by poverty, limited educational opportunities, language and literacy barriers, or geographic isolation. The targets include two-parent families, single parents, teen parents, foster parents, grandparents raising grandchildren, recent immigrants, American-born families, homeless families, and special needs families.

Home visiting is the most effective strategy for reaching families who lack transportation, are socially isolated, are unfamiliar with the community, or are facing the multiple problems associated with homelessness and poverty. During 2009-2010, the Massachusetts sites—located in 80-plus cities and towns from Pittsfield to Boston—worked with more than 1,500 young children and their siblings and 1,500 parents. One-third of the 150 home visitors are bilingual, speaking Spanish, Portuguese, Haitian Creole, French, Somali, Bengali, Punjabi, and Cambodian (Khmer).

The program's benefits extend beyond the targeted child to other siblings. An older school-age sibling in a family of recent Bulgarian immigrants, for example, once asked the author, "Can I learn, too, and be in the program?" The children's grandfather, who spoke no English, taped the sessions so that he, too, would be able to listen and learn from spoken English.

Program leaders see real change in children as they develop a love of books, ask to be read to, increase their attention spans, and improve their language skills dramatically. They also see parents beginning to feel more effective and developing greater confidence in their parenting. Nationally, one-third of parents who graduate from the program reenter as paid home visitors.

A “Typical” Home Visit

Although every home visit is different, the following scenario may provide a tangible sense of what is likely to occur.

Linda, the Parent-Child Home Program visitor, arrives as agreed at 4 p.m. She greets Sonya and Eddie, Sonya’s 2-year-old son, and they settle into the most comfortable play space. It may be on the living room rug, the couch, or at the kitchen table. This week Linda has brought stacking cups, bright colorful plastic cups that can be played with in several ways. Eddie opens the package and carefully takes out the cups, looking at each one’s size, shape, and color. He begins by trying to stack the cups one on top of another, not in any particular order. Linda comments on what she observes, saying, “I see you’re putting one cup on top of another. ... What happens when the tower gets tall? ... Crash! That’s a loud noise!” Then Eddie’s mother, Sonya, takes one of the smaller cups and puts it inside of a larger cup. “Look,” she says, “the small cup fits into the big cup.” Linda and Sonya talk about the bright colors, and point to matching colors in the room, or in the clothes Eddie is wearing.

It doesn’t matter whether Eddie is perfectly fitting the cups into one another, or whether he can identify all the colors. There’s no right way to play. What Linda is encouraging is exploration, observation, using one or two new words or concepts—such as inside of or on top of—and pointing out cause and effect. “When you do this, the cups come crashing down.” The parent is a participant. Later, Linda may bring out some crayons and try to trace around the cups. Or she may offer

Play-Doh and help Eddie use the cups to make different molds or shapes.

At the conclusion of the half hour, Linda sings the clean-up song and all three help to put away the stacking cups. Eddie also loves “Twinkle Twinkle” and “The Itsy Bitsy Spider,” so they sing those songs together, too. Linda reminds Eddie and Sonya that they will see her for a second visit later that week.

In this cumulative program, each home visit has its own tempo. Linda’s relationship with Sonya and Eddie keeps growing and developing through respect and trust. Gradually, Sonya begins to feel more comfortable reading the words and discussing the pictures—imagining, pretending, and singing along with Eddie. She is developing an appreciation for the joy in learning.

During the two years that PCHP works with families, parents often bring up worries and turn to their home visitor for information. Staff members refer families to services such as food banks, the USDA’s Women, Infants, and Children program (WIC), Head Start, and public preschool. They visit the public library with families and walk to the closest playground together. Home visitors may translate school information, help families fill out applications for vouchers and scholarships, and encourage attendance at free community events. As University of Alaska professor emeritus Todd Risley has written, “The Parent-Child Home Program arguably has the best cost-benefit ratio of any literacy program. Its years of data demonstrate that it actually changes parental behaviors ... prompting parents to foster language development in their children.”

Starting Early Really Works

Longitudinal research demonstrates that the Parent-Child Home Program bridges the achievement gap for low-income children:

- A 1976-1996 study of the effects of the Pittsfield, Massachusetts, program found that 84 percent of program participants graduated from high school, whereas only 54 percent of a randomized control group did.¹
- A study of special education referrals in Salem, Massachusetts, indicates that Parent-Child Home Program children are referred for special education at a lower rate than children from the general population. That has financial

implications as PCHP costs approximately \$2,750 per child per year, but special education services may reach \$14,000 per child per year.

- A study published in the *Journal of Applied Developmental Psychology* reports that 93 percent of children completing the Parent-Child Home Program in South Carolina pass the statewide first grade test, compared with the 74 percent of all students eligible for free lunch statewide.²
- Recent Pittsfield, Massachusetts, research on kindergarten assessments indicates that children who participated in both a pre-K program and the Parent-Child Home Program performed substantially better than those who had only pre-K. The data were included in a report from the Center for Law and Social Policy in Washington, DC.³
- A New York University study, published in the National Head Start Association journal *Dialog*, concluded that the Parent-Child Home Program successfully bridges the achievement gap, preparing children to enter school as ready to learn as their more advantaged peers.⁴

The Parent-Child Home Program can be replicated in other cities and towns where there are underperforming schools and a high incidence of poverty. With trained home-visiting staff in place, it is possible to scale up quickly to offer direct services to families.

Carol Rubin, a licensed independent clinical social worker, is Massachusetts Regional Coordinator for the Parent-Child Home Program, www.parent-child.org. She may be reached at pchpcarol@gmail.com.

Endnotes

- ¹ P. Levenstein, S. Levenstein, J.A. Shiminski, and J.E. Stolzberg, “Long-Term Impact of a Verbal Interaction Program for At-Risk Toddlers,” *Journal of Applied Developmental Psychology* 19 (1998): 267-285.
- ² P. Levenstein, S. Levenstein, and D. Oliver, “First Grade School Readiness of Former Child Participants in a South Carolina Replication of the Parent-Child Home Program,” *Journal of Applied Developmental Psychology* 23 (2002): 331-353.
- ³ D. Ewen and H. Matthews, “Title 1 and Early Childhood Programs: A Look at Investments in the NCLB Era,” http://www.clasp.org/issues/pages?type=child_care_and_early_education&id=0005.
- ⁴ L. Allen, A. Sethi, and J. Astuto, “An Evaluation of Graduates of a Toddlerhood Home Visiting Program at Kindergarten Age,” *Dialog* 10, no. 1 (2007): 36-57.

Somalis in Maine

COLLABORATING ON GARDENS AND NUTRITION

by Kirsten Walter, St. Mary's Health System



Photographs: St. Mary's Health System

The children's garden at Hillview Apartments is nestled between the basketball court and the playground. On any summer day, children and teens can be found working in the garden they helped to plant, while many of their mothers maintain plots in a nearby community garden. The children quickly learn to ask the important questions: Is that a plant or a weed? Can I water now? When do we get to eat this?

Similar scenes are found in other neighborhoods in Lewiston, Maine, an old mill town of 38,000 on the Androscoggin River. Scattered across the city are 15 community gardens that provide fresh food, neighborhood pride, and a platform for youth and adult education and training. Lewiston's gardens are part of a nationwide movement bringing nourishing food to neighborhoods that need it, but they differ in an interesting way from most such gardens in rural New England. In Lewiston, the gardens have become important places for the city's Somali and Somali Bantu refugees.

Planting and Growing

The gardens started in 1999 at Hillview apartments with the support of the Lewiston Housing Authority and Bates College. That year, 14 families grew food in community

plots, and dozens of children came out daily to the children's garden. In 2000, St. Mary's Health System led an initiative to hire local teenagers to replicate the gardens in neighborhoods with poverty levels up to 46 percent. The Summer Youth Gardener crew, with the enthusiastic help of neighborhood children and volunteers, tackled a dozen vacant lots, replacing old cars and trash with safe, vibrant green spaces. The "Lots to Gardens" initiative was born.

Summer 2001 saw an expansion to vegetable stands, weekly harvest dinners—and job training and leadership development for the Summer Youth Gardeners. Meanwhile, the first Somali families began arriving in a city that the 2000 census showed was 97 percent white.

Sambusa and Whoopie Pies

Mumina Isse was the first Somali woman to start gardening at Hillview. A confident young woman with two small children, she had never had her own garden and wanted to learn. As she joined in gardening sessions, her quick smile and agreeable nature made it easy for other gardeners to talk with her.

Many Hillview gardeners were curious about the Somali refugees, and the garden became a place to learn. Why did they come

here? What language do they speak? What does it mean to be Muslim? Unoffended by the questions, Mumina gracefully served as ambassador. She shared her thoughts with other gardeners and began to break through some mistaken assumptions. People worked side by side, finding common ground.

Mumina acted as both an ambassador and a scout. The next spring about 10 Somali women came along to garden. To help with language barriers, Mumina became Resident Garden Coordinator, joining three other garden leaders and Lots to Gardens staff in managing the community gardens and teaching. The Somali women soon allowed their children to join in the children's activities. The garden programs became a place where the youth of Hillview could navigate questions similar to their parents' questions in ways that were constructive and positive. Conversations about respect and diversity might arise from observations about how much variety is needed for a good garden, or from exploring foods of many cultures.

As more Somali families moved to Hillview, delicious summer aromas wafting outside the apartment complexes were also mingling—barbeque chicken from one back door and spicy curry and cilantro from

another. Sharing of gardening tips expanded to sharing of recipes and meals. Neighbors loved Mumina's vegetable sambusa (a pastry with a savory filling), and some gardeners asked how to make them. One day Nancy Davidson, another Resident Garden Coordinator, explained her pumpkin whoopie pie to Mumina, and the women latched onto the idea of a community garden cookbook. The recipes would use garden produce and would celebrate Lewiston's diverse cultures, with some recipes translated into Somali. With support from Lewiston Adult Education, the Resident Garden Coordinators successfully produced *Sharing the Harvest Cookbook*.

Growing Up While Growing Food

Soon other young women from Hillview were following Mumina's lead. In 2004, Ayan Qanyare became the first Somali teenager to join the Summer Youth Gardeners (SYG) program. A positive role model for peers and younger children, she soon became a cultural liaison supporting adult Somali gardeners.

As for Filsan Hirsi, by the time she joined SYG in 2006, the youth crew was nearly 50 percent Somali. About 90 percent of the adult gardeners were Somali or Somali Bantu, too, a reflection of the changing demographic in the public housing community. Filsan spent three years in the youth programs, then went on to Augsburg College in Minnesota, where she has passed along her Lewiston experience by serving as a Garden and Education Intern and a Community Education and Nutrition Intern for the Campus Kitchen program.

Another success is Rahma Odawa. Although her family is from Somalia, Rahma grew up in Hillview and began participating in the children's garden programs at age 9. When she turned 14 and could get a work permit, she applied to become a Summer Youth Gardener. At 15, she became one of the youngest Youth Interns at Lots to Gardens, serving as a peer leader for other youth on the crew and teaching workshops about hunger, food systems, healthy communication, and diversity. Rahma's father represented Lewiston when it received All-America City in 2007 and has been very supportive of his daughter's leadership activities. She was on the organizing committee for the 2009 Rooted in Community national conference, which Lots to Gardens cohosted, and she helped bring 120 youths from across the country to see the innovative work in Maine.

The community garden experience has spread in other ways. With their agricultural

backgrounds, Somali Bantu gardeners have sought more growing space for cilantro, collards, tomatoes, onions, okra, spinach, carrots, and hot peppers. Several have joined the New American Sustainable Agriculture Project (NASAP), which assists immigrant and refugee farmers to build successful farm businesses that are consistent with their culture. With NASAP training and support, many Somali Bantus are selling produce at the Lewiston Farmers' Market. And in another example of outward ripples, a New England Regional conference called "African Refugee Health: Best Practices," co-sponsored by St. Mary's Health System, was organized for October 2010.

Food as Medicine

In late 2006, Lots to Gardens joined with St. Mary's Health System's Food Pantry, adding interactive cooking and nutrition education programs to form the Nutrition Center of Maine. A community health program, the Nutrition Center is founded on the belief that good health relies upon access to healthful food.

The center tackles the vicious cycle in which poverty leads to food insecurity and poor health—for example, when poor people buy cheap, calorically dense foods to allay hunger and then develop obesity issues. The center's preventive approach helps people gain the knowledge and skills to make better food choices.

High risks of hunger, obesity, and nutrition-related diseases such as diabetes cross cultural and class lines, but there is a clear need for culturally appropriate responses. In 2009, the Nutrition Center became home to the Somali Nutrition Education Initiative, a partnership with the Maine Nutrition Network. Along with four other women, Mumina has been trained as a Community Nutrition Aide, providing peer education to refugee women. The five women bring both expertise and community connections. They know the owners of the dozen Somali-owned Halal stores in Lewiston and what times are best to conduct outreach. In one year, they taught more than 200 women.

As peer leaders, they have also helped with hunger and nutrition research. Kiin Issa and Azeb Hassan were trained to conduct interviews for the Somali Physical Activity and Nutrition Needs Assessment (SPANNA), a collaborative research project between St. Mary's Health System, the Maine Nutrition Network, and Muskie School of Public Service. Preliminary

findings indicate that up to 67 percent of Lewiston's refugee families could be suffering food insecurity. Mumina has been trained as a Community Action Researcher for a collaborative community food assessment led by the Nutrition Center in collaboration with academic and public health partners. The results will help in developing a communitywide response to Lewiston's food and nutrition needs.

Mumina has become a leader whose impact goes further still. She is involved with several community organizations, is a mother of three, and is recently the recipient of an Auburn Adult Education high school diploma. At the graduation, she received a scholarship to support her goal of pursuing a college degree in nutrition. After the ceremony, she was surrounded by other Somali and Bantu families, the flowers piling high. Clearly Mumina, along with a dedicated group of individuals and organizations, is helping to make Lewiston a healthier city, one meal at a time.

Kirsten Walter is the director of the St. Mary's Health System Nutrition Center of Maine and founder of Lots to Gardens, <http://www.stmarysmaine.com>.





Stockphoto

Tribal Recognition in Vermont: The Role of Federal Standards

by Kesha Ram, Vermont State Representative

During 2010, Vermont held an extensive quadricentennial celebration of Lake Champlain, recognizing the 400th anniversary of Samuel de Champlain’s “discovery” of our beloved body of water to the west. Although generally centered on community building and revelry, the festivities renewed conversations about the rights and recognition of the indigenous people that predated Europeans in the region.¹ This was not only because of the fact that the land was inhabited much earlier than four centuries ago, but also because Vermonters who identify as Abenaki were still unable to sell their crafts as authentically Native American work.

Archaeological evidence suggests that the Abenaki are native to southern Quebec and parts of several New England states, including Vermont, settling here in the 12th century or earlier. The region is also part of the historical homelands of the Odanak—who have Canadian First Nation recognition and consider themselves a part

of the larger Abenaki Nation—as well as the Mohegan people, who gained federal recognition in 1994 and are now based mostly in Connecticut.

There are many tribes and bands in Vermont that claim Abenaki heritage, as well as those who do not appear on any tribal rolls, totaling at least a few thousand Vermont residents. Traditionally, the Abenaki organized in family bands and congregated in particular regions—especially the Connecticut River Valley, the Burlington and Winooski area, and Missisquoi territory in Franklin County.² There are groups of family bands that have ties through kinship and a connection to the land, and have formed larger bands or tribes.

When a state recognizes that type of group, whether it is known as a band or tribe, they confer tribal recognition on them, making them an official state-recognized tribe. Without state recognition, they cannot apply for many scholarships or the cultural and lingual preservation

grants set aside for Native Americans. They are also unable to label their arts and crafts as authentic Indian handiwork or even to dance in certain powwows.

Of the benefits bestowed upon state-recognized tribes, arts and crafts designation often constitutes the greatest economic impact to a Native American community. An individual artisan cannot receive authentic craft designation, but tribes that receive such designation have the authority to grant it to artisans who may be only loosely affiliated with their tribe. The Indian Arts and Crafts Act of 1990 and the federal Indian Arts and Crafts Board of the Bureau of Indian Affairs set very stringent standards for designating Indian handiwork as authentic, requiring either state or federal recognition as part of the criteria.³ Such recognition is a seal of approval that often means artisans are able to charge a fairer, more lucrative price for their wares. Without such approval, artisans and galleries expose themselves to thousands of dollars of potential fines.

In 2006, the Vermont Legislature put forth legislation with the intent of recognizing the Missisquoi Abenaki. It established the Vermont Commission on Native American Affairs (VCNAA) to assist Native American tribes in garnering recognition and authentic craft designation.⁴ Unfortunately, the effort did not produce the intended results. The language of the law recognized the Missisquoi Abenaki only as a Native American minority group and not a quasipolitical tribal entity that could meet the standards of the Indian Arts and Crafts Board.

This year, the legislature passed and the governor signed into law S.222, an Act Relating to State Tribal Recognition. The original Senate version would have conferred state recognition to four Abenaki bands. The VCNAA would also have been reconstituted to give each of these Vermont-recognized tribes a seat with some at-large members.

In the House, some members expressed concerns about the design. Their reasoning had to do with the experience of other states. Most of the 15 states that engage in state tribal recognition have an objective process and a uniform set of criteria for recognizing state tribes, with the legislature maintaining the authority to confer recognition. Members pointed to studies showing that states that did not have their process and criteria set in statute but instead recognized tribes as they came forward were plagued with lawsuits delegitimizing the tribal recognition.⁵ They were concerned that being a party to, or implicated in, such lawsuits would be costly for Vermont.

Likewise, they wanted to steer clear of one state's mistake vesting the authority to recognize tribes with a commission made up of tribes already state-recognized. Because any new recognition would have meant having to share finite resources, it was not surprising that after the establishment of the state's commission, none of the tribes coming forward in that state received recognition.

The direction of the Vermont House was to remove automatic recognition for any band and set forth equitable, inclusive, and standardized criteria and a recognition process, holding all tribes accountable to the same standard.⁶ The committee studying the Senate bill decided that it would be important to have criteria in statute that tribes would have to meet before recognition. The goal was to level the playing field and demonstrate to the Indian Arts and

Crafts Board and other federal entities that the tribes had been recognized through a clear and consistent process.

The law that was ultimately passed was a step forward in honoring and acknowledging the history and future of the Abenaki people residing in Vermont. It reflects best practices in other states but is also sensitive to the unique qualities of our traditional Native American bands. The criteria include kinship relationships among members and documented genealogy connecting applicants to bands and tribes that historically existed in what is now Vermont prior to European settlement. It also includes trib-

Among state-recognized tribes' benefits, arts and crafts designation often creates the most economic impact for a Native community.

al rolls identifying a majority of members within Vermont, an enduring community presence, documented customs and oral history, and other indicators of the history and future of the tribe.

The state believes that the process for recognition, which is as important as the criteria, is multifaceted and democratic. The process is intended to give the legislature a solid foundation of information and provide for public scrutiny. It includes verification of archaeological and historical evidence by a three-member expert panel, at least one public hearing, thorough review of the recognition petition by the Vermont Commission on Native American Affairs, and a detailed report to the legislature recommending the tribe for recognition if the criteria are met. If the commission denies a recommendation to confer recognition, the legislature receives a report documenting the reasons. The vested authority to confer recognition, however, remains with the legislature.

Although some people see state recognition as another version of federal recognition, it does not get a tribe closer to much-coveted federal benefits. Nevertheless, to allay some Vermonters' fear that state tribal recognition could mean sovereignty

from state regulation, the law spells out that state recognition cannot be construed to give any tribe the right to be exempt from any state or federal law (including gambling laws) or any type of tax-exempt status. And it cannot be the basis for land claims.

The new law sets strong but attainable standards and a fair process for tribes to seek recognition in Vermont. It should help Vermonters receive recognition of their heritage and garner the meaningful if modest benefits afforded to state-recognized tribes and bands. This approach is an equitable step forward and lays the foundation for Vermont tribal law.

Kesha Ram is a member of the Vermont House of Representatives.

Endnotes

- ¹ For more understanding of the Abenakis' long-standing challenges, see "Improving Opportunities for Abenaki Youth," *Communities & Banking* 19, no. 1 (winter 2008), p. 14.
- ² Lisa Brooks, assistant professor of history and folklore, Harvard University, giving testimony to the Vermont Legislature, House Committee on General, Housing, and Military Affairs, on April 2010.
- ³ *The Indian Arts and Crafts Act of 1990*, public law 101-644, U.S. Department of the Interior, Bureau of Indian Affairs (November 29, 1990), <http://www.doi.gov/iacb/act.html>.
- ⁴ An Act Relating to State Recognition of the Abenaki People, 1 V.S.A. chapter 23. Vermont Legislature. 2006, <http://www.leg.state.vt.us/docs/legdoc.cfm?URL=/docs/2006/bills/passed/S-117.HTM>.
- ⁵ Alexa Koenig and Jonathan Stein, "Federalism and the State Recognition of Native American Tribes: A Survey of State-Recognized Tribes and State Recognition Processes Across the United States," *Santa Clara Law Review* 48 (2008).
- ⁶ For comments from some affected groups, see the *Burlington Free Press*, "Against all odds, new law advances Abenaki recognition," May 15, 2010: "We have a very bright and positive future ahead," said Nancy Millette Doucet, chief of the Koasek Traditional Band of the Koas in Newbury, even as she and fellow Abenaki acknowledged the bill was not quite what they had hoped for. 'It's not what we wanted,' said Fred Wiseman of Swanton, tribal historian for the Missisquoi band of the Abenaki who helped negotiate the bill, but he added, "We're satisfied."

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by Benjamin Levinger and Michael A. Zabek,
Federal Reserve Bank of Boston

Credit or Debit: How Do Lower-Income Consumers Pay?

Over the last few decades, debit card use in the United States has expanded to rival credit cards as the preferred way that many people pay for everyday transactions. The percentage of Americans using a debit card has increased rapidly, from 9 percent in 1992 to 67 percent in 2007. During that time, according to *The Survey of Consumer Finances*, the percentage of consumers with a credit card remained flat at around 73 percent. Few studies have attempted to measure the extent to which different income groups use credit and debit cards, however. New data from the *The 2008 Survey of Consumer Payment Choice* can fill that gap and improve understanding of how lower-income consumers differ from the rest of the population.¹

The main finding of the authors' analysis is that low- and moderate-income consumers tend to use debit cards much more often than they use credit cards.² LMI consumers are more likely to own a debit card than a credit card, they are nearly twice as likely to use one for a given transaction, and in general, they tend to rate them as being better payment instruments. This fact should be an important consideration for everyone who works with credit or debit cards.

Differences in Card Usage

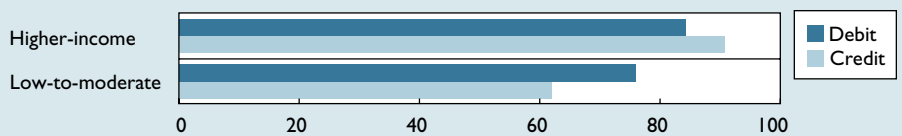
According to *The 2008 Survey of Consumer Payment Choice* (SCPC), a nationwide survey conducted by the Federal Reserve Bank

of Boston, debit cards are more commonly owned than credit cards among LMI consumers.³ (See "Percentage of Consumers with Credit and Debit Cards.")

More than 75 percent of LMI consumers have a debit card, whereas only 62 percent have a credit card. Higher-income consumers

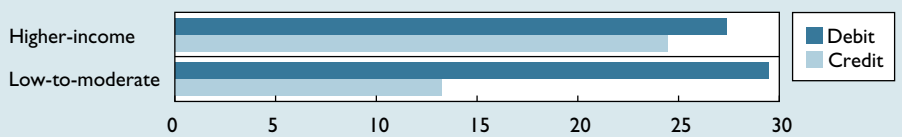
credit card payments as a percentage of total monthly payments shows that LMI consumers use debit cards for 29 percent of their payments, whereas they use credit cards for only 13 percent. Higher-income consumers also use debit cards more frequently than credit cards,

Percentage of Consumers with Credit and Debit Cards



Source: 2008 Survey of Consumer Payment Choice

Shares of All Payments Made with Credit and Debit Cards



Source: 2008 Survey of Consumer Payment Choice

are more likely to have a credit card. In fact, 90 percent of higher-income consumers have a credit card, and 84 percent have a debit card.

LMI consumers' preference for debit cards over credit cards is also reflected in how often they use their cards. A look at the volume of debit and

but the difference is much smaller (27 percent versus 24 percent). (See "Shares of All Payments Made with Credit and Debit Cards.") Interestingly, debit card payments make up a larger share of all payments for LMI consumers than for higher-income consumers.

Perceptions

Why do lower-income consumers seem to prefer debit card payments? The 2008 SCPC asked respondents to rate certain characteristics of different payment instruments on a 1–5 scale (with 5 as the best). The eight characteristics included were cost, speed, setup, security, control (over payment timing), record keeping, acceptance as payment, and ease. (See “Differences in Consumers’ Card Ratings.”)

Different income groups rate debit and credit cards differently. First of all, LMI consumers prefer debit cards over credit cards in five of the eight categories. The largest difference was cost, but higher-income consumers also rated debit cards much higher than credit cards with respect to cost. LMI consumers also seem to strongly prefer the setup, security, and control of debit cards.

extreme case in which LMI consumers perceive that debit cards are better than credit cards. Since credit cards generally limit their owners’ exposure to fraud more than debit cards, their view seems irrational. However, it could be that lower-income consumers perceive that entering their PIN at a debit card terminal is a more reliable safeguard than signing, as with a credit card.

Possible Explanations

This clear difference in the use of each instrument across income groups shows how debit cards may be appealing to consumers in ways that credit cards aren’t. One possible explanation for this is that low-income consumers are using debit cards for convenience. Debit cards offer them a way of using a card for everyday purchases and having it deducted

Implications

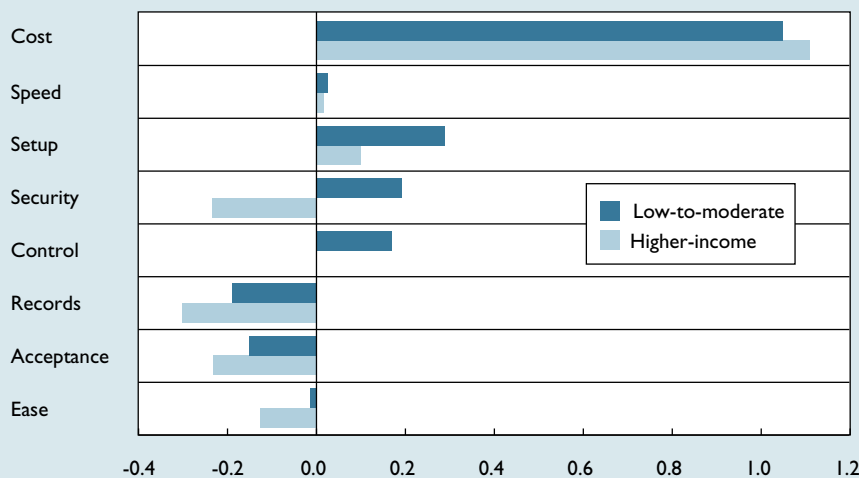
The 2008 SCPC shows that poorer consumers tend to prefer debit cards to credit cards, both in terms of having and using them and in terms of rating them on a number of characteristics. This is an important fact to keep in mind for anyone working with lower-income communities. It is especially important for policymakers who seek to regulate debit and credit cards.

As the regulatory and business environments surrounding cards change, preferences may change. Congress has passed a number of regulations for credit and debit cards that may alter lower-income consumers’ calculus.⁴ However, it would be well to take debit card use by lower-income consumers into consideration as new policies and regulations are formulated.

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Differences in Consumers’ Card Ratings

(Debit card rating minus credit card rating)



Source: 2008 Survey of Consumer Payment Choice

Record keeping and acceptance received the lowest relative ranking from LMI consumers, meaning that these are features that LMI consumers think are not as good with debit cards as with credit cards.

If we compare the relative ratings for each income group (that is, if we look at the differences in the differences between debit and credit cards by comparing the lengths of the two bars in “Differences in Consumers’ Card Ratings,” we can see that LMI consumers generally prefer debit cards more than higher-income consumers do. This is true for every characteristic listed, with the exception of cost, where LMI consumers give slightly lower relative rankings to debit cards. Surprisingly, security is the most

from their bank account. Credit cards, on the other hand, bundle unsecured loans at high interest rates with their products. Lower-income consumers may find themselves having to take these loans because of excess spending on their credit cards, which they have a harder time avoiding.

Another possibility is that consumers are shut out of the market for credit cards. However, this is not supported by the fact that more than 50 percent of LMI consumers in our sample currently have credit cards, and an even larger percentage report having had them at some point in the past. Over time, being shut out may become more of a factor limiting credit card use, but right now it appears to be less important than other considerations.

Endnotes

- ¹ See Kevin Foster, Erik Meijer, Scott Schuh, and Michael A. Zabek, *The 2008 Survey of Consumer Payment Choice*, Federal Reserve Bank of Boston public policy discussion paper no. 09-10, 2009, <http://www.bos.frb.org/economic/ppdp/2009/ppdp0910.htm>.
- ² As with many government programs, we classify individuals as having a “low-to-moderate income” if their household falls within 300 percent of the poverty line defined by the Department of Health and Human Services over the past year. The analysis focuses on differences between households that are in this group and households with higher incomes. Obviously, there are differences within each group, so any result should not be interpreted as a statement about everyone in either group. Instead we are looking for trends within each group to compare how LMI consumers and other consumers pay for transactions.
- ³ *The 2008 Survey of Consumer Payment Choice* was produced by the Consumer Payments Research Center of the Federal Reserve Bank of Boston and the RAND Corporation.
- ⁴ The Credit Card Accountability, Responsibility, and Disclosure (CARD) Act, which President Obama signed on May 22, 2009, is intended to protect consumers. For debit cards, the Durbin amendment, part of the Restoring American Financial Stability Act of 2010, is meant to regulate the fees merchants pay to process debit card transactions.



Limiting Immigration Detention AND PROMOTING ACCESS TO COUNSEL

by Sharon Bradford Franklin and Karen S. Bloom, The Constitution Project

At a Senate committee hearing in May 2010, Senator Al Franken spoke of an Ethiopian woman held for a year with convicted criminals in a U.S. detention center. She wasn't a criminal but was merely applying for asylum.¹ Unfortunately, muddled detention actions are increasingly destabilizing lower-income communities and families nationwide.

Hundreds of thousands of noncitizens are detained annually, sometimes in conditions that endanger their health.² The number of detained on any given day increased by approximately 40 percent between 2003 and 2007 and continues to grow.³ Most detention facilities are overcrowded.⁴ And compared with the criminal prison system, detention facilities are often characterized by worse living conditions and fewer rights.

Despite the nominally "civil" nature of their alleged offenses, more than half of noncitizens detained by immigration authorities are held in state and local jails. The eight federal and seven privately run immigration detention centers cannot handle the increasing reliance on detention in connection with immigration proceedings, and therefore detainees are scattered throughout 350 state and local prisons. Often, noncriminal detainees

are held with individuals accused or convicted of violent crimes, putting them at risk. Many report confrontations and violence—even physical and verbal abuse at the hands of facility guards.

Wherever they are held, noncitizen immigration detainees lack the access to lawyers that is provided as a matter of right to citizens and noncitizens charged with criminal offenses. Even when the government detains a person in an immigration case, it is not required under current U.S. law to provide an attorney if the person is unable to afford one.⁵

A Bipartisan Report

In 2009, the Constitution Project's bipartisan Liberty and Security Committee issued *Recommendations for Reforming Our Immigration Detention System and Promoting Access to Counsel in Immigration Proceedings*.⁶ The report addressed questions about who can be detained, described the conditions and increasing use of detentions (and the barriers to obtaining legal assistance), and offered recommendations.

Who Gets Detained?

The Department of Homeland Security (DHS) has authority to detain both

noncitizens alleged to have violated U.S. immigration laws and noncitizens that DHS seeks to return to their home countries. In some cases, detention is discretionary. In others—including when a noncitizen has been convicted of certain crimes, is seeking admission to the United States without proper documentation, or is inside the country without being officially admitted or paroled—detention is mandated.⁷

The amount of time individuals spend in detention has increased. For example, while the law requires DHS to remove noncitizens from the United States within 90 days of a final removal order, many of those who have received orders are detained for months—even years.⁸

The increased reliance on immigration detention strains government resources and imposes human costs. People are being unnecessarily deprived of liberty.⁹

Physical Hardships

During their detentions, many noncitizens are subject to physical restraint. They may have limited privacy and restricted access to necessities such as exercise or communication with the outside world. In some facilities, two or three detainees sleep in one-person cells. Overcrowding

also strains shared resources such as cafeterias and bathrooms.

Most significantly, overcrowding limits access to medical care. Serious deficiencies in health care for noncitizens have resulted, including long delays for medically necessary procedures. Typical situations were outlined in May 2008 articles in the *Washington Post*.¹⁰ Reports of potentially avoidable deaths occurring in custody also highlight the dangers of an overwhelmed system.¹¹

Family and Economic Hardships

Noncitizen detainees may be separated from families and friends for long periods with little to no idea of the date or conditions of their release. Some detainees miss family events such as births or deaths while in prison—irreparable losses.¹²

Detention also puts an economic strain on noncitizens and their families. When a family's primary wage-earner is being held in detention, spouses and children may struggle to provide for themselves.

Barriers to Legal Resources

Under federal law, noncitizens in removal proceedings are provided with “the privilege of being represented” by counsel but “at no expense to the government.” Hence they rarely have a lawyer's assistance. Without that, they are much more likely to agree to deportation, even if their claims have merit. Indeed, one study found that having an attorney in an asylum case is the most important factor determining the outcome.¹³

Other barriers include a lack of information about *pro bono* legal services, heavily restricted visitation rights, the absence of a confidential venue for meeting with counsel, restricted access to a telephone or other form of communication, no system for receiving messages, limited access to legal materials, and incomplete or untranslated legal materials.

Recommendations

The report's recommendations were endorsed by the Constitution Project's Liberty and Security Committee, an ideologically diverse group including former members of Congress, judges, diplomats, and former U.S. State Department and DHS officials.

Recommended changes in the use of detention in immigration cases included several suggestions for DHS:

- parole noncitizens who confront legitimate medical emergencies;
- set finite deadlines by which the hearings must occur;

- consider electronic monitoring and other alternatives to custodial detention if detainees do not present a danger to the community or pose a flight risk;
- keep those with no criminal records from being housed with criminal inmates; and
- implement procedures to more effectively identify the warning signs of genuine medical emergencies.

Ideally, all indigent noncitizens facing removal proceedings also would be afforded government-funded counsel where voluntary *pro bono* services were not available. That is not currently feasible, so the committee recommended, among other things, that Congress require immigration judges to appoint counsel if the issues are particularly complex, if the noncitizen has a disability or other incapacity, or if removal would present an unusual hardship. Expanding both the Board of Immigration Appeals' Pro Bono Project (which matches unrepresented litigants with *pro bono* counsel) and the Federal Legal Orientation Program (which educates detainees on immigration laws and processes) was also recommended. Establishing a federally funded system to refer noncitizens facing removal proceedings to *pro bono* attorneys was also thought likely to reduce the numbers in detention. Finally, the Committee emphasized the importance of removing barriers to the attorney-client relationship by, for example, requiring agencies to consider whether proposed sites for detention facilities provide sufficient access to interpreters and attorneys.

In fall 2009, DHS Secretary Janet Napolitano announced reforms to the immigration detention system that would improve the conditions, including medical care.¹⁴ However, the reforms do not appear to have had much impact yet, and no proposed reform would improve access to legal assistance. As the nation begins to address these issues, policymakers may find the Liberty and Security Committee's recommendations helpful.

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Endnotes

- ¹ Patrick Giantonio, giving testimony on May 19, 2010, to the Senate Judiciary Committee hearing on Renewing America's Commitment to the Refugee Convention: The Refugee Protection Act of 2010.
- ² *Immigration and Customs Enforcement's Tracking and Transfer of Detainees* (Washington, DC: U.S. Department of Homeland Security, 2009).
- ³ The expanded use of detention is attributable partly to the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and increased enforcement of immigration laws post-9/11.
- ⁴ For example, in Massachusetts. See *Detention and Deportation in the Age of ICE* (Boston: American Civil Liberties Union, December 10, 2008).
- ⁵ By definition, immigration detention and immigration cases concern noncitizens. As a point of comparison, in cases involving a similar loss of liberty (being held in a prison) in which people are charged with a crime rather than an immigration offense, they would be entitled to a lawyer (for free if they could not afford one) regardless of citizenship status.
- ⁶ The Washington-based Constitution Project “seeks consensus solutions to difficult legal and constitutional issues ... through constructive dialogue across ideological and partisan lines.”
- ⁷ Noncitizens are detained as part of immigration proceedings mainly when (a) they have been apprehended before they officially enter the country; (b) they are under Department of Homeland Security's discretionary authority and categorized as “criminal aliens”; and (c) they are awaiting implementation of a final removal order.
- ⁸ It is often difficult to remove noncitizens to their country of origin if that country does not have a valid repatriation agreement with the United States.
- ⁹ Donald Kerwin and Serena Yi-Ying Lin, *Immigration Detention: Can ICE Meet Its Legal Imperatives and Case Management Responsibilities?* (Washington, DC: Migration Policy Institute, 2009).
- ¹⁰ Dana Priest and Amy Goldstein, “System of Neglect,” *Washington Post*, May 11, 2008.
- ¹¹ For example, a detainee awaiting deportation to China died in a Central Falls, Rhode Island, facility in August 2008. See <http://www.riaclu.org/CourtCases/Case/HuiLuiNgWyatt.html>.
- ¹² Unaccompanied minors in detention facilities face possible physical restraints, excessive discipline, and cohousing with juvenile offenders or adults. The special protections under law are often not applied in practice.
- ¹³ Jaya Ramji-Nougales, Andrew I. Schoenholtz, and Philip G. Schrag, “Refugee Roulette: Disparities in Asylum Adjudication,” *Stanford Law Review* 60 (2008): 295, 340-341.
- ¹⁴ See http://www.dhs.gov/news/releases/pr_1254839781410.shtm.



Anticipating Change in the Massachusetts Teacher Workforce

by Antoniya Owens

Nationwide, baby boom teachers are beginning to retire in large numbers while student enrollment continues to rise. The trend is causing concern about impending shortages in many states. This article summarizes findings from a recent report evaluating future demand and supply dynamics in the Massachusetts teacher workforce. The report covers the academic years 2010-2011 through 2019-2020 and analyzes trends in the Commonwealth as a whole and in its 10 largest school districts.¹ The approach may be of interest in other states.

Methodology

The report employs a teacher supply and demand model similar to that used by previous researchers.² The model is applied separately to district data for the 10 largest districts and to state data for total Commonwealth estimates. It first projects annual total demand for teachers based on forecasts of student enrollment and assumptions about student-teacher ratios. Enrollment projections for the state come from the Department of Elementary and Secondary Education.

For the districts, future enrollment is estimated using projections for their cohorts of five-year-olds, the children's average propensities to attend public school kindergarten, and the students' average grade progression rates from grades 1 through 12. To set up a range of projections for total teacher demand, student enrollment estimates are divided by three values of each district's student-teacher ratio—its average, lowest, and highest level from the past six years.

Total demand is then matched to the expected supply of teachers retained from the previous school year, estimated using state and district age-specific attrition rates. The gap between projected total demand and returning supply is the demand for *new* teachers—that is, the number of teachers the state or district will need to hire that year to staff all classrooms. In the calculations, each year's deficit is filled by adding the number of new hires necessary to exactly equate total teacher demand with teacher supply. These new hires are assumed to replicate the actual age distribution of teachers hired between 2007-2008 and 2008-2009. All teachers retained from the previous year are then made a year older, and the retention calculations are rerun on the resulting group of new hires and retained teachers. This algorithm is repeated for each school year through 2019-2020, continuously filling the gap between total demand and returning supply with new teachers and updating the age of the retained teachers.

Finally, to ascertain the impact of retirements on hiring needs, teachers age 58 and older—teachers' national median retirement age—who leave the workforce are assumed to be retirees. The importance of

retirements is then evaluated using the share of the workforce that retires each year, the fraction of total attrition that retirees constitute, and the portion of new hiring needs they necessitate. Note that if teachers are delaying retirement because of factors like increasing life expectancy or the current recession, using their historical median retirement age would likely overstate the impact of retirements on teacher hiring needs.

Teacher Hiring Needs

Over the next decade, the state will need to hire about 45,500 new teachers to fully meet teacher demand. Annual hiring needs are estimated to exceed 4,600 in 2010-2011 and decline below 4,300 by 2019-2020. (See “Projected Teacher Hiring Needs and Retirements.”) State projections assume the student-teacher ratio will remain at 13.4, its average level over the past six years. (See “Projected Number of *New Teachers Needed*.”) But the entire range of hiring-need projections is fairly narrow, with total new hires over the next decade ranging from 45,000 to just over 46,000.

Though these numbers are sizeable, they are not high enough to cause concerns about teacher shortages at the state level. Because Massachusetts student enrollment is projected to decline, the resulting annual demand for new teachers accounts for a smaller share of the previous year’s teaching workforce—6.6 percent, on average—than the 7 percent that new hires constituted between 2007-2008 and 2008-2009. And in each of the past three years, more than 5,000 people completed teacher training programs leading to initial teaching licenses. If the supply of new teachers remains at those levels, it will be sufficient to meet and even exceed the state’s overall hiring needs.

Individual district results show that some districts are more likely to experience teacher shortages than others. Because of enrollment declines and high teacher-retention rates, hiring needs in Lawrence and Worcester will likely be relatively low. Annual demand for new teachers in those districts will be between 6 percent and 8 percent of the previous year’s workforce. Meanwhile, districts such as Springfield and Fall River will face significantly higher

demand and may struggle to find enough qualified teachers. Those cities are projected to replace about one-fifth of their teachers annually. New Bedford, Newton, and Boston are slightly behind, with annual hiring needs ranging from 12 percent to 14 percent of the previous year’s teachers.

The dynamics in the districts with the greatest hiring needs typically result from growing student enrollments, high teacher turnover, or both. For instance, the substantial hiring needs in Fall River are due to both the projected growth in its student enrollment and its 19 percent teacher attrition rate. Similar trends hold for New Bedford, where student population is expected to grow by 15 percent by 2020—fastest among the 10 largest districts. In Springfield, by contrast, the demand for new teachers is almost entirely due to high attrition. Although its enrollment is projected to grow by only 2 percent over the next decade, 19 percent of Springfield’s teachers left the district between 2007-2008 and 2008-2009.

The varying influence of these factors often results in vastly different hiring needs for districts with otherwise similar

Projected Teacher Hiring Needs and Retirements, 2010-2011 through 2019-2020

Number of new teacher hires needed to meet total demand

	Massachusetts	Boston	Springfield	Worcester	Brockton	Lowell	Lynn	New Bedford	Lawrence	Newton	Fall River
2010-2011	4,676	445	396	94	90	90	111	123	50	143	162
2011-2012	4,624	461	425	103	103	104	113	135	52	147	168
2012-2013	4,685	471	425	114	94	112	119	130	52	146	175
2013-2014	4,684	472	431	121	110	120	125	130	61	144	172
2014-2015	4,621	480	444	136	107	116	126	135	65	141	175
2015-2016	4,611	492	446	136	110	118	134	139	66	140	177
2016-2017	4,559	465	450	132	112	127	129	137	68	132	177
2017-2018	4,397	457	459	140	111	126	134	138	66	129	179
2018-2019	4,388	455	465	129	116	122	132	144	63	124	180
2019-2020	4,297	446	469	137	114	128	135	143	64	123	182
Total 2010-2019	45,543	4,642	4,411	1,242	1,067	1,164	1,259	1,353	606	1,370	1,746

Number of teachers retiring each year

	Massachusetts	Boston	Springfield	Worcester	Brockton	Lowell	Lynn	New Bedford	Lawrence	Newton	Fall River
2010-2011	2,039	122	69	42	15	26	24	19	17	29	29
2011-2012	2,080	122	67	45	14	30	28	19	16	26	24
2012-2013	2,049	120	66	52	13	28	24	26	15	22	26
2013-2014	2,025	118	67	48	18	32	28	23	15	20	24
2014-2015	1,982	116	65	54	15	30	24	24	14	19	23
2015-2016	1,893	107	62	55	15	27	28	23	13	17	23
2016-2017	1,821	106	61	50	16	32	28	23	13	16	23
2017-2018	1,745	105	61	56	13	28	27	24	13	14	23
2018-2019	1,677	98	61	50	14	26	28	23	12	14	22
2019-2020	1,619	96	61	51	13	25	26	24	11	13	23
Total 2010-2019	18,930	1,110	641	504	145	284	265	229	139	189	240

Source: Author’s calculations using data from the Massachusetts Department of Elementary and Secondary Education.

characteristics. For example, Springfield and Worcester have similar student enrollments—about 23,000 and 25,000 in 2008-2009, respectively. However, Springfield’s teacher attrition rate is more than twice as high, and its student population will likely grow while Worcester’s is expected to shrink by 5 percent. As a result, annual hiring needs are projected to equal 20 percent of the previous years’ teacher workforce in Springfield, but only about 8 percent in

constant or increase in Worcester, Lowell, Lynn, Brockton, and New Bedford. The district most affected by retirements is Worcester, where 40 percent of teachers are age 50 or older, and more than 3 percent are projected to retire annually. The shares of retirees are slightly lower in Boston, Springfield, Lowell, Lynn, New Bedford, and Fall River.

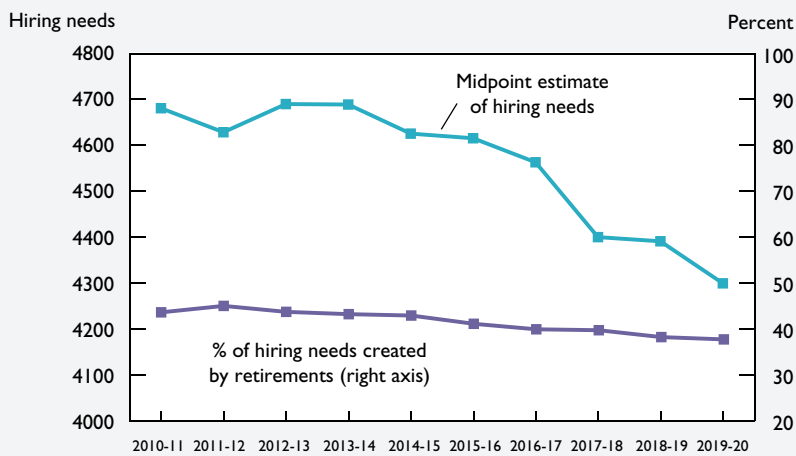
However, differences in both age-specific teacher attrition rates and projected student enrollments mean that the importance of

Endnotes

- ¹ A. Owens, “The Massachusetts Teacher Workforce: Status and Challenges” (working paper, Rappaport Institute for Greater Boston, Kennedy School of Government, Cambridge, Massachusetts, May 2010).
- ² D. Aaronson and K. Meckel, “How Will Baby Boomer Retirements Affect Teacher Labor Markets?” *Economic Perspectives* 4 (2009): 2-15; and W. Hussar, *Predicting the Need for Newly Hired Teachers in the United States to 2008-09* (Washington, DC: U.S. Department of Education, National Center for Education Statistics, 1998).

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Projected Number of New Teachers Needed to Meet Demand in Massachusetts, 2010-2019



Source: Author’s calculations using data from the Massachusetts Department of Elementary and Secondary Education

Worcester. In fact, Springfield will need roughly the same numbers of new teachers as Boston, whose student enrollment is more than twice as large.

The Role of Retirements

About 19,000 teachers will likely retire in Massachusetts over the next decade. Annual retirements between 2010-2011 and 2013-2014 are projected to be just over 2,000, declining to about 1,600 by the end of the decade. In relative terms, the numbers represent between 2.4 percent and 2.9 percent of each year’s teacher workforce—shares similar to the 3 percent who retired between 2007-2008 and 2008-2009. Statewide, retirements will account for a significant portion of total teacher attrition—between 36 percent and 40 percent each year—and will create between 38 percent and 45 percent of the demand for new teachers.

Retirement trends and their impact differ substantially across districts, primarily because of differences in teachers’ age distribution and their timing of retirement. Over the next decade, the annual number of teacher retirees will likely decline in Boston, Springfield, Lawrence, Newton, and Fall River, and remain

retirements in creating teacher hiring needs differs even for districts with similar retirement levels. For example, turnover among young teachers in Fall River and Springfield is particularly high, and enrollment in both districts is projected to grow. As a result, retirees will likely account for a relatively small share of annual exits and will create only about 12 percent to 15 percent of new teacher openings. Instead, most hiring needs in these districts will be necessitated by the growing enrollment and the high attrition of younger teachers. In contrast, although only slightly higher shares of teachers in Worcester are projected to retire each year, the impact of these retirements will be much more noticeable. Because of shrinking student enrollment and higher retention of young teachers, Worcester retirees will account for about 40 percent of annual teacher attrition and will create two out of every five new teaching positions.

Antoniya Owens, a recent graduate of Harvard’s Kennedy School of Government, conducted this research for the Massachusetts Department of Elementary and Secondary Education as part of her master’s thesis.



iStockphoto

Using Mediation by Carla Dickstein, Coastal Enterprises Inc.

TO STEM FORECLOSURES IN MAINE

With foreclosure starts of about 1 percent (roughly equal to New England's average, if less than the nation's), the state of Maine passed a bill in June 2009 to help borrowers get loan modifications. The law required loan servicers to include information about a state mediation program whenever they sent borrowers complaint notices of default.¹

The Act to Preserve Home Ownership and Stabilize the Economy by Preventing Unnecessary Foreclosures enables court-supervised mediation for owner-occupied residential mortgages that meet certain requirements.² The property must be the owner's primary residence, be in Maine, and have four or fewer units. Already the program, which builds on work in Connecticut and Philadelphia, has gained recognition for its transparency and accountability.

The legislation creates the framework, with implementation left to the state's Supreme Judicial Court. While the legislation was being developed, the court set up a Foreclosure Diversion Commission to make recommendations on program design and rules. Today the program, operating statewide since May 2010, already offers useful insights.

Preventing Foreclosures

The program's underlying premise is that there will be fewer preventable foreclosures if homeowners can communicate directly with lenders who have loan-modification authority.³ Previously, housing counselors and lawyers struggled to ascertain who was in charge. Now there is a requirement that a decision maker participate in mediation in person, by phone, or by Internet. If a loan cannot be modified, the process can still result in outcomes that avoid foreclosure, such as *short sales* (the loan amount exceeds the sales price) or *deeds in lieu of foreclosure* (the property owner deeds the property to the lender and is released from all obligations under the mortgage).

When a lender delivers a notice of default, the borrower has 35 days to pay the full amount plus interest and fees. If the homeowner fails to pay or to contact the lender to work out a new plan, the lender may initiate a foreclosure lawsuit by serving a *summons and complaint* (including the form that enables the homeowner to choose mediation).⁴

Homeowners have 20 days to file a request for mediation. The form is short

and written in simple language. Court rules restrict a lender from filing a motion to proceed to foreclosure while mediation is pending. Homeowners use that time to prepare for mediation and potentially to work out a solution. They are permitted to change their minds and request a waiver of mediation, which is granted only if the court can verify that they understand the consequences. Mediation costs are covered by a fee charged to lenders who file for foreclosure actions in the state's courts.

Homeowner preparation for the mediation session is critical. When lenders first serve the summons and complaint, they must provide information not only on the homeowner's right to request mediation but also on where to get legal and counseling assistance. They also must notify the Maine Bureau of Consumer Credit Protection (BCCP), which sends homeowners similar information and provides a hotline to answer questions and to refer people for assistance. That gives homeowners an independent, trustworthy source of information beyond the lender alone.

The courts also set up informational sessions on the mediation process for

homeowners who have opted in. Each judicial region manages its process and may decide whether to require homeowners to attend sessions. Sessions also are attended by either a housing counselor or a legal aid attorney to provide information about what is expected of homeowners, the importance of completing financial forms that lenders send, and the availability of helpful resources. Typically, the mediation session is scheduled to occur six to seven weeks after the informational session. The statute provides additional funds to BCCP to cover outreach, education, and counselors, but the funding is not sufficient to ensure that all homeowners have attorneys or housing counselors present at mediation.⁵

According to court documents, the mediation session is a “flexible, informal process during which the parties agree to work together with the assistance of a neutral third party trained by the state, the mediator, to explore their interests and generate options for resolving their dispute.”⁶ The mediator facilitates communication, but the parties must voluntarily come to a resolution. The parties also must agree whether to extend the number of mediation sessions.

Lenders and homeowners do not always come to the first session with adequate financial information. Without a good-faith effort to provide information and participate in the process, homeowners may lose the option of continued mediation; lenders may lose the right to foreclose. Coastal Enterprises Inc. (CEI) has found that 30 percent to 40 percent of homeowners who attend the court’s information session request follow-up counseling services to prepare for mediation. Unfortunately, counseling resources are spread thin, and among agencies receiving new BCCP funding, some are substituting it for lost federal grants instead of adding counseling capacity.⁷ More work is needed.

According to the National Consumer Law Center, good mediation programs provide transparency, objectivity, and accountability. To achieve those standards, the Maine statute contains the following language.⁸

- To proceed to mediation, the lender must certify proof of ownership of the mortgage note.⁹
- Mediators must use the Federal Deposit Insurance Corporation’s Net Present Value Worksheet with the assumptions, calculations, and forms that the FDIC has established to review loan modification.¹⁰
- Mediation must address all issues of foreclosure, including but not limited to reinstatement of the mortgage,

modification of the loan, and restructuring of the mortgage debt.

- The parties must make a good faith effort to mediate all issues. Otherwise the court can impose appropriate sanctions.
- Mediators must complete a report for each mediation conducted, indicating that the parties completed in full the Net Present Value Worksheet, including the outcomes of such worksheet. Mediators may also notify the court if, in the mediator’s opinion, either party failed to negotiate in good faith.
- Data also must be submitted to the legislature for program evaluation. Reports include *process measures* of the number of people notified of mediation, participating in mediation, and receiving counseling, as

Among agencies receiving new funding, some are substituting it for lost federal grants instead of adding capacity.

well as *outcome measures* of loans restructured, number of principal write-downs, interest rate reductions, and number of homeowners who default on mortgages within a year after restructuring—to the extent the court has available information.

Results to Date

As of July 2010, mediators turned in about 300 report forms from the sessions. The reports represent more than one session per homeowner. The first program report to the legislature in February 2011 will provide data on outcomes of the mediation sessions.

Anecdotal reports from a CEI housing counselor, attorneys at Pine Tree Legal Assistance, and volunteers participating in an initiative called Maine Attorneys Saving Homes (MASH) indicate that the process of bringing the parties together has achieved modifications that lower payments by using reduced interest rates and establishing an extended amortization period. Homeowners who are unemployed have also been able to get modifications, sometimes for a trial period. Others have taken advantage of a short

sale or deed in lieu to avoid foreclosure. In time, empirical data will help us ascertain the number and quality of modifications, but so far anecdotal evidence seems promising.

Carla Dickstein is senior vice president for research and policy development at Coastal Enterprises Inc., based in Wiscasset, Maine.

Endnotes

- ¹ The program applies to mortgages filed after December 31, 2009, but could include mortgages filed on or before then if a court so orders.
- ² Public Law, Chapter 402, An Act to Preserve Home Ownership and Stabilize the Economy by Preventing Unnecessary Foreclosures, <http://www.mainelegislature.org/ros/LOM/LOM124th/124R1/PUBLIC402.asp>.
- ³ In Paul Willen, “Why Few Lenders Are Modifying Loans,” *Communities & Banking* 21, no. 2 (spring 2010), the author challenges that premise, providing empirical data showing that lenders rarely modify loans. According to Willen, securitization is not the root problem since lenders holding loans in portfolio also have difficulty modifying loans. He believes that lenders calculate how many loans would likely be cured and how many would redefault and conclude that modifications are more costly than foreclosures. Empirical data are not yet available on Maine’s program.
- ⁴ See http://www.maine.gov/pfr/consumercredit/foreclosure_resources/whatisforeclosure.html.
- ⁵ Funding came from removing the exemption under the real estate transfer tax for foreclosure sales and deeds in lieu of foreclosure.
- ⁶ See http://www.courts.state.me.us/court_info/fdp/home_faq.html.
- ⁷ BCCP’s budget comes from 90 percent of the tax imposed on the transfer of real property through a deed conveyed back to a lender on mortgages that are in default and sold at public auction or that the bank takes back in lieu of foreclosure. In FY 2010, the state transferred \$1.6 million to BCCP because of skyrocketing foreclosures.
- ⁸ See *State and Local Foreclosure Mediation Programs: Can They Save Homes?* (Washington, DC: National Consumer Law Center, September 2009).
- ⁹ They must produce evidence of the mortgage note, mortgage, and all assignments and endorsements of the same.
- ¹⁰ See <http://www.fdic.gov/consumers/loans/loanmod/loanmodguide.html>. The redefault rate is one variable included in the worksheet.

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POVERTY IN NEW ENGLAND — It's a Suburban Thing

by Elizabeth Kneebone, The Brookings Institution

When people think of “poverty,” their thoughts might turn to the issues facing poor people and families: hunger, homelessness, low-paid work, or poor health. They might also think of the types of places where the poor live. In New England, the locales could include inner-city neighborhoods in state capitals such as Boston and Hartford, smaller industrial cities like Woonsocket in Rhode Island and Manchester in New Hampshire, and remote rural towns in Vermont and Maine.

But in New England, as in the United States as a whole, poverty is increasingly found in the suburbs. The shift raises critical questions for a growing numbers of communities— not just about what is driving these trends, but also about the implications for local efforts to alleviate poverty. For instance, how connected are the suburban poor to safety-net services and work supports that have traditionally located in urban centers? Do transportation challenges increase burdens on poor suburban residents and limit their access to employment?

National Trends

The 2000s marked a transition point for the geography of American poverty. At the close of the economically prosperous 1990s, the United States enjoyed a near-record low poverty rate (12.4 percent).¹ At that time, primary cities in the country's major metro areas housed the largest share of the poor and were home to 400,000 more poor residents than their surrounding suburbs.² Yet between 1999 and 2008, the number of poor people living in suburbs grew by an astonishing 25 percent—twice the total population growth rate in suburbs, and almost five times faster than the growth in the population of poor city dwellers. By 2008, the suburbs housed 1.5 million more poor than cities.³

Certainly, residents of cities remain more likely to be poor than suburban residents. By 2008, the poverty rate across all cities was nearly twice that of the suburbs (18.2 percent versus 9.5 percent). That gap narrowed over the 2000s, however, as a result of a much faster pace of growth in suburban poverty.

Brookings research indicates that several factors have contributed to city and suburban poverty outcomes, including the health of the metropolitan economy, what kinds of jobs locate in cities, how resistant the local economy was to the decade's first downturn, and how it has fared in the recent, much more severe recession.

Metro New England Trends

New England's seven largest metro areas (those with populations of at least 500,000) exemplify the wide variation in experiences that underlie the nationwide city and suburban poverty trends in the 2000s. (See "Poverty in Large U.S. and New England Metropolitan Areas.")

Though many New Englanders consider themselves residents of small towns, the economic geography of the region differs little from that found in other parts of the country. Big cities constitute New England's economic hubs, anchoring wider metropolitan economies that include many of those small-town, suburban residents. By 2008, only 13 percent of New Englanders lived outside a metropolitan area, whereas 77 percent lived in a large metro area, and 10 percent lived in smaller metropolitan communities.

Suburbs of the region's largest metro areas saw their collective poverty rate rise by nearly one percentage point between 1999 and 2008. Meanwhile, poverty in New England's primary cities remained statistically unchanged since 2000.⁴ Nevertheless, New England cities collectively have a higher overall poverty rate than cities nationwide (20.8 percent versus 18.2 percent) while their surrounding suburbs have a lower-than-average rate (7.9 percent versus 9.5 percent).

This relatively wide disparity between New England's city and suburban poverty

rates reflects the fact that, unlike cities in other parts of the country, the region's cities have had a limited ability to annex higher-income suburbs. It also signals historical patterns of economic (and often racial) segregation that left their mark on regional development over the course of the 20th century.⁵

These factors have made New England's suburbs much larger relative to its cities than in metropolitan areas in some other regions. The ironic result is that even with their much lower poverty rates, New England's suburbs already housed more poor people than its cities did in 2000. Between 1999 and 2008, the suburbs added about 90,000 poor residents to reach 675,000, making them home to two-thirds of the metropolitan poor population in New England. At the same time, the number of poor people living in New England's big cities (333,000) remained statistically unchanged.

Within the seven major New England metro areas, four different patterns emerged. Three metro areas—New Haven, Hartford, and Boston-Cambridge—mirrored the regional experience. Each saw its suburban poverty rate and total number of suburban poor increase significantly, while poverty in the city held steady over the decade. Even with these changes, Hartford and New Haven retained much higher poverty rates than their suburbs. Fully one-third of Hart-

Poverty in Large U.S. and New England Metropolitan Areas

	2008				2000 to 2008			
	Population (thousands)		% of Population		Change in Population (thousands)		Change in % of Population (percentage points)	
	Cities	Suburbs	Cities	Suburbs	Cities	Suburbs	Cities	Suburbs
Largest U.S. Metro Areas (95)	10,969.2	12,491.5	18.2	9.5	581.7 *	2,500.2 *	0.3 *	0.9 *
New England Metro Areas in Largest 95 (7)	333.2	675.8	20.8	7.9	5.8	89.6 *	0.3	0.9 *
Boston-Cambridge-Quincy, MA-NH	120.1	281.5	18.0	7.6	-0.4	39.0 *	-0.6	0.9 *
Bridgeport-Stamford-Norwalk, CT	42.8	31.1	17.0	5.0	8.7 *	5.5	3.4 *	0.8
Hartford-West Hartford-East Hartford, CT	37.3	71.6	33.5	6.9	1.5	16.0 *	2.9	1.3 *
New Haven-Milford, CT	30.9	61.0	27.3	8.6	3.3	12.9 *	2.9	1.6 *
Providence-New Bedford-Fall River, RI-MA	40.6	139.6	25.4	10.1	-6.1 *	13.5 *	-3.8 *	0.9 *
Springfield, MA	39.2	52.1	27.0	10.4	5.5 *	1.6	3.9 *	0.3
Worcester, MA	22.3	38.9	14.8	6.4	-6.8 *	0.9	-3.1 *	-0.3

*Change is significant at the 90 percent level.

Source: Brookings Institution analysis of Census 2000 and 2008 ACS data

ford's population and more than one-quarter of New Haven's lived below the poverty line in 2008.

The three other metro areas registered somewhat different poverty trends. Providence experienced an increase in its suburban poverty rate during the 2000s, but at the same time its city poverty rate fell. This made it the only large New England metro area where city and suburban poverty moved in opposite directions over the decade. In contrast, both the Springfield and Bridgeport-Stamford metro areas experienced considerably above-average increases in their city poverty rates (3.9 and 3.4 percentage points, respectively) and added thousands of new poor residents while suburban poverty remained unchanged.

Worcester was the only large metro area in New England that saw reductions in poverty within the city while suburban poverty held steady. The Worcester-area economy, which includes many jobs in recession-resistant industries like education and health care, performed relatively well over the 2000s.⁶ The poverty rate in both the city of Worcester and its suburbs remained among the lowest compared with their New England peers, though it is unclear if the region continued to resist poverty increases as the recession deepened after 2008.

Looking Ahead

By 2008, the nation was only one year into what proved to be the deepest and longest recession since the Great Depression. The analysis here underscores the shifting geography of poverty over the course of the 2000s, but it does not present the whole picture. While poverty was on the rise and increasingly suburbanized even before the latest downturn, there is no doubt that the first year of the Great Recession reinforced those trends.

Given that even greater and more widespread job losses accompanied the downturn's second year, it is not surprising that estimates forecast even steeper increases in poverty across metro areas for the coming years. In New England, two metro areas in particular—Providence and Worcester—saw their unemployment rates increase faster than the large-metro average (4.9 percentage points) between December 2007 and December 2009 (6.5 and 5.1 percentage points, respectively). The number of unemployed residents more than doubled in each area during that time, with most of the growth occurring in suburban communities.⁷

As the nation's major metro areas move into recovery and work toward building more resilient economies, they also will have to address the needs of a growing poor population that is increasingly suburban. Both goals require working across policy silos at the regional metro level. That means ensuring that decisions about transportation are

Between 1999 and 2008, the number of poor people living in suburbs grew by 25 percent—twice the total population growth rate in suburbs.

linked to decisions about affordable housing, and that decisions about workforce development are connected to strategies for economic development and job creation. More cohesive planning at the regional metro level will help to connect low-income residents to job and education opportunities and to the services that will help them take advantage of those opportunities.

Elizabeth Kneebone is a senior research associate in the Brookings Institution's Metropolitan Policy Program in Washington, DC.

Endnotes

¹ The poverty rate expresses the share of people in families with incomes below the federal poverty threshold. In 2008, the poverty threshold was \$21,834 for a family of two adults plus two children. In 2000, the threshold was \$17,463. See <http://www.census.gov/hhes/www/poverty/data/threshld/index.html>.

² In the 100 largest U.S. metropolitan statistical areas (MSAs), per 2007 population estimates, *primary cities* include cities listed first in the official MSA name, and all cities listed second or third in the MSA name that contain a population of 100,000 or more. MSA names have been adjusted to reflect only cities meeting the criteria. *Suburbs* represent the remainder of the MSA, net of primary cities. American Community Survey (ACS) data are not available for the primary cities of five metro areas in the top 100; therefore city and suburban estimates are based on the 95 metro areas with complete data. See Elizabeth

Kneebone and Emily Garr, "The Suburbanization of Poverty: Trends in Metropolitan America, 2000 to 2008" (Washington: Brookings Institution, 2008).

³ The U.S. Census Bureau's 2008 ACS data represent the most recent local-level poverty data available as of this writing.

⁴ New England has eight of the 100 largest metro areas. However, ACS data are not available for Portland-South Portland-Biddeford in Maine.

⁵ Alan Berube and Elizabeth Kneebone, "Two Steps Back: City and Suburban Poverty Trends, 1999-2005" (Washington: Brookings Institution, 2006).

⁶ Brookings Institution, "Metro Monitor: Tracking Economic Recession and Recovery in America's 100 Largest Metro Areas," <http://www.brookings.edu/metro/MetroMonitor.aspx>.

⁷ Brookings analysis of U.S. Bureau of Labor Statistics Local Area Unemployment Statistics data.

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Immigration and the Fortune of New England Cities (Revisited)

by Daniel McCue and Eric S. Belsky, Joint Center for Housing Studies of Harvard University

Many events in 2010 underscored that immigration policy and reform are hot button issues in the United States. But with so much attention on seemingly far-off states along the southern U.S. border, New Englanders may not be aware of the impact that immigration has had locally, especially on cities.

New England's largest cities, having declined significantly in both population and economic vitality in the 1960s and 1970s, became home to hundreds of thousands of immigrants in the 1980s and 1990s. The influx counterbalanced losses in the native-born population of many cities and even allowed their population to increase. Immigrants also contributed to indicators of improved economic health in some of those cities.¹ But elsewhere, immigration-led

population growth alone was not enough to spark economic revival, and has been associated with growing poverty rates, unemployment, and stagnant property values.

Understanding the contributors to population growth and decline, including immigration, is vital to understanding cities, managing the changing needs of residents, and planning for the future.

Offsetting Population Loss

For New England as a whole, immigration contributed substantively to population growth from 1980 to 2000. Although only 10 percent of the region's population, immigrants accounted for more than a quarter of population growth since 1980. Immigration was even more clearly a

determining factor in cities' population growth. Absent immigration, the population of all 50 of the largest cities in the region, combined, would have fallen by 50,000 residents over 1980-2000. Instead it grew by more than 200,000. With that boost, many cities managed to recover from population losses in the 1970s. Paul Grogan, of the Boston Foundation, wrote a book about them in 2000, popularizing the term "comeback cities."

After the decline of the 1960s and 1970s, a return to population growth in New England's cities occurred where the number of new immigrants and minorities exceeded losses among native-born and non-Hispanic whites. Cities that continued to lose population in the 1980s and 1990s were largely those that failed to attract enough new immigrant growth. They include smaller, more rural cities such as Pittsfield, Massachusetts, and Lewiston, Maine, and larger, aging urban cities such as Woonsocket, Rhode Island, and Bridgeport, Connecticut. (See "Immigrants and New England Cities' Growth.")

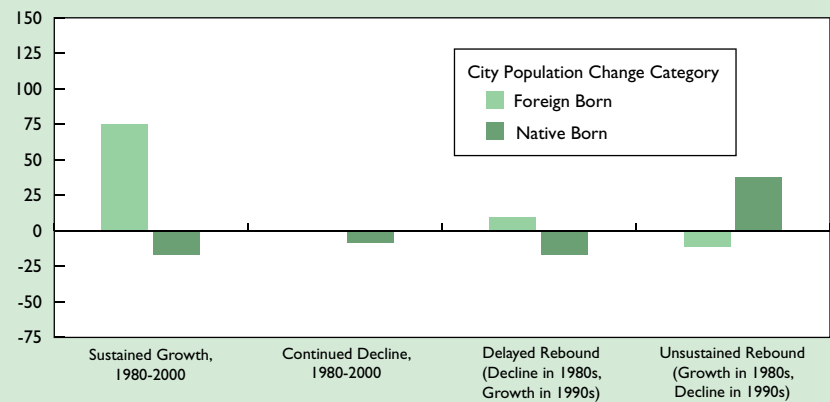
Interestingly, cities that rebounded in population in the 1980s without the help of immigrants actually declined the very next decade when short-lived gains in native-born citizens reversed. These include large cities outside of the route I-95 corridor, such as Springfield and New Bedford in Massachusetts and Hartford in Connecticut. Except for a small number of "consistently growing" suburban cities along the I-495 corridor that failed to see population declines in the 1970s, such as Haverhill and Taunton in Massachusetts, population change within all the largest cities of the region, including all comeback cities, was highly associated with immigration. (See "Change in Population.")

The addition of foreign-born residents and their children also increased the racial and ethnic diversity of New England's cities over the past two decades. Greater outmigration of non-Hispanic whites, coupled with additions of blacks, Hispanics, and Asians through immigration, fueled growth in the minority share of population. From 1980 to 2000, while the region's largest cities saw a decline of 580,000 non-Hispanic whites, the number of black, Hispanic, Asian, and other minority residents increased by 800,000. The minority population in the region's cities more than doubled.

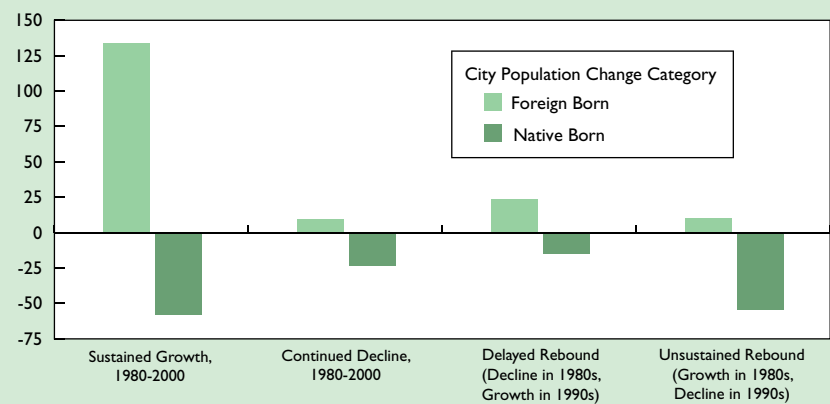
In general, cities that grew the most were those that saw the greatest increases in diversity. For example, cities with sustained population growth in the 1980s and 1990s as a whole had both the largest increases in minority residents and largest declines in

Immigrants and New England Cities' Growth

Change in Population, 1980-1990 (Thousands)



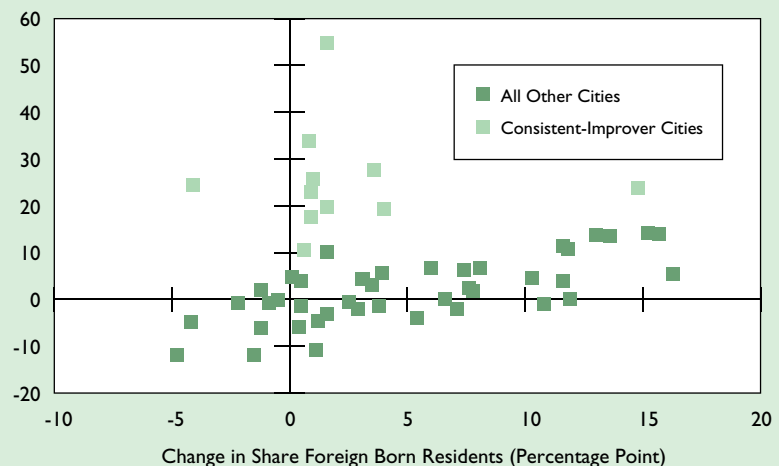
Change in Population, 1990-2000 (Thousands)



Source: Eric S. Belsky and Daniel McCue, "Comeback Cities or the New Melting Pots: Explorations into the Changing Large Cities of New England" (presentation, Lincoln Institute of Land Policy, Cambridge, Massachusetts, December 2006), <http://www.jchs.harvard.edu/publications/communitydevelopment/w06-7.pdf>.
 Note: Data limited to New England's major "comeback" cities that experienced population declines in the 1970s.

Change in Population

Change in Population (Percent)



Source: Eric S. Belsky and Daniel McCue, "Comeback Cities or the New Melting Pots: Explorations into the Changing Large Cities of New England" (presentation, Lincoln Institute of Land Policy, Cambridge, Massachusetts, December 2006), <http://www.jchs.harvard.edu/publications/communitydevelopment/w06-7.pdf>.
 Note: Consistent-improver cities are defined as those with population growth in the 1980s and 1990s that did not have population declines in the 1970s.



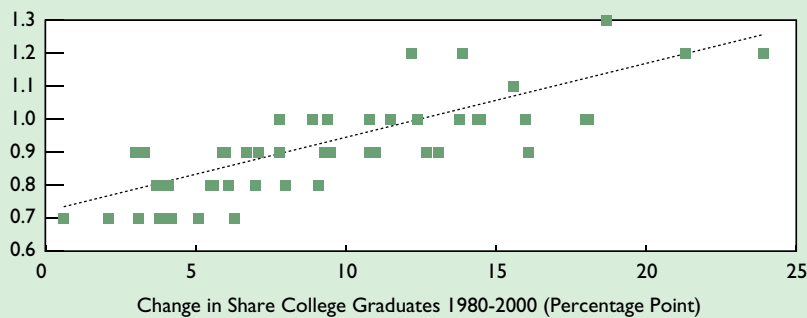
non-Hispanic whites, with 450,000 new minority residents offsetting losses of 300,000 non-Hispanic whites. These cities also witnessed the greatest growth in their shares of foreign-born residents, which increased a dramatic 10 percentage points—from 12 percent of the population in 1980 to fully 22 percent in 2000. At the same time, foreign-born shares for cities with consistently declining populations barely changed during that period, and in 2000 were only half the level of sustained-comeback cities.

As growth in the immigrant population increased the diversity of New England's cities, it also skewed the age of the city-dwellers toward youth. With few exceptions, cities with the largest shares of residents under age 35 in 2000 also had the highest shares of minorities and foreign-born residents. These young residents represented much more diversity than older generations, a trend also experienced nationwide. (Although just 31 percent of all adults in the United States over age 25 today are minorities, 43 percent of people under 25 are minorities, and 45 percent of children under 15 are, pointing to a much more diverse future.)

College Graduates Lift City Incomes and Home Values

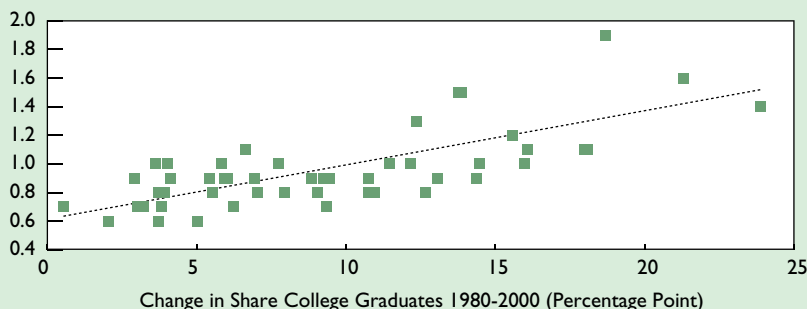
Household Incomes

Ratio of City to State Median Household Income Growth, 1980-2000



Home Values

Ratio of City to State Median Home Value Appreciation, 1980-2000



Source: Eric S. Belsky and Daniel McCue, "Comeback Cities or the New Melting Pots: Explorations into the Changing Large Cities of New England" (presentation, Lincoln Institute of Land Policy, Cambridge, Massachusetts, December 2006). <http://www.jchs.harvard.edu/publications/communitydevelopment/w06-7.pdf>.

Challenges and Opportunities

Immigration-driven population growth has brought added diversity to urban schools. With that change comes the challenge of educating a more diverse student body, many of whom are low-income, non-English-speaking, and greatly in need of higher educational attainment to succeed.

Consider the clear linear association between rising shares of college-educated adults and indicators of economic growth, such as changes in median house values and median household incomes from 1980 to 2000. The association becomes apparent in plots of the relative growth in incomes and home values of each city as a function of the change in share of residents who are college graduates. (See "College Graduates Lift City Incomes and Home Values.") Higher educational attainment is also playing a role in population growth. Cities with consistent population comebacks since 1980, as well as those which returned to population growth only in the 1990s, had both the largest shares of college-educated residents and the greatest increases in those shares.

Given their high and growing share of students who are minority immigrants, New England's cities also face the challenge of the current nationwide white-versus-minority gap in educational achievements, such as college graduation rates. Cities and

urban schools play a key role in bridging this gap, but the challenge is not felt equally among the cities with high immigrant shares. For instance, while many of New England's cities with high foreign-born and minority-driven population growth also have high educational attainment rates and high economic indicators of health, other cities with similar population trends have seen increases in poverty and below-average growth in household income, home values, and educational attainment relative to their peers.

The anomaly suggests that other factors are at play in a city's economic revival. One factor that appears to differentiate high-performing immigrant cities from subpar performers is proximity to a major metropolitan area. Comeback cities with higher incomes and higher homes values were those closest to Boston and New York City, where they participate in large-metro economic opportunities. Determining a more extended array of reasons for the differences among New England's comeback cities and among the immigrants who settle in them is a question worthy of future study.

Over the last two decades, immigration has quietly been a major source of growth and change in New England's cities. Although population growth is only one factor and does not necessarily signal increased economic vitality, changes in age and income distribution resulting from immigration are bound to drive changes in the level and nature of the demand for social and employment services—and to

shape the opportunities to build human capital for economic development.

Understanding the nature of the change and the role of immigrants is crucial for informed and effective management, planning, and policymaking. Although Census Bureau interim population estimations contain a high degree of uncertainty, growth in the foreign-born population of both New England and the nation appears to have slowed dramatically during the recession. (See "Slower Immigration Impacts Population Growth.") As a result, the region may be in for a deceleration of population growth. With immigration not expected to return to prerecession levels until the economy and job growth rebound, cities will have to grapple with what that means economically. Understanding the impact that immigration has had in the past decades will help inform management of cities and policymaking at all government levels.

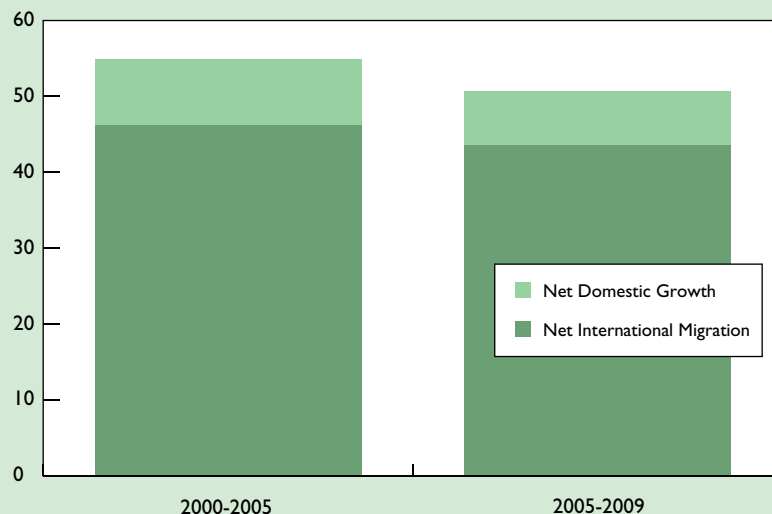
Eric S. Belsky is the managing director of Harvard University's Joint Center for Housing Studies, where **Daniel T. McCue** is a senior research analyst.

Endnote

¹ See Eric S. Belsky and Daniel McCue, "Comeback Cities or the New Melting Pots: Explorations into the Changing Large Cities of New England" (presentation, Lincoln Institute of Land Policy, Cambridge, Massachusetts, December 2006), <http://www.jchs.harvard.edu/publications/communitydevelopment/w06-7.pdf>.

Slower Immigration Impacts Population Growth

Average Annual Population Growth in New England (Thousands)



Source: JCHS tabulations of US Census Bureau data.

Note: Net domestic growth is calculated as the sum of natural increases of the population (positive) and net domestic migration (negative).

Mapping New England

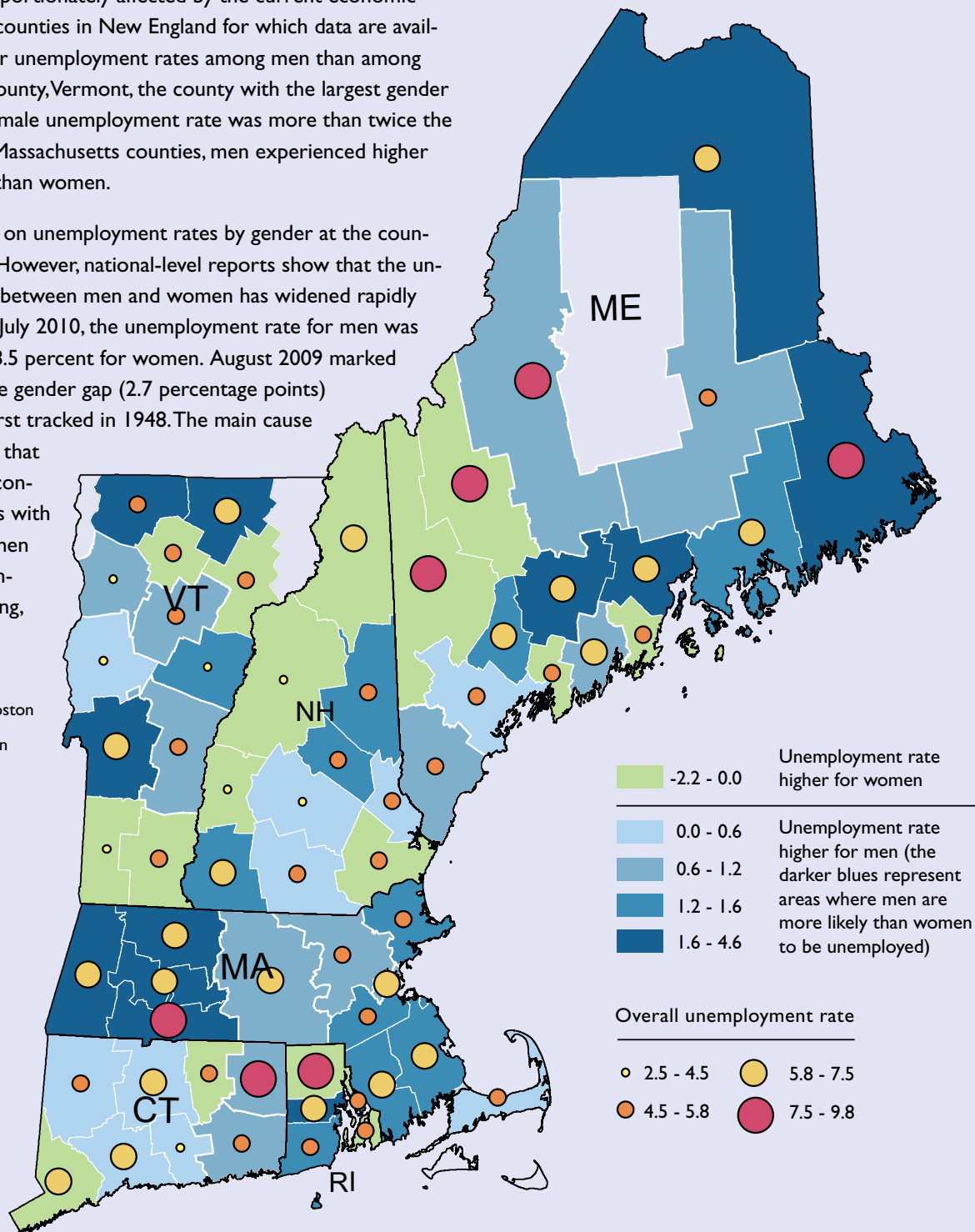
Male versus Female Unemployment Rate, 2006-2008, by County

Men have been disproportionately affected by the current economic downturn. Of the 63 counties in New England for which data are available, 47 showed higher unemployment rates among men than among women. In Orleans County, Vermont, the county with the largest gender gap in the region, the male unemployment rate was more than twice the female rate. In all six Massachusetts counties, men experienced higher unemployment rates than women.

The most recent data on unemployment rates by gender at the county level is from 2008. However, national-level reports show that the unemployment-rate gap between men and women has widened rapidly since mid-2008. As of July 2010, the unemployment rate for men was 10.4 percent versus 8.5 percent for women. August 2009 marked the largest jobless-rate gender gap (2.7 percentage points) since the data were first tracked in 1948. The main cause of these differences is that job losses have been concentrated in industries with a high percentage of men in the labor force (construction, manufacturing, and finance).

Map: Ana Patricia Muñoz
Federal Reserve Bank of Boston

Source: 2006-2008 American Community Survey,
U.S. Census Bureau



Letters to the editor

Communities & Banking welcomes your reactions to articles and your suggestions. All letters are subject to editing.

Rhode Island Economy

After reviewing the never-changing and lengthy list of this state's economic maladies, Prof. Lardaro of the University of Rhode Island (*Communities & Banking*, fall 2010) reaches this conclusion: the answer is more public spending on higher education. This can, I suppose, be termed enlightened self-interest. We affordable housing-ites do the same.

Considering that the valid points Prof. Lardaro makes include too high taxes, too many fees, and overregulation, one might be moved to pose a question that is never asked. How many "investments" can the 400,000 working people in Rhode Island—many of whom have wages that are barely breathing—support?

Bill Siemers

REACH Executive Director
Central Falls, Rhode Island

Illustration: Barrie Maguire



Foreclosure and Tenants

How can our nonprofit community development partners address the continuing impact on tenants from the foreclosure crisis? I would advocate becoming property managers. Many community development corporations (CDCs) are having to downsize their development staff because of cuts in housing funds and the dribble of private investments in affordable housing. So although advocacy and organizing efforts should continue to solicit public and private funds, I would argue for community development groups to focus more on keeping families in their homes and becoming managers of lender-owned homes.

In 2007 and 2009, I urged the Maryland-based Consortium for Housing and Asset Management to provide a conference workshop on how CDCs could use the foreclosure crisis to enter a field that might simultaneously benefit their business development and community engagement work. Although CHAM has not yet done so, similar initiatives can be seen in our region: for example, Boston Community Capital's Stabilizing Urban Neighborhoods (SUN) and City Life/Vida Urbana's Post-Foreclosure Eviction Defense Campaign.

It is not too late for a discussion on how we build CDC capacity to retain and hire staff to provide a vital service to families and elders remaining in their homes and neighborhoods.

Ray Neirinckx

State of Rhode Island
Housing Resources Commission

An Abenaki Responds

In the article "Tribal Recognition in Vermont," p. 7, Kesha Ram implies that the Vermont Senate's deliberations were undemocratic and not transparent, inequities that the House Committee on General, Housing, and Military Affairs had to rectify. The Senate committee is experienced, having been involved with Native politics for decades. Rep. Ram is a freshman legislator.

With regard to Odanak, it is inaccurate to say that Vermont is the homeland of a foreign Native community. There are several other communities of Native people within Vermont who claim Vermont Homelands that Rep. Ram does not mention. Her statement gives a level of recognition to a land claim that is beyond her authority. Odanak territory is in Canada. The Vermont territories are held by Vermont Abenaki tribes. As Gordon Day, author of the *Western Abenaki Dictionary* and *The Identity of the St. Francis Indians*, writes, "We should not assume that the Indians repeatedly noted at Missisquoi [Vermont] were actually from St. Francis [Odanak]."

I would also like to point out that the tribe in Vermont's southwest is the Mahican people, not "Mohegan" (Mohican) people. They are represented by the Stockbridge (Mahican) Munsee Tribe in Wisconsin, not any of the Connecticut-based Mohegan tribes.

Chief Don Stevens

Nulhegan Band Coosuk Abenaki Tribe
Lake Memphremagog



iStockphoto

What to do with foreclosed properties?

The Federal Reserve Banks of Boston and Cleveland and the Federal Reserve Board announce a new book with up-to-date research and commentary from nonprofit and municipal practitioners on managing the continuing foreclosure crisis.

See <http://www.bos.frb.org/commdev/REO-and-vacant-properties/index.htm>



If you have a smart phone, *snap on*.

Communities & Banking

Public and Community Affairs
Federal Reserve Bank of Boston
600 Atlantic Avenue
Boston, MA 02210

Change Service Requested

Greetings from the Public and Community Affairs Department! Front, left to right: Guymanie Joseph, Richard Walker (vice president), Prabal Chakrabarti (assistant vice president), and Carol Lewis. Back, left to right: Deborah Petrone, Albert Barnor, Anna Steiger, Caroline Ellis, Tony Poore, Sandy Falcon, Ana Patricia Muñoz, Mark Lloret, Sharon St. Louis, Melita Podesta, and Lillian Seay. (Other department members are Bob Jabaily, Deb Bloomberg, Scott Guild, Dawn Hicks, Suzanne Cummings, and Sol Carbonell.)

