

# IMMIGRATION POLICY CENTER

... providing factual information about immigration and immigrants in America

August 11, 2009

### **NEW AMERICANS IN THE OLD DOMINION STATE:** The Political and Economic Power of Immigrants, Latinos, and Asians in Virginia

Immigrants, Latinos, and Asians account for large and growing shares of both the economy and the electorate in Virginia. Immigrants make up more than 10% of the state's population, and 44% of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for more than 6.4% of all registered voters in the state. Immigrants who are naturalized citizens excel in educational attainment. Latinos account for nearly 7% of all Virginians and wield more than \$13.5 billion in consumer purchasing power. At last count, the sales and receipts of businesses owned by Latinos and Asians totaled more than \$11 billion. Immigrant, Latino, and Asian workers and entrepreneurs are integral to Virginia's economy and tax base—and they are an electoral force with which every politician must reckon.

### More than 1 in 10 Virginians are immigrants.

- The foreign-born share of Virginia's population rose from 5.0% in <u>1990</u>, <sup>1</sup> to 8.1% in <u>2000</u>,<sup>2</sup> to 10.3% in <u>2007</u>, <sup>3</sup> according to the U.S. Census Bureau. Virginia was home to 347,874 immigrants in <u>2007</u>,<sup>4</sup> which is more than the total population of <u>St. Louis, Missouri</u>.<sup>5</sup>
- ▶ 43.8% of immigrants in Virginia were naturalized U.S. citizens in 2007 <sup>6</sup>—meaning that they are eligible to vote.
- 6.4% of all registered voters in Virginia are "New Americans"—naturalized citizens or the U.S.-born children of immigrants who were raised during the current era of immigration from Latin America and Asia which began in 1965—according to an analysis of 2006 Census Bureau data by <u>Rob Paral & Associates</u>.<sup>7</sup>

#### Nearly 7% of Virginians are Latino—and they vote.

- The Latino share of Virginia's population grew from 2.6% in <u>1990</u>, <sup>8</sup> to 4.7% in <u>2000</u>, <sup>9</sup> to 6.5% in <u>2007</u>.<sup>10</sup> The Asian share of the population grew from 2.5% in <u>1990</u>, <sup>11</sup> to 3.7% in <u>2000</u>, <sup>12</sup> to 4.8% in <u>2007</u>, <sup>13</sup> according to the U.S. Census Bureau.
- Latinos comprised 2.0% (or 74,000) of Virginia voters in the 2008 elections, and Asians 3.7% (or 136,000), according to the U.S. Census Bureau.<sup>14</sup> The number of Latino and Asian voters roughly equaled the margin of victory (<u>234,527 votes</u>) by which Barack Obama defeated John McCain in Florida.<sup>15</sup>

#### Undocumented immigrants contribute to Virginia's economy in substantial ways.

- Undocumented immigrants in Virginia paid between \$260 million and \$311 million in taxes in 2007,<sup>16</sup> including:
  - \$145 million to \$174 million in state income, excise, and property taxes
  - \$93 million to \$111 million in Social Security taxes
  - \$22 million to \$26 million in Medicare taxes
- In addition, Virginia employers paid between \$119 million and \$142 million in taxes on behalf of undocumented workers in 2007,<sup>17</sup> including:
  - \$93 million to \$111 million in Social Security taxes
  - \$22 million to \$26 million in Medicare taxes
  - \$4 million to \$5 million in state unemployment insurance taxes
- The state's undocumented population, which earned between \$2.6 billion and \$3.1 billion in 2007<sup>18</sup>, even after accounting for remittances sent back to their home countries, uses their income to purchase Virginia's goods and services.

#### Immigrants are essential to Virginia's economy as workers.

- Immigrants comprised 13.3% of the state's workforce in 2007,<sup>19</sup> according to the U.S. Census Bureau.
- If all unauthorized immigrants were removed from Virginia in 2008, the state would lose \$11.2 billion in expenditures, \$5.5 billion in economic output, and approximately 62,918 jobs, even accounting for adequate market adjustment time, according to a report by the <u>Perryman Group</u>.<sup>20</sup>

# Latino and Asian entrepreneurs and consumers add billions of dollars and tens-of-thousands of jobs to Virginia's economy.

- The 2008 purchasing power of Virginia's Latinos totaled \$13.5 billion—an increase of 516.7% since 1990. Asian buying power totaled \$14.7 billion—an increase of 467.4% since 1990, according to the <u>Selig Center for Economic Growth</u> at the University of Georgia.<sup>21</sup>
- Virginia's 30,457 <u>Asian-owned</u> businesses had sales and receipts of \$7.7 billion and employed 70,026 people in 2002,<sup>22</sup> the last year for which data is available. The state's 18,987 <u>Latino-owned</u> businesses had sales and receipts of \$3.4 billion and employed 29,769 people in 2002,<sup>23</sup> according to the U.S. Census Bureau's 2002 Survey of Business Owners.

#### Naturalized Citizens Excel Educationally.

In Virginia, 45.5% of foreign-born persons who were naturalized U.S. citizens in 2007 had a bachelor's or higher degree, compared to 34.1% of noncitizens. At the same time, only

12.6% of naturalized citizens lacked a high-school diploma, compared to 26.6% of noncitizens.<sup>24</sup>

- > The number of immigrants in Virginia with a college degree **increased** by 57.0% between 2000 and 2007, according to data from the Migration Policy Institute.<sup>25</sup>
- > 39.5% of Virginia's foreign-born population age 25 and older had a bachelor's or higher degree in 2007, compared to 32.7% of native-born persons age 25 and older.<sup>26</sup>
- > In Virginia, **79.9% of all children** between the ages of 5 and 17 in families that spoke a language other than English at home also spoke English "very well" as of 2007.<sup>27</sup>

**Endnotes** 

<sup>2</sup> Ibid.

<sup>4</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Rob Paral and Associates, *The New American Electorate: The Growing Power of Immigrants and their Children.* (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2008)

<sup>8</sup> U.S. Census Bureau, *The Hispanic Population:2000*, May 2001

<sup>14</sup> 2008 Current Population Survey, Table 4b: Reported Voting and Registration of the Voting-Age Population, by Sex, Race and Hispanic Origin, for States: November 2008. <sup>15</sup> U.S. Electoral College, <u>2008 Presidential Election: Popular Vote Totals</u>.

<sup>16</sup> Michael Cassidy and Sarah Okos, *Fiscal Facts: Tax Contributions of Virginia's* 

Undocumented Immigrants (Richmond, Virginia: The Commonwealth Institute, 2009).

<sup>20</sup> The Perryman Group, <u>An Essential Resource: An Analysis of the Economic Impact of Undocumented Workers on Business</u> Activity in the US with Estimated Effects by State and by Industry (Waco, TX: April 2008). <sup>21</sup> Jeffery M. Humphreys, <u>The Multicultural Economy 2008</u>, (Athens GA: Selig Center for Economic Growth,

University of Georgia, 2008).

<sup>22</sup> U.S. Census Bureau, Asian-Owned Firms: 2002, August 2006.

<sup>23</sup> U.S. Census Bureau, *Hispanic-Owned Firms: 2002*, August 2006.

<sup>&</sup>lt;sup>1</sup>U.S. Census Bureau, *The Foreign-Born Population*, December 2003

<sup>&</sup>lt;sup>3</sup> 2007 American Community Survey (1-year Estimates).

<sup>&</sup>lt;sup>5</sup> Ibid.

<sup>&</sup>lt;sup>9</sup> Ibid.

<sup>&</sup>lt;sup>10</sup> Ibid.

<sup>&</sup>lt;sup>11</sup> U.S. Census Bureau, *The Asian Population: 2000*, February 2002.

<sup>&</sup>lt;sup>12</sup> Ibid.

<sup>&</sup>lt;sup>13</sup> 2007 American Community Survey (1-year Estimates).

<sup>&</sup>lt;sup>17</sup> Ibid.

<sup>&</sup>lt;sup>18</sup> Ibid.

<sup>&</sup>lt;sup>19</sup> 2007 American Community Survey (1-year Estimates).

<sup>&</sup>lt;sup>24</sup> Migration Policy Institute Data Hub, Virginia: Language and Education 2007.

<sup>&</sup>lt;sup>25</sup> Ibid.

<sup>&</sup>lt;sup>26</sup> Ibid.

<sup>&</sup>lt;sup>27</sup> Ibid.