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**NEW AMERICANS IN IOWA:  
The Political and Economic Power of Immigrants, Latinos, and Asians  
in the Hawkeye State**

Immigrants, Latinos, and Asians account for growing shares of the economy and population in Iowa. Immigrants (the foreign-born) make up 4.8% of the state's population, and more than one-third of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 3.6% of registered voters in the state. Immigrants are not only integral to the state's economy as workers, but also account for tens of million of dollars in tax revenue and consumer purchasing power. Moreover, Latinos and Asians (both foreign-born and native-born) wield over \$6 billion in consumer purchasing power, and the businesses they own had sales and receipts of more than \$1.2 billion and employed more than 13,000 people at last count. At a time when the economy is still recovering, Iowa can ill-afford to alienate such a critical component of its labor force, tax base, and business community.

*Immigrants and their children are growing shares of Iowa's population and electorate.*

- **The foreign-born share** of Iowa's population rose from 1.6% in 1990,<sup>1</sup> to 3.1% in 2000,<sup>2</sup> to 4.8% in 2013,<sup>3</sup> according to the U.S. Census Bureau. Iowa was home to 149,122 immigrants in 2013,<sup>4</sup> which is more than the total population of Springfield, Illinois.<sup>5</sup>
- **37% of immigrants (or 55,195 people) in Iowa were naturalized U.S. citizens in 2013**<sup>6</sup>—meaning that they are eligible to vote.
- Unauthorized immigrants comprised roughly **1.4% of the state's population** (or 40,000 people) in 2012, according to a report by the Pew Hispanic Center.<sup>7</sup>
- **3.6% (or 63,266) of registered voters** in Iowa were "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 2012 Census Bureau data by the American Immigration Council.<sup>8</sup>

*1 in 13 Iowans are Latino or Asian.*

- The **Latino share of Iowa's population** grew from 1.2% in 1990,<sup>9</sup> to 2.8% in 2000,<sup>10</sup> to 5.4% (or 166,925 people) in 2013.<sup>11</sup> The **Asian share of the population** grew from 0.9% in 1990,<sup>12</sup> to 1.3% in 2000,<sup>13</sup> to 2.1% (or 63,431 people) in 2013,<sup>14</sup> according to the U.S. Census Bureau.
- **Latinos accounted for 1.9% (or 30,000) of Iowa voters** in the 2012 elections, and Asians 1.1% (17,000), according to the U.S. Census Bureau.<sup>15</sup>

- In Iowa, **85.2% of children with immigrant parents were U.S. citizens** in 2009, according to data from the Urban Institute.<sup>16</sup>
- In 2009, **88.1% of children in Asian families** in Iowa were U.S. citizens, as were **91.4% of children in Latino families**.<sup>17</sup>

*Immigrant, Latino, and Asian workers, entrepreneurs, consumers, and taxpayers add billions of dollars and thousands of jobs to Iowa's economy.*

- **The 2014 purchasing power of Latinos in Iowa totaled \$3.7 billion**—an increase of 1,088% since 1990. **Asian buying power totaled \$2.4 billion**—an increase of 788% since 1990, according to the Selig Center for Economic Growth at the University of Georgia.<sup>18</sup>
- Immigration boosts housing values in communities. From 2000 to 2010, according to Americas Society/Council of the Americas, the value added by immigration to the price of the average home was \$1,242 in Polk County, which includes Des Moines.<sup>19</sup>
- Latinos in Iowa paid **\$350 million in federal taxes and \$205.5 million in state/local taxes in 2013**, according to the Partnership for a New American Economy. In particular, foreign-born Latinos paid \$168.6 million in federal taxes and \$105 million in state/local taxes in 2013.<sup>20</sup>
  - The federal tax contribution of Iowa's Latino population included **\$270 million to Social Security and \$63 million to Medicare in 2013**. In particular, foreign-born Latinos contributed \$134.7 million to Social Security and \$31.5 million to Medicare in 2013.<sup>21</sup>
- Iowa's 2,834 Asian-owned businesses had sales and receipts of **\$782.6 million and employed 10,130 people** in 2007, the last year for which data is available.<sup>22</sup> The state's 2,455 Latino-owned businesses had sales and receipts of **\$455.7 million and employed 3,289 people** in 2007, according to the U.S. Census Bureau's Survey of Business Owners.<sup>23</sup>
- From 2006 to 2010, there were 4,823 new immigrant business owners in Iowa, and new immigrant business owners had total net business income of \$216 million (which is 2.8 percent of all net business income in the state), according to Robert Fairlie of the University of California, Santa Cruz.<sup>24</sup>
- In 2010, 2.9 percent of all business owners in Iowa were foreign-born, according to the Fiscal Policy Institute.<sup>25</sup>

*Unauthorized immigrant families are integral to Iowa's economy as taxpayers.*

- Unauthorized immigrants in Iowa paid **\$64.1 million** in state and local taxes in 2010, including \$47.7 million in sales taxes, \$12 million in state income taxes, and \$4.3 million in property taxes, according to data from the Institute for Taxation and Economic Policy.<sup>26</sup>
- Were unauthorized immigrants in Iowa to have legal status, they would pay **\$82.1 million** in state and local taxes, including \$50.9 million in sales taxes, \$26.6 million in state income taxes, and \$4.6 million in property taxes.<sup>27</sup>

*Immigrants are integral to Iowa's economy as workers.*

- Immigrants comprised **5.8% of the state's workforce** in 2013 (or 96,510 workers), according to the U.S. Census Bureau.<sup>28</sup>
- Unauthorized immigrants comprised **2% of the state's workforce** (or 30,000 workers) in 2012, according to a report by the Pew Hispanic Center.<sup>29</sup>
- If all unauthorized immigrants were removed from Iowa, **the state would lose \$1.4 billion in economic activity, \$613.4 million in gross state product, and approximately 8,819 jobs**, even accounting for adequate market adjustment time, according to a report by the Perryman Group.<sup>30</sup>

*Immigrants are integral to Iowa's economy as students.*

- Iowa's 11,318 **foreign students contributed \$317 million** to the state's economy in tuition, fees, and living expenses for the 2013-2014 academic year, according to NAFSA: Association of International Educators.<sup>31</sup>
- Foreign students contribute to Iowa's metropolitan areas. From 2008 to 2012, according to the Brookings Institution, 4,802 foreign students paid \$74 million in tuition and \$61 million in living costs in the Ames metropolitan area.<sup>32</sup> In the Iowa City metro area, 4,043 foreign students paid \$81 million in tuition and \$36 million in living costs.
- Foreign students also contribute to innovation in Iowa. In 2009, "non-resident aliens" comprised 45.6 percent of masters degrees and 57.5 percent of doctorate degrees in science, technology, engineering, and mathematics (STEM) fields, according to the Partnership for a New American Economy.<sup>33</sup>

*Immigrants excel educationally.*

- The number of immigrants in Iowa with a college degree **increased by 67.7%** between 2000 and 2011, according to data from the Migration Policy Institute.<sup>34</sup>
- In Iowa, only 26.6% of naturalized citizens lacked a high-school diploma in 2011, compared to 40.1% of noncitizens.<sup>35</sup>
- In Iowa, **87% of children with immigrant parents** were considered "English proficient" as of 2009, according to data from the Urban Institute.<sup>36</sup>
- The English proficiency rate among **Asian children in Iowa was 91.5%**, while for **Latino children it was 87%**, as of 2009.<sup>37</sup>

## Endnotes

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- <sup>1</sup> U.S. Census Bureau, *The Foreign-Born Population: 2000*, December 2003.
- <sup>2</sup> Ibid.
- <sup>3</sup> 2013 American Community Survey (1-Year Estimates).
- <sup>4</sup> Ibid.
- <sup>5</sup> Ibid.
- <sup>6</sup> Ibid.
- <sup>7</sup> Jeffrey S. Passel, D’Vera Cohn, and Molly Rohal, *Unauthorized Immigrant Totals Rise in 7 States, Fall in 14* (Washington, DC: Pew Research Center’s Hispanic Trends Project, November 18, 2014), p. 29.
- <sup>8</sup> Walter A. Ewing and Guillermo Cantor, *New Americans in the Voting Booth: The Growing Electoral Power of Immigrant Communities* (Washington, DC: American Immigration Council, October 2014), p. 27.
- <sup>9</sup> U.S. Census Bureau, *The Hispanic Population: 2000*, May 2001.
- <sup>10</sup> Ibid.
- <sup>11</sup> 2011 American Community Survey (1-Year Estimates).
- <sup>12</sup> U.S. Census Bureau, *The Asian Population: 2000*, February 2002.
- <sup>13</sup> Ibid.
- <sup>14</sup> 2011 American Community Survey (1-Year Estimates).
- <sup>15</sup> U.S. Census Bureau, Voting and Registration in the Election of November 2012 - Detailed Tables: Table 4b. Reported Voting and Registration by Sex, Race and Hispanic Origin, for States: November 2012.
- <sup>16</sup> The Urban Institute, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
- <sup>17</sup> Ibid.
- <sup>18</sup> Jeffrey M. Humphreys, *The Multicultural Economy 2014* (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2014), pp. 22, 24.
- <sup>19</sup> Jacob Vigdor, *Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market* (New York, NY: Americas Society/Council of the Americas, 2013).
- <sup>20</sup> Partnership for a New American Economy, *The Power of the Purse: The Contributions of Hispanics to America’s Spending Power and Tax Revenues in 2013* (New York, NY: Partnership for a New American Economy, 2014).
- <sup>21</sup> Ibid.
- <sup>22</sup> U.S. Census Bureau, *Estimates of Business Ownership by Gender, Ethnicity, Race, and Veteran Status: 2007*, June, 2011.
- <sup>23</sup> Ibid.
- <sup>24</sup> Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Creation in the United States* (New York, NY: Partnership for a New American Economy, 2012).
- <sup>25</sup> David Dyssegaard Kallick, *Immigrant Small Business Owners: A Significant and Growing Part of the Economy* (New York, NY: Fiscal Policy Institute, 2012).
- <sup>26</sup> Institute on Taxation and Economic Policy, *Undocumented Immigrants’ State and Local Tax Contributions* (Washington, DC: July 2013).
- <sup>27</sup> Ibid.
- <sup>28</sup> 2013 American Community Survey (1-Year Estimates).
- <sup>29</sup> Jeffrey S. Passel and D’Vera Cohn, *Unauthorized Immigrant Population: National and State Trends, 2010* (Washington, DC: Pew Hispanic Center, February 1, 2011), p. 29.
- <sup>30</sup> The Perryman Group, *An Essential Resource: An Analysis of the Economic Impact of Undocumented Workers on Business Activity in the US with Estimated Effects by State and by Industry* (Waco, TX: April 2008), p. 69.
- <sup>31</sup> NAFSA: Association of International Educators, *The Economic Benefits of International Students to the U.S. Economy: Academic Year 2013-2014* (Washington, DC: 2014).
- <sup>32</sup> Neil Ruiz, *The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations* (Washington, DC: The Brookings Institution, 2014).
- <sup>33</sup> Partnership for a New American Economy, *Help Wanted: The Role of Foreign Workers in the Innovation Economy* (New York, NY: Partnership for a New American Economy, 2013).
- <sup>34</sup> Migration Policy Institute Data Hub, Iowa: Language & Education.
- <sup>35</sup> Ibid.
- <sup>36</sup> The Urban Institute, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
- <sup>37</sup> Ibid.