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NEBRASKA:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Cornhusker State

In Nebraska, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the state's economy. Highly skilled immigrants are vital to the state's innovation industries, and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute to Nebraska's economy.

- From 2006 to 2010, there were 3,905 new immigrant business owners in Nebraska, and in 2010, 3.9 percent of all business owners in Nebraska were foreign-born.
- In 2010, new immigrant business owners³ had a total net business income of \$126 million, which is 2.7 percent of all net business income in the state.⁴
- Nebraska is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, or <u>companies</u> whose success relies on immigration like ConAgra. Many brands now sold by ConAgra, which employs more than 26,000 people and has more than \$13 billion in revenue, were brands that started as immigrant founded businesses.⁵

Highly skilled immigrants are vital to Nebraska's innovation industries, which in turn helps lead American innovation and creates jobs.

- Immigrants contribute to Nebraska's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, 11.5 percent of STEM graduates from the state's research-intensive universities were foreign-born, and 77.4 percent of graduates earning PhDs in engineering in Nebraska were not born in the U.S.⁶
- In 2011, the U.S. Department of Labor certified 982 H-1B labor certification <u>applications</u> in Nebraska, with an average annual wage of \$60,671,⁷ which is more than both Nebraska's median household <u>income</u> of \$51,381 and its per capita income of \$26,523.⁸

- An <u>expansion</u> of the high-skilled visa program would create an estimated 1,800 new jobs in Nebraska by 2020. By 2045, this expansion would <u>add</u> around \$781 million to Gross State Product and increase personal income by more than \$650 million. The following are <u>examples</u> of metropolitan area demand for high-skilled foreign-born workers.
 - O The Omaha-Council Bluffs metropolitan area had 710 H-1B high-skilled visa requests in 2010-2011, with 75.1 percent of H-1B visa-holders working in STEM occupations. Major employers with a need for H-1B high-skilled workers include Prokarma Inc, Creighton University, and the University of Nebraska Medical Center.

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Nebraska, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
 - o In Omaha, Marta Sonia Londoño Mejía directed the Midlands Latino Community Development Corporation. Over a two year period, the agency assisted entrepreneurs in launching around 50 new companies including day care centers, auto mechanics, restaurants, bakeries, retail, and tax preparation services. As Mejía stated, "Latinos love to start businesses—it's cultural." 12
 - O Also in Omaha, Yesenia Wilson, from Peru, started Machu Picchu imports in 2008 in the city's popular Old Market shopping area. Her business sells Inca jewelry, ponchos, and other crafts imported from Peru. 13
 - o In Norfolk, Juan Sandoval, from Venezuela, directs the <u>Hispanic Business Center</u> for the Rural Enterprise Assistance Project. He <u>noted</u> there has been a growing trend of Latino-owned businesses opening in places such as Schuyler, Columbus, and South Sioux City.¹⁴
 - Cousins Arturo and Tomas De La Paz own El Mezcal Mexican restaurant in Norfolk, and Cilantros Mexican Bar and Grill in Omaha. Each restaurant employs around 20 people.¹⁵

In Nebraska, some localities have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

Across Nebraska and the broader Midwest, local places recognize the importance of immigrant entrepreneurs in their communities. According to the Chicago Council of Global Affairs, "Public and private-sector groups across the region have launched business incubators for immigrant entrepreneurs, sponsored networking opportunities with local employers, and helped skilled immigrants translate their foreign credentials to

maximize their economic potential in the United States."16

- O Specifically, the Council <u>states</u> that "the Midwest cannot hope to keep up with other regions or international competitors without a vital entrepreneurial sector...Immigrants, risk takers by nature, are unusually successful entrepreneurs, more than twice as likely as native-born Americans to start their own firms."¹⁷
- O Although the Midwest has historically found it difficult to attract and retain new talent, the Council <u>suggests that</u> the region needs new entrepreneurial energy. They note that "business incubators in immigrant communities, microloan programs, and other initiatives to make credit available can make a difference." 18
- **Nebraska is Home**, a project of Nebraska Appleseed and an affiliate of <u>Welcoming America</u>, ¹⁹ is a <u>community-led initiative</u> focused on "creating a welcoming atmosphere—community by community—in which immigrants are more likely to integrate into the social fabric of their adopted hometowns." Nebraska is Home has local chapters in Crete, Grand Island, Lincoln, Omaha, and Schuyler.
 - O **You're Welcome in Omaha**, a part of Nebraska is Home, is a <u>collaborative effort</u> "to celebrate Omaha as a welcoming and inclusive community of all of its immigrant neighbors." The initiative is based on the understanding that "immigrants settling in a community have a far better chance of integrating if the others in that community are receptive to including their new neighbors." ²¹
- In Lincoln, the **New Americans Task Force** is a "<u>network</u> of public and private organizations and community members dedicated to supporting new Americans" in the community. Approximately 40 agencies participate in the task force, which meets monthly to share information about news, events, and issues related to new Americans.
- In 2013, the **City of Lincoln** was designated as a <u>Welcoming City for immigrants</u>, part of Welcoming America's <u>Welcoming Cities and Counties Initiative</u>. This recognition <u>means</u> that the city "seeks to integrate immigrants into the community by creating a welcoming atmosphere that embraces people from all nationalities and backgrounds." ²⁴
 - The official <u>proclamation</u>, signed by Lincoln's mayor and dozens of members of the New Americans Task Force, <u>represents</u> the city's commitment to "fostering an environment that welcomes people regardless of race, ethnicity or place of origin."²⁵
 - O Christa Yoakum, coordinator of Nebraska is Home, said of Lincoln's designation, "As we continue to build a thriving 21st century economy and city, this commitment to working together to attract and engage immigrants as an important part of our Lincoln community will help create a strong and vibrant future for all of us."²⁶

Endnotes

¹ Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Success in the United States* (New York: Partnership for a New American Economy, 2012). ² Ibid.

³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

⁴ Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Success in the United States* (New York: Partnership for a New American Economy, 2012).

Partnership for a New American Economy, "Map the Impact of Immigrants Across America: Nebraska" (New York: Partnership for a New American Economy, 2013).

⁷ Office of Foreign Labor Certification, Annual Report: October 1, 2010 – September 30, 2011 (Washington, DC: U.S. Department of Labor, 2012).

⁸ U.S. Census Bureau, "State & County Quick Facts: Nebraska" (Washington, DC: U.S. Department of Commerce,

⁹ Frederick R. Treyz, Corey Stottlemyer, and Rod Motamedi, "Key Components of Immigration Reform: An Analysis of the Economic Effects of Creating a Pathway to Legal Status, Expanding High-Skilled Visas, and Reforming Lesser-Skilled Visas" (Amherst, MA: Regional Economic Models, Inc., 2013). ¹⁰ Ibid.

Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, <u>The Search for Skills: Demand for H-1B Immigrant</u> Workers in U.S. Metropolitan Areas (Washington, DC: The Brookings Institution, 2012).

¹² Cindy Gonzalez, "<u>Hispanic businesses a growing trend</u>" (Omaha, NE: *Omaha World-Herald*, October 12, 2010).

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Tamar Jacoby, <u>US Economic Competitiveness at Risk: A Midwest Call to Action on Immigration Reform</u> (Chicago: The Chicago Council on Global Affairs, 2013). ¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Welcoming America, "Welcoming America" (Atlanta, GA: Welcoming America, 2013).

²⁰ Nebraska is Home, "Nebraska is Home" (Lincoln, NE: Nebraska is Home, 2013).

²² New Americans Task Force, "About NATF" (Lincoln, NE: New Americans Task Force, 2013).

²³ Welcoming America, "Welcoming Cities and Counties" (Atlanta, GA: Welcoming America, 2013).

²⁴ Jordan Pascale, "Lincoln designated Welcoming City for immigrants" (Lincoln, NE: Lincoln Journal Star, June 21, 2013).

²⁵ Ibid.

²⁶ Ibid.

Immigrant Entrepreneurs in:

Nebraska

In 2010, new immigrant

business owners generated

\$126 million

in total net

business income





3,905

immigrants became new business owners in Nebraska between 2006-2010

3.9%

of business owners in Nebraska are immigrants

Read more at ImmigrationPolicy.org

