

September 2013

NEVADA: Immigrant Entrepreneurs and Innovation in the Silver State

In Nevada, 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. Furthermore, highly skilled immigrants are vital to the state's innovation industries and to the metropolitan areas within the state, helping to boost local economies.

Immigrant entrepreneurs contribute significantly to Nevada's economy.

- From 2006 to 2010, there were 20,000 new immigrant business <u>owners</u> in Nevada¹ and in 2010, <u>20.7 percent</u> of all business owners in Nevada were foreign-born.²
- In 2010, new immigrant business owners³ had total net business <u>income</u> of \$1.1 billion, which is 16.8 percent of all net business income in the state.⁴
- Nevada is home to successful companies with at least one founder who was an immigrant or child of an immigrant, <u>including</u> the Las Vegas Sands international resort company and MGM Resorts International.⁵ Those two companies together employ over 100,000 people and bring in \$17.3 billion in revenue each year.

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

- Immigrants contribute to Nevada's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, over one in three STEM graduates earning masters or PhD degrees from the state's research-intensive universities were foreign-born, and over 72 percent of graduates earning PhDs in engineering in Illinois were not born in the U.S.
- In 2011, the U.S. Department of Labor certified 844 H-1B high-skilled visa labor certification <u>applications</u> in Nevada, with an average annual wage of \$63,197. This is higher than Nevada's median household <u>income</u> of \$55,553 or per capita income of \$27,625. 8
- An <u>expansion</u> of the high-skilled visa program would create an estimated 2,800 new jobs in Nevada by 2020. By 2045, this expansion would <u>add</u> around \$1.6 billion to Gross State Product and increase personal income by more than \$1.3 billion. The following is an <u>example</u> of a metropolitan area's demand for high-skilled foreign-born workers.

O The Las Vegas-Paradise metropolitan area had 780 H-1B visa requests in 2010-2011, with 47.5 percent of H-1B visa-holders working in STEM occupations. Major employers with a need for H-1B high-skilled workers include the University of Nevada, Las Vegas, and Bally Gaming Inc.

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

- Immigrant entrepreneurs not only contribute to large innovative companies, but also to small business formation in local communities. In towns across Nevada, 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.
 - According to the Nevada Restaurant Association, for example, "immigrants are an important part of our restaurant industry's heritage, and one of its strengths is the diversity in the industry's ethnic cuisines and <u>immigrant-owned</u> operations."
- In the Las Vegas Valley of southern Nevada, ethnic and immigrant-owned shops, restaurants, and markets <u>include</u> a distinctly Latino neighborhood in the area's northeast and a pan-Asian community in the valley's near west. ¹³
 - O West of the Las Vegas Strip, along Spring Mountain Road, Chinatown Plaza is a shopping center development designed to evoke Tong Dynasty architecture and features Las Vegas' largest concentration of Asian businesses. Along with a variety of region-specific Chinese, Filipino, Korean, Vietnamese, Japanese, and other Asian restaurants, the plaza also contains many Asian businesses and services.
 - O Also along Spring Mountain Road, Korea Town Plaza is another shopping center development designed to house Asian restaurants, shops, and other businesses. The shopping plaza, which opened in 2009, features a supermarket, a food court with specialty food vendors, as well as other retail and services. The shopping center, along with Chinatown Plaza, is part of an informal Asian business district in west Las Vegas.¹⁴
 - O A variety of businesses catering to metro Las Vegas' growing Hispanic immigrant community are found throughout the valley, but particularly east and northeast of the Las Vegas Strip along Eastern Avenue, Nellis Boulevard, East Tropicana Avenue, and Twain Avenue. 15

Endnotes

¹ Robert W. Fairlie, <u>Open for Business: How Immigrants are Driving Small Business Success in the United States</u> (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).

⁵ Partnership for a New American Economy, "<u>Map the Impact of Immigrants Across America: Nevada</u>" (New York: Partnership for a New American Economy, 2013).

⁶ Ibid.

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

⁸ U.S. Census Bureau, "<u>State & County Quick Facts: Nevada</u>" (Washington, DC: U.S. Department of Commerce, 2011).

⁹ Frederick R. Treyz, Corey Stottlemyer, and Rod Motamedi, "<u>Key Components of Immigration Reform</u>: 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 Workers in U.S. Metropolitan Areas</u> (Washington, DC: The Brookings Institution, 2012).

Nevada Restaurant Association, "Nevada Restaurant Association Urges Senators Reid and Ensign to Support Comprehensive Immigration Reform" (Las Vegas: Nevada Restaurant Association, February 24, 2006).

¹³ University of Nevada Las Vegas, "<u>Immigration and Ethnic Diversity in Nevada</u>" (Las Vegas: Center for Democratic Culture, University of Nevada Las Vegas, 2005).

¹⁴ John G. Edwards, "30,000-square-foot supermarket opens at Korea Town Plaza" (Las Vegas: Las Vegas Review-Journal, October 15, 2009).

¹⁵ Justin M. Bowen, "<u>The forgotten Hispanic economy in Las Vegas: ¿Por qué?</u>" (Las Vegas: VegasInc.com, June 6, 2011).

Immigrant Entrepreneurs in:

Nevada

In 2010, new immigrant business owners generated

\$1.1 billion

in total net business income



20.7%

of business owners in Nevada are immigrants

Read more at ImmigrationPolicy.org



20,000

immigrants became new business owners in Nevada between 2006-2010

