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# Nebraska 2007: Population, Economy, and Latino Policy Concerns



Mexican American Commission Report to Nebraska State Senators January 2007

Prepared by Mark Needham, Public Affairs Specialist

## Commission on Mexican-Americans

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The Commission on Mexican-Americans, created in 1972, serves Nebraska's Mexican Americans in education, employment, health, housing, and welfare. The commission works with public and private agencies and state government to serve the needs of Nebraska's Mexican Americans.

The commission has nine members, appointed by the governor to three-year terms. The governor or the governor's designee serves as an ex officio member. The commission appoints an executive director.

The commission meets quarterly. Members are paid \$35 a day while conducting commission business and are reimbursed for expenses.

Member	<b>Term Expires</b>
Ricardo Ariza, Omaha	May 16, 2007
Norma De La O, South Sioux City	May 16, 2008
Olga Kanne, Lincoln	May 16, 2008
Alex Moreno, Gering	May 16, 2009
Yolanda Nuncio, Grand Island	May 16, 2008
Dora Olivares Groskopf, Gering	May 16, 2009
Ramon Otero, Overton	May 16, 2007
Theresa Palacio, Norfolk	May 16, 2009
Jose Santos, Omaha (Governor's Representative)	Ex Officio

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### Why the Mexican American Commission did this report

This report was prepared by the Mexican American Commission to serve as a resource for Nebraska Legislators during 2007. It is meant to inform senators about Latino population changes and economic contributions as well as Latino policy concerns to consider when making state policy. For questions or comments, please contact Cecilia Olivarez Huerta at (402) 471-2791 or toll free at (877) 220-1250.

### Highlights

**Population:** Nebraska's population has experienced a surge in Latinos during the past 15 years, largely due to immigrant recruiting by some of Nebraska's largest industries. These workers and other Latinos established families in every district of Nebraska, and most Latinos in the state today are first or second generation U.S. citizens. The Latino population is disproportionately young, suggesting that it will continue to increase dramatically in the coming years. It is projected to make up 15% of Nebraska's overall population and more than 22% of children under age five by the year 2030.

**Economy:** Nebraska's economy is largely farm-based (roughly 14%), though national and state trends show this employment sector is shrinking due to technology increasing worker productivity. Nebraska's largest nonfarm contributor to the state's Gross Domestic Product (GDP) is the manufacturing industry (over \$7.6 billion in 2005); with a workforce that is 17% Latino. Despite high workforce participation rates, however, Latinos are nearly twice as likely to be living in poverty as the Nebraska average. Almost 35% of Latino children under age five are living in poverty.

Nebraska's state average GDP growth from 1997-2005 places it 44<sup>th</sup> out of 51 regions (including the District of Columbia). The Nebraska Advantage Act, an economic incentive plan to attract businesses to Nebraska, will likely encourage further production of various industries. Given the thresholds of employment and investment necessary to receive some of the larger credits, manufacturing and ethanol production will likely be increased. The large Hispanic population currently working in the manufacturing industry suggests that their labor participation will remain important to the state's economy and their policy concerns should be addressed.

**Policy Concerns:** Education remains a primary policy concern for Latinos in Nebraska. The high school dropout rate for Latinos in Nebraska (12%) is considerably higher than the Latino dropout rate in neighboring states, and Hispanic students often cite examples of discrimination in the public schools. This statistic is troubling because research shows that dropout rates strongly correlate with higher rates of crime, poverty, and unemployment.

Another concern relates to driving papers. Latino workers, some of which lack verification documents to obtain driver's licenses, were recruited by industries over the past several years. They need a method to commute to work, take their kids to school, drive for a medical emergency, etc. However, they are currently not allowed to drive, legally.

Finally, mobile home owners and tenants in Nebraska need to be provided with more information. Many mobile homes are substandard and tenants often do not have the ability to fix the problems or press charges. Agencies and laws governing mobile homes are somewhat ambiguous, often leaving tenants feeling like victims as problems continue unresolved.

## **C**ontents

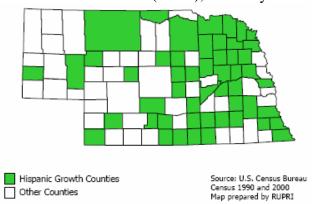
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## **Population**

**Hispanic/Latino defined:** The word "Hispanic," according to Merriam-Webster, means "of, relating to, or being a person of Latin American descent living in the United States" (Merriam-Webster, Internet). "Latino" is defined as "a native or inhabitant of Latin America" or "a person of Latin-American origin living in the United States" (Merriam-Webster, Internet). These two words will be used interchangeably throughout this document, as the research presented is solely within the United States.

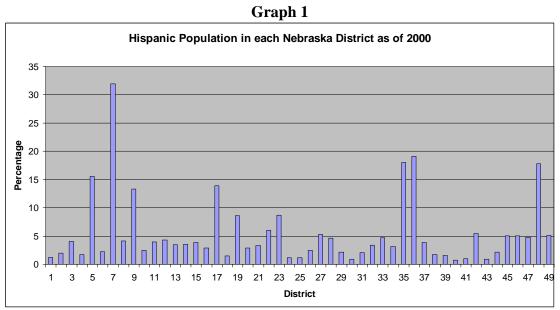
**Population Growth:** The Hispanic/Latino population dramatically increased the past 15 years in many parts of the U.S., notably Nebraska. In fact, between the 1990 and 2000 Census, Nebraska experienced the 5<sup>th</sup> largest percentage increase of Latinos in the nation (155%), drawn by

recruiting industries, particularly meat packing plants (Census 1990 and 2000; Gouveia and Powell 2005). The map to the right by the Rural Policy Research Institute shows Nebraska counties in which the Hispanic population more than doubled between 1990 and 2000 (RUPRI 2006). Hispanics are estimated to number approximately 122,000 in Nebraska, making up 7.2% of the current 1.7 million population (U.S. Census Bureau 1).



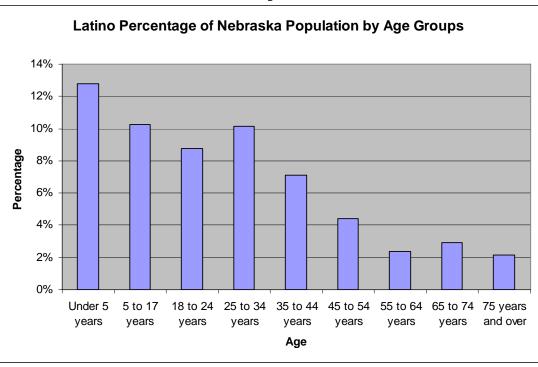
Graph 1 shows the Hispanic population

percentage in each of Nebraska's 49 voting districts. Information is of year 2000, as that is the most recent population information posted on the unicameral website. It is important to note that Latinos reside in every district, 15 districts are greater than 5% Latino, and 7 of those are greater than 10% Latino.



Source: Nebraska Legislature Online

Moreover, Latinos in Nebraska are disproportionately younger than the general population. The median age of Nebraskans as a whole is 36.2 years while that of Latino Nebraskans is 24.8 years (U.S. Census Bureau 1). As Graph 2 shows, more than 10% of school age children are Latino, and an average 10.2% of Nebraskans between birth and 34 years of age are Latino.



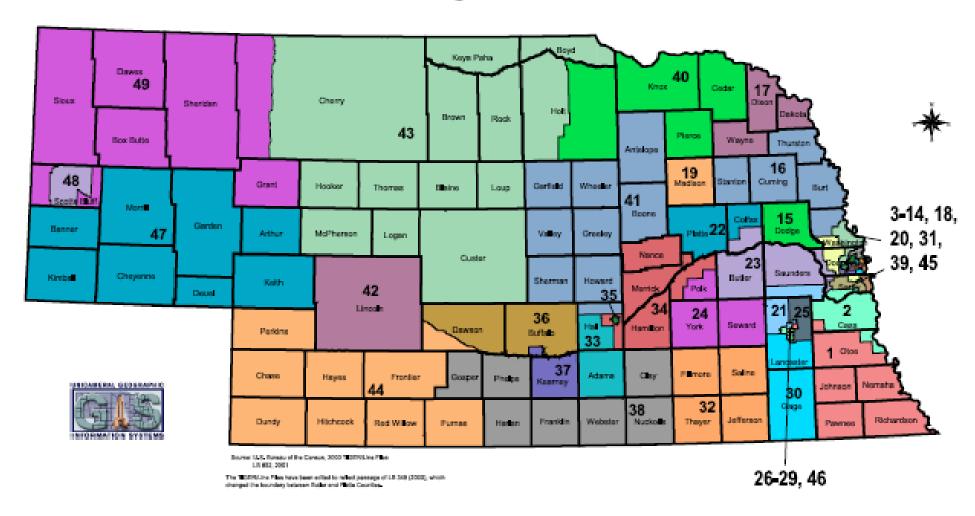
Graph 2

Source: U.S. Census Bureau 1: 2005 American Community Survey

These demographics and population trends suggest that while the state's population is only expected to grow by 75,000 people in the next 25 years, it will become increasingly Latino (U.S. Census Bureau 3). In fact, mid-level projections say that Nebraska Latinos will number nearly 300,000 by 2030, making up 15% of the overall Nebraska population and over 22% of children under age five (Gouveia and Powell 2005). Also note, the majority of Latinos in the state are at least second generation, meaning that they are born as U.S. citizens, not immigrants, which is a common misconception. As such, great care and attention in the formation of policy needs to be given to the needs of Latinos, now the largest and fastest growing minority in the state of Nebraska.

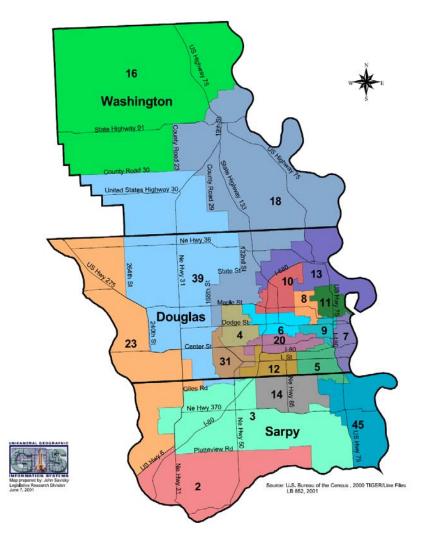
The following three graphs were accessed on January 4, 2007 from the Nebraska Legislature website: <a href="http://nebraskalegislature.gov/c/portal/layout?p\_1\_id=PUB.1.326">http://nebraskalegislature.gov/c/portal/layout?p\_1\_id=PUB.1.326</a>

## Nebraska Legislative Districts



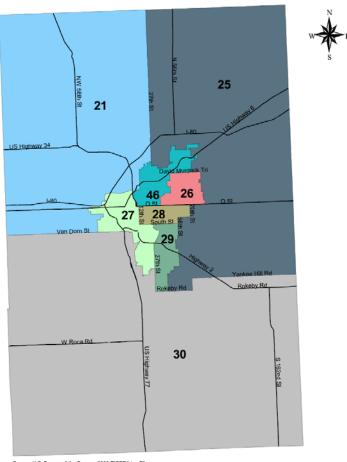
## Nebraska Legislative Districts - LB 852 (2001) Douglas, Sarpy, and Washington Counties

(Districts take effect September 1, 2001)



## Nebraska Legislative Districts - LB852 (2001) Lancaster County

(Districts take effect September 1, 2001)





Source: U.S. Bureau of the Census, 2000 TIGER/Line Files LB 852, 2001

## **Economy**

#### **Economic Analysis**

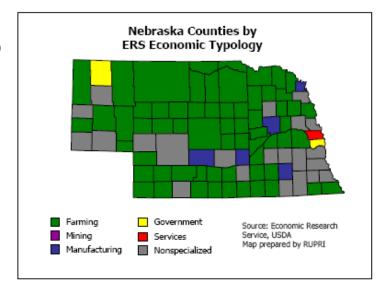
Economies are measured by several criteria. The U.S. Economics and Statistics Administration website lists 20 different economic indicators ranging from New Residential Construction to International Transactions. However, the overall performance of an economy is generally measured by its Gross Domestic Product (GDP), which is the "value added" in production by the labor and capital located in that area. The GDP for a state (formerly referred to as GSP for Gross State Product) is the sum of the total "value added" from all industries in a state. These values are figured from the U.S. Bureau of Economic Analysis website using all nonfarm receipts within the state. Nonfarm receipts are based largely on wage and salary income from the U.S. Department of Labor; they do not include the farm industry because it is largely self-employed. Thus, farm receipts are difficult to report. However, because Nebraska is largely an agricultural state, we must examine the farm marketings and nonfarm receipts, which would have only minimal overlap in order to get a rough estimate of the state economy.

#### **Major Nebraska Industries**

#### Farm

93% of Nebraska's land in 2004 was farm and ranch land, containing 48,000 farms that produced food for customers in the U.S. and abroad (Nebraska Department of Agriculture).

The map to the right shows the classification of Nebraska counties by its major industry (RUPRI 2006). Looking at land area shows the majority of counties (63) as being farm dependent, meaning that 15% or more of those counties' average annual earnings were derived from farming or 15% or more of employed residents

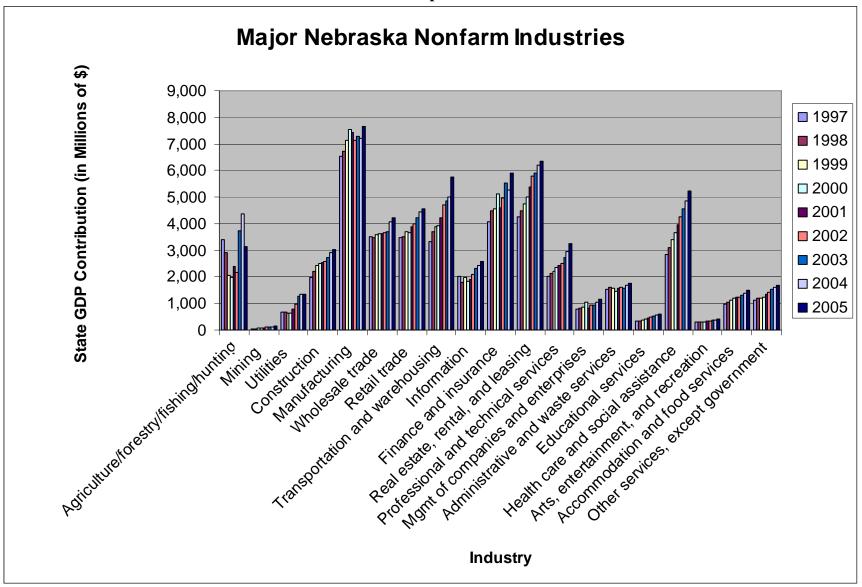


worked in farm operations (U.S. Department of Agriculture 2004). Total Nebraska farm marketings from 2004 amounted to almost **\$12 billion** (Nebraska Department of Agriculture). This figure includes the value of products sold, but may not necessarily account for farm employment.

#### Nonfarm

Nebraska's nonfarm economy in 2005 amounted to roughly \$70.7 billion. This amounts to .57% of the \$12.4 trillion U.S. economy. Approximately \$60 billion of this figure was due to private industry and \$10 billion from local, state, and federal government located in the state (U.S. Bureau of Economic Analysis 2005). In addition to the above map, more detailed industry analysis can be found in Graph 3 on the following page, which shows the state's major industries as monitored by the U.S. Bureau of Economic Analysis. Note the largest nonfarm industry is manufacturing; followed by real estate, rental, and leasing; finance and insurance; and transportation and warehousing.

Graph 3

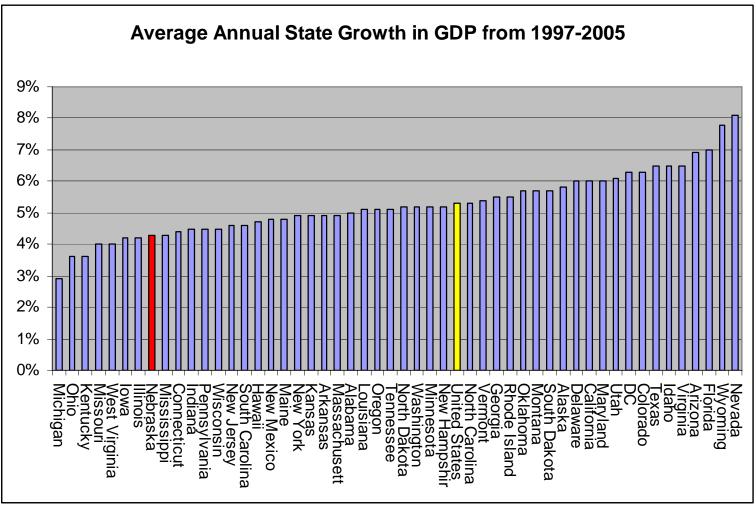


Source: U.S. Bureau of Economic Analysis 2005, Regional Economic Accounts: GDP by State

#### **GDP** Growth

Graph 4 below shows the average annual growth in GDP for each U.S. state and the District of Columbia from 1997-2005. Nebraska ranks 44<sup>th</sup> out of these 51 regions, with an average annual growth of 4.3%. Nebraska is shaded in red and the United States average of 5.3% is shaded in yellow.

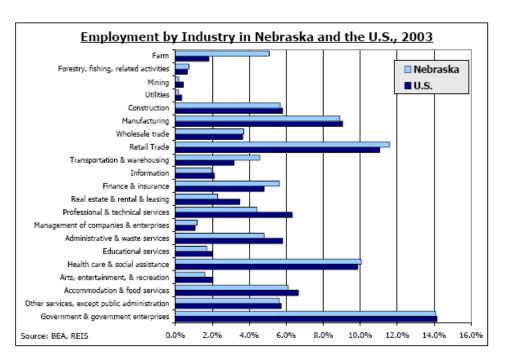
Graph 4



Source: U.S. Bureau of Economic Analysis, Regional Economic Accounts: GDP by State Interactive Map

## **Employment Structure**

In 2003, government and government enterprises made up 14.1% of Nebraska employment and 14.2% of U.S. employment, as shown by the graph at the right (RUPRI 2006). The retail industry employed the second most Nebraskans. Nebraska has a much higher percentage of people employed in

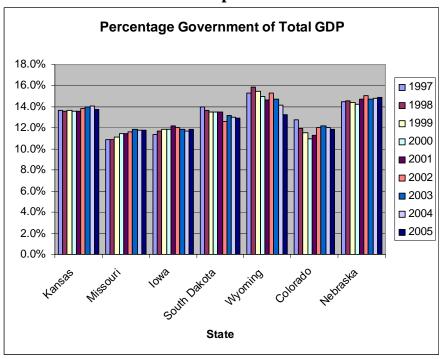


and warehousing, and finance and insurance than the U.S. average. Nebraska has considerably fewer people employed in professional and technical services, and administrative and waste services than the U.S. average.

#### **Size of Government**

farm, transportation

#### **Graph 5**

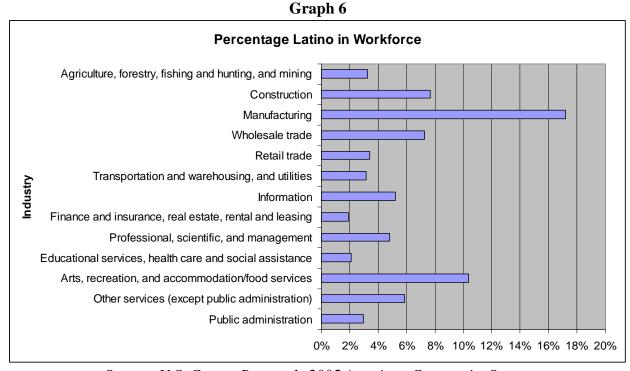


Reviewing the last nine years shows that the size of Nebraska's government has remained relatively unchanged as a percentage of state GDP. It has fluctuated between a low of 14.2% in 2000 and a high of 15.1% in 2002. In 2005, it measured 14.9%. Government employment is about 17% federal civilian, 10% federal military, and 73% state and local. A comparison of Nebraska's government size to that of its neighbor states can be seen in Graph 5.

Source: U.S. Bureau of Economic Analysis 2005, Regional Economic Accounts

#### Workforce

Nebraska's civilian employed population age 16 and over numbers 897,534 (U.S. Census Bureau 1). Hispanics comprise 51,470, or 5.73% of this number, notably less than the 7.2% Nebraska Hispanic population, again showing the large percentage of Hispanics who are school age or younger that will make up much of the future workforce. However, as Graph 6 shows, Hispanics currently make up 17.2% of the workforce in the manufacturing industry, Nebraska's primary nonfarm contributor to GDP. They also make up 7.6% of construction, and 3.1% of the transportation industry's employment (U.S. Census Bureau 1). Only 1.9% of employees in finance and 4.8% of those in professional or management positions are Hispanic.



Source: U.S. Census Bureau 1: 2005 American Community Survey

#### **Poverty**

#### Poverty defined

A person living in poverty is any person whose annual combined household income is below the poverty threshold (U.S. Census Bureau 2). The poverty threshold was developed using the following method:

In 1955, the USDA's Food Consumption Survey revealed that families in all income brackets with three or more people spent about one-third of their income on food (U.S. Census Bureau 2). In 1964, the U.S. Department of Agriculture constructed nutritional food plans for families based on dietary needs data, the cheapest of which was called the Economy Food Plan (U.S. Census Bureau 2). By multiplying the present year's Economy Food Plan amount times three, the poverty threshold was established, adjusting for the number of related people in a household, but not for the cost of living differences throughout the country (U.S. Census Bureau 2). This method is currently used by all federal agencies to determine poverty levels, as required by the Office of Management and Budget's (OMB) *Directive 14* (U.S. Census Bureau 2).

The following table obtained from the U.S. Health and Human Services website lists the poverty thresholds for the United States in 2006.

**2006 HHS Poverty Guidelines** 

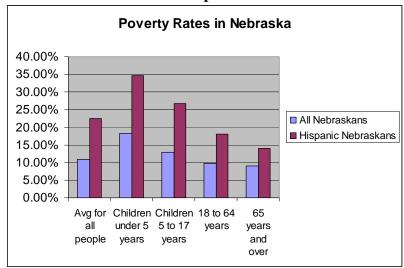
Persons in Family or Household	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 9,800	\$12,250	\$11,270
2	13,200	16,500	15,180
3	16,600	20,750	19,090
4	20,000	25,000	23,000
5	23,400	29,250	26,910
6	26,800	33,500	30,820
7	30,200	37,750	34,730
8	33,600	42,000	38,640
For each additional person, add	3,400	4,250	3,910

SOURCE: Federal Register, Vol. 71, No. 15, January 24, 2006, pp. 3848-3849 Table obtained from U.S. Health & Human Services website

#### Poverty in Nebraska

As Graph 7 shows, 10.9% of all Nebraskans live below the poverty level; this figure compares to a national average of 13.3%. However, poverty rates are significantly higher for Hispanic Nebraskans than for Nebraskans as a whole, almost double in most instances. Perhaps most alarming is the fact that nearly 35% of Latino children under the age of five are living in poverty.

Graph 7



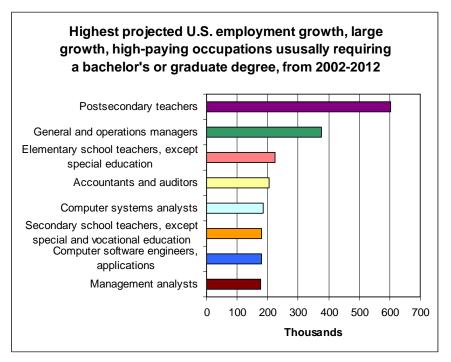
Source: U.S. Census Bureau 1: 2005 American Community Survey

#### **Short-Term Future of U.S. Economy**

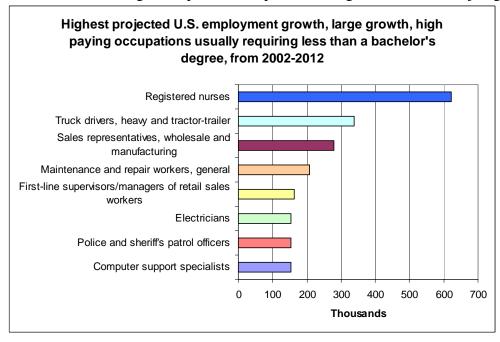
The graph to the right shows the eight highest-paying employment areas requiring at least a bachelor's degree, expected to experience the greatest amount of job growth from 2002-2012 in the United States. Education. computer science, management, and accounting are target areas of study. 27.3% of Nebraskans currently have a bachelor's or graduate degree (U.S. Census Bureau 1) Source: U.S. Department of Labor 1, Bureau of Labor

Statistics, MLR: The

Editor's Desk



The following graph shows the eight highest-paying employment areas usually requiring less than a bachelor's degree, expected to experience the greatest amount of job growth through



2012. Note the top four are registered nurses, truck drivers, sales representatives for wholesale and manufacturing, and maintenance and repair workers.

Source: U.S.
Department of
Labor 1, Bureau
of Labor
Statistics, MLR:
The Editor's Desk

The two employment sectors expected to experience the greatest decline (not shown in the graphs) are farming and ranching, and administrative services. These declines will be a result of technology increasing worker productivity (Occupational Employment 2003).

#### **Future of Nebraska's Economy**

Looking at Graph 3, six pages prior, gives some indication regarding industrial trends in the state. Further details regarding Nebraska's Employment outlook and "Hot jobs" in relation to the previous graphs can be found at the Nebraska Workforce Development's website. "Nebraska Occupation Wages and Trends 2002-2012" reveals that some of the "Hot" occupations (based on highest paying, fastest growing, and most openings) are:

- General and operations managers
- Accountants and auditors
- Sales representatives in wholesale and manufacturing
- Registered nurses
- Elementary school teachers

Occupations expected to grow slower than average include:

- Cashiers
- Truck drivers
- Retail salespersons
- Farm workers and laborers (Nebraska Workforce Development 2005)

Occupations expected to decline are:

- Secretaries
- Bookkeeping, accounting and auditing clerks
- Stock clerks and order fillers
- Farm workers and laborers (Nebraska Workforce Development 2005)

An average annual growth of 8,973 Nebraska jobs is expected to be from growth and new jobs while an average annual growth of 17,833 is expected to be from replacement openings (Nebraska Workforce Development 2005). More information from this report detailing job prospects can be found at: <a href="http://www.dol.state.ne.us/nwd/pdf/occwgtrends04042006.pdf">http://www.dol.state.ne.us/nwd/pdf/occwgtrends04042006.pdf</a>.

Additionally, the balance of state industries can be influenced by state economic incentive plans, designed to further develop certain types of industries. The latest and most comprehensive of these plans is the Nebraska Advantage Act.

#### Nebraska Advantage

The Nebraska Advantage Act is an economic incentive plan that is "designed to create a business climate that makes Nebraska the preferred location for starting and growing your business" by offering credits, refunds, and exemptions (Nebraska Advantage). Legislation in 2005 created the Act, and businesses could submit applications beginning January 2006. Based on the 75 applications filed with the Nebraska Department of Revenue between January 1, 2006 and November 30, 2006, Nebraska is predicted to experience a growth of \$3.3 billion in investment and 7,384 new jobs as a result of this Act. An examination of the Nebraska Advantage website suggests that these increases will perhaps be in the areas of finance, insurance, distribution, research and development, and startup companies, among others (Nebraska Advantage). The thresholds for employment and investment necessary to receive some of the larger tax credits also suggest that a substantial amount of the growth will likely occur in manufacturing and ethanol production. Understanding that the Latino population already makes up a large portion of the workforces in industries which greatly contribute to the state's GDP suggests that policymakers should be attentive and responsive to their policy concerns.

## **Policy Concerns**

## **Education**

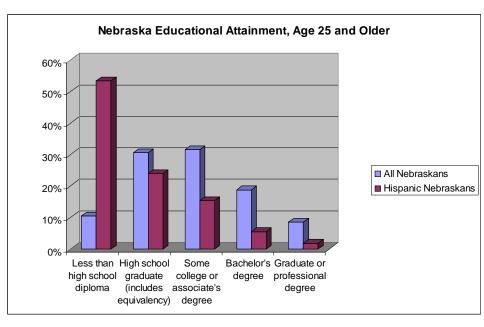
Information for the Education section is taken from research completed by the Office of Latino/Latin American Studies at the University of Nebraska at Omaha. The study is entitled: "Educational Achievement and the Successful Integration of Latinos in Nebraska: A Statistical Profile to Inform Policies and Programs." (Gouveia and Powell 2005)

#### **Problems**

- Educational attainment levels between Latinos and non-Latinos are excessively high.
- Early education programs to level the playing field for young English Language Learners (ELL) are in short supply
- No system is in place to evaluate the benefit that various English language learning models currently have in the success of Latino children's educational attainment
- Smaller more rural schools with large percentages of ELL students often do not have adequate funding to provide "equal educational opportunities for all students" (Gouveia and Powell 2005)
- A shortage of bilingual teachers exists in Nebraska, despite its overall surplus of teachers
- In 2001-2002, approximately 12.2% of Nebraska Latinos in grades 9-12 dropped out of school; this Latino dropout rate is higher than any other Great Plains state (Gouveia and Powell 2005)
- Only 20% of Nebraska college age Hispanics are in college, compared with 65% of Nebraska college age Whites
- Accurate year to year tracking and progress of Latino students' educational progress is not kept by any state institution. Data is kept but not disaggregated enough to identify which groups are doing well and which are falling behind

#### **Explanation**

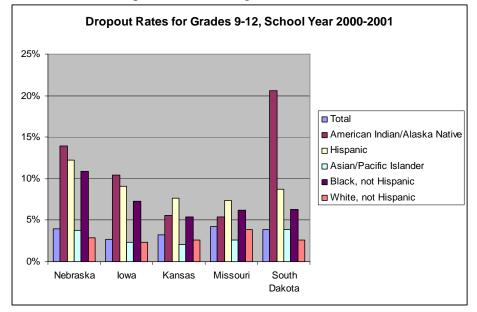
As the graph at the right shows, Hispanics in the state of Nebraska. age 25 and older, have a markedly lower educational attainment than Nebraskans as a whole. The majority of Hispanics in Nebraska have less than a high school diploma while the majority of Nebraskans as a whole have at least some college or an associate's degree.



Source: U.S. Census Bureau 1: 2005 American Community Survey

#### **Dropout Rates**

Although differences in educational attainment between Hispanic Nebraskans and other Nebraskans are, in part, due to immigrants without as much formal education locating within the



state, discrepancies also exist among school age children. The graph to the left shows dropout rates for Nebraska children separated by race/ethnicity for school year 2000-2001.

Source: Gouveia and Powell 2005

Note that Nebraska has a higher dropout rate for Latinos than any neighboring Great Plains state. Nebraska ought to work to curb this trend as "research has shown that high dropout rates correlate strongly with higher rates of crime, poverty, and unemployment" (Gouveia and Powell 2005). Recalling the rapid rate at which the Hispanic population is growing, it is imperative to stress the importance of education now. If problems are not addressed now, they will grow exponentially in the near future.

For a better understanding of education in Nebraska, please read the report upon which these findings and recommendations are based.

#### Solution

A number of steps need to be taken to improve Latino education in Nebraska.

- 1. Disaggregate data to better identify which programs are working for certain groups and which are not. Until this data is collected, it will not be clear where progress is being made
- 2. Engage Latino parents in their children's education by facilitating interpretation, thereby eliminating language barriers
- 3. Develop an immigration integration center similar to the one recently created in Illinois
- 4. Develop early education programs similar to Head Start but available to all children
- 5. Develop tutoring programs for Latinos who arrive in Nebraska schools in their teens. These students are thought to have higher dropout rates due to discouragement or difficulty assimilating into the U.S. educational system. More bilingual teachers would help
- 6. Discourage Latino teens from dropping out of school to work, which adds to the ranks of a large and cheap but uneducated labor force in the state
- 7. Courage by legislators to stand up for policy change, despite vocal opposition
- 8. Courage by legislators to speak against the ideological rhetoric that speaks about Latinos and immigrants as second-class human beings. The largest amount of research on this topic reveals that experiencing constant racism is strongly correlated with multiple negative effects on children

## **Driving Papers**

#### Problem

Latino workers, some of which lack the appropriate verification documents to obtain legal driver's licenses, need transportation to and from work. At times, they have school age children who may or may not have been born in the U.S. that need transportation to schools. Still, others have medical conditions which require immediate trips to medical facilities. However, they are currently not legally allowed to drive.

#### **Explanation**

In Nebraska in 2005, "19,827 people were injured in traffic crashes," and presently, "one collision occurs every 15 minutes" (Nebraska DMV). Additionally, "one in every 23 licensed drivers in Nebraska will be involved in a motor vehicle collision each year" (Nebraska DMV). Over 93% of Hispanics drive alone or in a carpool to work (U.S. Census Bureau 1). Given the unfortunate statistical probability that at least some will be involved in motor vehicle accidents, it is important that all Nebraskans are allowed to legally drive and obtain insurance.

Various documents can be issued to allow driving by undocumented workers. Driver's certificates, but not driver's licenses, have been issued to such workers in Tennessee. Driver's certificates allow some benefits, but do not allow others. Advocates of driver's certificates say that they give undocumented immigrants the legal right to drive (Price 2005). Opponents argue that many insurance companies such as State Farm will not insure certificate holders, and companies that will insure them often charge higher premiums (Price 2005). These certificates also do not allow their holders to board a plane, buy a gun, rent a vehicle, or "any other activity that requires identification" (Price 2005).

Below are Hispanic needs, translated from letters to a Nebraska Senator:

"I am writing to you about finding a solution to some needs that are affecting our community. I know it is not possible to help in everything, but in this case, I am going to ask. This is one of the greatest needs of the Hispanic community. My request is to please grant driver's licenses to the people who need them. People can't quit driving, just because they don't have a license. People have to drive. They need to drive to take their kids to school, to go to work, and to go to the grocery store to buy their food. They have no other option. Not having a driver's license affects not only the people without them, but also the residents or citizens that do have one. Many times, we have an accident with those people that do not have either a license or car insurance because it is not possible for them to get insurance without a license. And what happens if these uninsured people can't be responsible for the accident?"

"I am writing you to request your support to grant driver's licenses. I am a single woman with needs, one of the most important is to drive. I have 2 kids, one who has asthma and gets convulsions. That is why driving is a must for me...We can't afford to have our cars taken away from us because we don't have a driver's license."

"I'm writing this letter to ask you to help us approve the law that gives a license to those who should be able to drive for the purpose of going to the doctor or to work. We ask you, men and women of the Senate, to help our community."

"I am a resident of this country, and I am writing to you to ask you to please support the proposal for undocumented immigrants to be able to obtain a driver's license. I think this is very important and necessary because they need to take their kids to school and also to go to work. It is difficult and risky to drive without a driver's license."

"The reason I am writing is to ask that you please help us by voting in the senate to authorize new driver's licenses...Many people don't qualify or can't use the public transportation. Also, it is vital to be able to drive to work. If we are not able to drive, how can we provide for our children, and how can their lives be improved? That is all for now. It gives me great pleasure to be able to speak to you about this. I hope that you are well, and God bless you."

#### Solution

Latino workers are productive members of society, often filling crucial labor roles in Nebraska's largest nonfarm industries. Many are currently forced to place their children and families in danger by driving without driving papers or insurance. Other drivers are also currently at greater risk and face the additional burdens for any negative results from an accident with an uninsured driver, which would consequently make insurance premiums higher. Allowing these workers to obtain driving papers and insurance would spread the risk pool, thereby keeping insurance premiums lower. It would also mean added revenue for the state by issuing more license plates, taxes, and registration. However, most importantly, it would keep families safer on the roads.

## **Mobile Homes**

#### Problem

Several pre-1976 mobile homes throughout the state are substandard and prone to fires, causing health risks and sometimes death to their tenants.

#### **Explanation**

In July of 2006, a fire destroyed a 1972 mobile home in Norfolk when the air conditioning condensing unit outside the home experienced a short, causing the wires to fail which then started a fire beneath the trailer. A Hispanic mother and four children perished, and only the husband/father survived, after spending months in the hospital. Tragedies such as this are unfortunately, more common than they should be.

Much confusion exists throughout the state as to which agency governs certain aspects of mobile homes in addition to what action can be taken and with which method if a problem should arise. As well, records on mobile homes, which were first collected in the 1970s, are limited. Involved agencies are the U.S. Department of Housing and Urban Development, the Nebraska Public Service Commission, the Nebraska Department of Motor Vehicles, and the Nebraska Department of Health & Human Services.

#### Agency Governing Bodies

The U.S. Department of Housing and Urban Development established standards for manufactured home design and acceptable building materials as of June 15, 1976 with the National Manufactured Home Construction and Safety Standards Act of 1974 (U.S. Department of Housing and Urban Development). Factory-built homes created before June 1976 are often called "mobile homes" while ones created after this date are referred to as "manufactured homes" (Manufacturing Housing Institute). According to the National Fire Protection Association, an average 2.6 deaths result from every 100 fires in pre-1976 mobile homes, also referred to as "firetraps" by building officials (Sioux City Journal; Hethcock, Bill 2006). This number compares to 1.2 deaths for every 100 fires in manufactured homes built after 1976 (Sioux City Journal).

The following paragraph summarizes the HUD Manufactured Home Construction Standards for manufactured homes built between 1976 and the present:

"Manufactured homes are built as dwelling units of at least 320 square feet in size with a permanent chassis to assure the initial and continued transportability of the home. All transportable sections of manufactured homes built in the U.S. after June 15, 1976, must contain a red label. The label is the manufacturer's certification that the home section is built in accordance with HUD's construction and safety standards. HUD standards cover Body and Frame Requirements, Thermal Protection, Plumbing, Electrical, Fire Safety and other aspects of the home. They are published in the Code of Federal Regulations at 24 CFR 3280." (U.S. Department of Housing and Urban Development 2)

Some mobile and manufactured homes have wheels; others do not. Some are transported often; others have remained in the same location where they were first placed.

Overseeing the construction of these manufactured homes is the responsibility of the **Nebraska Public Service Commission**. This agency inspects homes as they are being built in the factory.

However, once the homes are sold and leave the factory, the agency has no jurisdiction except in response to a consumer complaint pertaining to the original construction.

Although HUD defines mobile homes and the Public Service Commission inspects them, they are classified as a motor vehicle in Nebraska. As such, licensing is completed through the **Department of Motor Vehicles**. In 2005, Nebraska DMV registered a total of 36,942 mobile homes in the state, located in every country (Nebraska DMV 2005 Annual Report). However, titles are only needed for the particular year when a mobile home is taken on the road, transported, or sold. Thus, the actual number of mobile homes is likely much greater.

Many mobile homes remain in their lots for several years, usually in a trailer park. The agency which inspects trailer parks is the **Nebraska Department of Health & Human Services**. 581 trailer parks exist in the state of Nebraska; 408 are subject to state regulations, and 173 are subject to local regulations which are usually more stringent than the state codes. These inspections are completed by seven experts spread across the state from the "Consumer Services" part of the "Environmental Division" within the "Regulations and Licensure" area of Nebraska HHS. More information on the inspection codes can be accessed in Chapter 5 at the following website: <a href="http://www.hhs.state.ne.us/reg/t178.htm">http://www.hhs.state.ne.us/reg/t178.htm</a>

#### Problems with the current system

Inspection of the actual mobile homes is not completed by any governing body after the point of sale; maintenance of a mobile home is the owner's responsibility, as it is for any other car or home owner. Should a problem exist with a rented mobile home, it is the landlord's responsibility to make due repairs. At times, these repairs are not completed, leaving the mobile home substandard. Yet, many tenants do not know their rights and often, English is not their first language. These conditions result in tenants being mistreated by landlords, many tenants have complained about discrimination issues, and as the problem is currently a landlord/tenant issue, must be privately resolved. However, tenants are often unaware of their rights, unable to defend their rights, or afford a lawyer who can.

This issue is further complicated by the fact that laws governing landlord/tenant rights and duties are different for mobile homes than for other residences. Nebraska has both the Nebraska Landlord – Tenant Act (Section 76-1401 – 76-1449) as well as the Mobile Home Landlord and Tenant Act (Section 76-1450-761411). Differences exist between these Acts, and an investigation of these differences may give insight into the living and maintenance variations of these homes.

In the spring of 2006 in South Sioux City, a lack of oversight and mobile home tenant rights forced 20 families to relocate. Westwood trailer park, located just outside of the city limits, contained approximately 20 mobile homes, housing tenants who were 100% Latino. Tenants all paid their rent, which included water, but the landlord failed to pay the water bill to the city. Garbage was also not collected. After accruing nearly \$10,000 in debt and having the water shut off three times, the park was condemned and tenants were forced to relocate.

Moreover, many of the mobile homes in the Westwood trailer park were pre-1976 and not fit for habitation. Often times, pre-1976 mobile homes are not safe regardless of the level of maintenance due to having fewer doors, smaller windows, a poor electrical system, and more

flammable building material. Some also have leaky roofs and/or rotten floors, allowing potentially disease-infested rodents to enter.

Nevertheless, some positive steps towards trailer parks have already been taken. Formerly, faulty wiring in some mobile home parks may have resulted from the HHS <u>Section 005.03 Electrical System</u> of Title 178, regarding environmental health. This section exempted mobile home parks in existence before July 10, 1976 from HHS electrical system standards as a condition of licensure. And although records do not exist stating the year mobile home parks began operations, most are said to have existed previous to 1976. However, this grandfather clause was removed with additional legislation a few years ago, meaning that all trailer parks must now comply with current applicable codes. (Nebraska Health and Human Services)

Despite the improvements in mobile home parks, many mobile homes in the state are still substandard. Many times, however, tenants choose these residences because they can not afford better housing. Condemning certain mobile homes in itself may therefore not improve the situation. Improving the safety of current mobile homes, though, is possible.

#### Solution

Since maintenance is the owner's responsibility, mobile home owners and tenants need to be informed of the following:

- Proper home maintenance requirements
- Papers showing the completion of those requirements
- How to improve chances for survival should a fire occur
- A list of agencies involved with mobile homes and their governing responsibilities

Further, since many mobile home owners and tenants are immigrants, these guidelines should be provided both in English and the tenant's native language. Worker right number six in the Meatpacking Industry Bill of Rights identifies the Right to Understand Information Provided (Nebraska Workforce Development 2006). Similar rights should be granted to mobile home owners and tenants throughout the state.

Finally, the Nebraska Landlord-Tenant Act and the Mobile Home Landlord and Tenant Act should be reviewed to ensure that residents of mobile homes are provided with the same livable standards as other residents within the state.

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