

FACT SHEET: The Economic Importance of Immigrant Populations to New York State

Economic Contribution

- In 2011, 27.3% of the State's workforce was comprised of immigrants (U.S. Census Bureau).
- Sales and receipts of businesses owned by Latinos and Asians totaled more than \$68.7 billion and employed more than 310,000 people.
- The 2012 purchasing power of the State's Latinos totaled \$85.2 billion—an increase of 258.6% since 1990. Asian buying power totaled \$63.3 billion—an increase of 417.3% since 1990, according to the Selig Center for Economic Growth at the University of Georgia.
- New York's 196,825 Asian-owned businesses had sales and receipts of \$50.5 billion and employed 224,576 people in 2007, according to the Selig Center for Economic Growth at the University of Georgia.
- The state's 193,183 Latino-owned businesses had sales and receipts of \$18.2 billion and employed 86,329 people in 2007, according to the U.S. Census Bureau's Survey of Business Owners.
- Immigrants are responsible for \$229 billion in economic output in the State, or 22.4% of the total New York State gross domestic product (GDP) as of 2006, according to a study by the Fiscal Policy Institute.
- Immigrants accounted for 28% of total economic output in the New York metropolitan area as of 2007, according to the Fiscal Policy Institute.
- If all unauthorized immigrants were removed from New York in 2008, the State would have lost an estimated \$28.7 billion in economic activity, \$12.7 billion in GDP, and approximately 137,013 jobs, according to a report by the Perryman Group.

Unauthorized Immigrants Do Pay Taxes

- Unauthorized immigrants in New York paid an estimated \$662.4 million in state and local taxes in 2010, according to data from the Institute for Taxation and Economic Policy, which includes: \$104.4 million in state income taxes; \$94.9 million in property taxes; and \$463.1 million in sales taxes.¹

Educational Achievements

- New York's 82,391 foreign students contributed \$2.6 billion to the state's economy in tuition, fees, and living expenses for the 2011-2012 academic year, according to NAFSA (Association of International Educators).
- In New York, 32.7% of foreign-born persons who were naturalized U.S. citizens in 2011 had a bachelor's or higher degree, compared to 24.4% of non-citizens.
- The number of immigrants in New York with a college degree increased by 41.9% between 2000 and 2011, according to the Migration Policy Institute.
- In New York, 85.7% of children with immigrant parents were considered "English proficient" as of 2009, according to data from the Urban Institute.
- The English proficiency rate among Asian children in New York was 80.9%, while for Latino children it was 85.4%, as of 2009.

Asian American Economic Impact Overview

Asians recently passed Hispanics as the largest group of new immigrants to the United States. The educational credentials of these recent arrivals are striking. More than six-in-ten (61%) adults ages 25 to 64 who have come from Asia in recent years have at least a bachelor's degree. This makes the recent Asian arrivals the most highly educated cohort of immigrants in U.S. history.

Asian Americans are distinctive as a whole, especially when compared with all U.S. adults, whom they exceed not just in the share with a college degree (49% vs. 28%), but also in median annual household income (\$66,000 versus \$49,800) and median household wealth (\$83,500 vs. \$68,529)

The nation's Asian-American population will continue to grow more rapidly than the U.S. population overall, and it will be less dominated by immigrants than it now is. The Asian population will grow to 41 million in 2050, nearly tripling in size from the present 17.8 million.

Half of employed Asian Americans (50%) are in management, professional, and related occupations, a higher share than the roughly 40% for employed Americans overall. Many of these occupations require advanced degrees.

- 1.5 million – Number of businesses owned by Asian-Americans in 2007, an increase of 40.4 percent from 2002.
- \$506 billion – Total receipts of businesses owned by Asian-Americans, up 54.9 percent from 2002.
- 47% – Percentage of businesses in Hawaii owned by people of Asian descent. It was 14.9 percent in California and 10.1 percent in New York.
- California has the most Asian-owned firms at 508,969 (32.8 percent of all such firms), followed by New York with 196,825 (12.7 percent) and Texas with 114,297 (7.4 percent).

Source: Pew Research Center April 2013 and U.S. Census Bureau Community Survey

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The Positive Impact of Immigrants on the U.S. Economy

- According to the National Venture Capital Association, over the last 20 years, immigrants have founded, or helped to found, 25% (88 out of 356) public U.S. companies that were backed by venture capital investors.ⁱ
- A recent study found that 40% of all Fortune 500 firms were founded by immigrants or their children. The study also found that seven of the ten most valuable brands in the world were founded by such individuals.ⁱⁱ This list includes Google, eBay, Yahoo!, and Sun Microsystems.ⁱⁱⁱ
- First generation immigrants are only 12% of the U.S. population; however, they represent 16.7% of all new business owners in the U.S.^{iv} First generation immigrants own businesses in a variety of industries including engineering and the high technology sector.
- In 2010, 18% of small business owners in the U.S. were immigrants. Further, in states that have higher immigrant populations, the share of small business owners is even greater—California (33%), New York (29%), New Jersey (28%), Florida (26%), and Hawaii (23%).^v
- The Fiscal Policy Institute found that small businesses owned by immigrants directly employed an estimated 4.7 million people in the United States and generate more than \$776 billion in revenue annually.^{vi}
- Compared to U.S.-born Americans, immigrants are more likely to hold an advanced degree and are almost twice as likely to hold a Ph.D.^{vii}
- The Partnership for a New American Economy found that foreign-born inventors were credited with contributing to more than 75% of patents issued to the top ten patent producing universities.^{viii}
- Immigration is beginning to have a significant role in revitalizing urban and rural communities across America.
 - ✓ Rural Iowa has lost population every decade since 1920; there are fewer people in rural Iowa than there were a century ago. However, between 2000 and 2010 Iowa's Latino population increased by 84 percent, even as the total state population increased only four percent over the same decade.^{ix}
 - ✓ Detroit (MI) was the fourth-largest city in the country in 1950 with 1.8 million people, by 2010 it had a population of 701,475 people. In a single decade, 2000-2010, the U.S. Census indicates that Detroit lost 237,000 (25% decrease) residents. However, while significant losses were noted in predominately white and black populations, there was a gain of 1,512 Latino residents' over the same period.^x

A Snap Shot of Hispanic Immigrants Economic Impact

- Nationally, there are over three million Hispanic-owned companies with over \$500 billion in revenue.^{xi}
- Nationally, Hispanics make up 28% of the more than 900,000 immigrant-owned small businesses.^{xii}
- New Latino entrepreneurs nearly doubled, from 10.5% to 19.5%, between 1996 and 2012.^{xiii}
- The Immigration Policy Center estimates that the purchasing power of Hispanics alone will reach \$1.5 trillion a year by 2015.^{xiv}
- The numbers of Hispanic firms are growing more than four times faster than the overall number of U.S. firms.^{xv}
- If it were a nation in itself, the U.S. Hispanic market would be one of the top ten economies in the world.^{xvi}

ⁱNational Venture Capital Association, "American Made: The Impact of Immigrant Entrepreneurs and Professionals on U.S. Competition," http://www.nvca.org/index.php?option=com_docman&task=doc_download&gid=331&Itemid=93.

ⁱⁱPartnership for a New American Economy, "The 'New American' Fortune 500" (June 2011) <http://www.renewoureconomy.org/sites/all/themes/pnae/img/new-american-fortune-500-june-2011.pdf>.

ⁱⁱⁱNational Venture Capital Association, "American Made: The Impact of Immigrant Entrepreneurs and Professionals on U.S. Competition," p.6, http://www.nvca.org/index.php?option=com_docman&task=doc_download&gid=331&Itemid=93.

^{iv}John Bellows, "The Many Contributions of Immigrants to the American Economy" (May 25, 2011), <http://www.treasury.gov/connect/blog/Pages/The-Many-Contributions-of-Immigrants-to-the-American-Economy.aspx> (last visited May 14, 2013).

^vData from the U.S. Census Bureau, 2010 American Community Survey, as found in: Denhart, Matthew, "Growth and Immigration: A Handbook of Vital Immigration and Economic Growth Statistics," (January 2013), George W. Bush, Institute

^{vi} ^{xvii}Id.

^{viii}Michael Greenstone and Adam Looney, "Ten Economic Facts About Immigration," The Hamilton Project (September 2010), http://www.hamiltonproject.org/files/downloads_and_links/09_immigration.pdf.

^{ix}Partnership for a New American Economy, "Patent Pending: How Immigrants Are Reinventing The American Economy" (June 26, 2012), <http://www.renewoureconomy.org/index.php?q=patent-pending>

^xAndrew Wainer, Andrew, "The Next America: How Demography Shapes the national Agenda" (October 29, 2013), <http://www.nationaljournal.com/next-america/perspectives/immigrants-injecting-life-into-the-rust-belt-20131029>

^{xi}Wainer, Andrew, "A Tale of Two Cities (and a Town): Immigrants in the Rust Belt" (No. 23, October 2013), Bread for the World Institute.

^{xii}The Latino Coalition 2013 Small Business Summit Reaches New Heights and Showcases the Impact of Small Business to the U.S. Economy," The Wall Street Journal (May 6, 2013), available at http://online.wsj.com/article/PR-CO-20130506-902461.html?mod=googlenews_wsj.

^{xiii}Fiscal Policy Institute, "Immigrant Small Business Owners — A Significant and Growing Part of the Economy" (June 2012), <http://www.fiscalpolicy.org/immigrant-small-business-owners-FPI-20120614.pdf>.

^{xiv}Robert W. Fairlie, "Kauffman Index of Entrepreneurial Activity 1996-2012," Ewing Marion Kauffman Foundation (April 2013), p.9, http://www.kauffman.org/uploadedFiles/KIEA_2013_report.pdf.

^{xv}Immigration Policy Center, "Strength in Diversity: The Economic and Political Power of Immigrants, Latinos, and Asians in the U.S." (June 2012), <http://www.immigrationpolicy.org/sites/default/files/docs/Strength%20in%20Diversity%20Updated%20061912.pdf>.

^{xvi}The Nielsen Company, "State of the Hispanic Consumer: The Hispanic Market Imperative" (Quarter 2, 2012), http://es.nielsen.com/site/documents/State_of_Hispanic_Consumer_Report_4-16-FINAL.pdf.