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

Immigrants, Latinos, and Asians account for growing shares of the economy and population in Indiana. 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 2.6% of registered voters in the state. Immigrants are not only integral to the state's economy as workers, but also account for billions of dollars in tax revenue and consumer purchasing power. Moreover, Latinos and Asians (both foreign-born and native-born) wield \$13.6 billion in consumer purchasing power, and the businesses they own had sales and receipts of \$5.1 billion and employed more than 39,000 people at last count. As the economy continues to grow, Indiana 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 Indiana's population and electorate.

- **The foreign-born share** of Indiana's population rose from 1.7% in 1990,¹ to 3.1% in 2000,² to 4.8% in 2013,³ according to the U.S. Census Bureau. Indiana was home to 314,501 immigrants in 2013,⁴ which is more than the total population of Cincinnati, Ohio.⁵
- From 2000 to 2010, the Indiana cities of South Bend and Terre Haute saw their populations increase entirely due to immigration, according to a report from the Chicago Council on Global Affairs.⁶
 - Several other Indiana cities saw their populations increase in part due to immigration: Bloomington (22.5% change in population due to immigration), Elkhart (2.4% change), Evansville (27.2% change), Fort Wayne (28.2% change), and Indianapolis (26.5% change).⁷
- **35.2% of immigrants (or 110,657 people) in Indiana were naturalized U.S. citizens in 2013⁸**—meaning that they are eligible to vote.
- Unauthorized immigrants comprised **1.3% of the state's population** (or 85,000 people) in 2012, according to a report by the Pew Hispanic Center.⁹
- **2.6% (or 86,164) of registered voters** in Indiana 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.¹⁰

Roughly 1 in 12 Hoosiers are Latino or Asian.

- The **Latino share of Indiana's population** grew from 1.8% in 1990,¹¹ to 3.5% in 2000,¹² to 6.4% (or 420,577 people) in 2013.¹³ The **Asian share of the population** grew from 0.7% in 1990,¹⁴ to 1.0% in 2000,¹⁵ to 1.8% (or 116,856) in 2013,¹⁶ according to the U.S. Census Bureau.
- **Latinos accounted for 1.7%** (or 49,000) **of Indiana voters** in the 2012 elections, according to the U.S. Census Bureau.¹⁷
- In Indiana, **86.8% of children with immigrant parents were U.S. citizens** in 2009, according to data from the Urban Institute.¹⁸
- In 2009, **84% of children in Asian families** in Indiana were U.S. citizens, as were **91.3% of children in Latino families**.¹⁹

Immigrant, Latino, and Asian entrepreneurs and consumers add billions of dollars and tens of thousands of jobs to Indiana's economy.

- **The 2014 purchasing power of Latinos in Indiana totaled \$8.5 billion**—an increase of 717% since 1990. **Asian buying power totaled \$5 billion**—an increase of 621% since 1990, according to the Selig Center for Economic Growth at the University of Georgia.²⁰
- Immigration boosts housing values in communities. From 2000 to 2010, according to the Americas Society/Council of the Americas, the value added by immigration to the price of the average home was \$3,635 in Marion County.²¹
- Indiana's 8,756 **Asian-owned businesses had sales and receipts of \$3.4 billion and employed 24,730 people** in 2007, the last year for which data is available.²² The state's 8,558 **Latino-owned businesses had sales and receipts of \$1.7 billion and employed 14,304 people** in 2007, according to the U.S. Census Bureau's Survey of Business Owners.²³
- From 2006 to 2010, there were 11,995 new immigrant business owners in Indiana, and new immigrant business owners had total net business income of \$722 million (which is 5.6% of all net business income in the state), according to Robert Fairlie of the University of California, Santa Cruz.²⁴
- In 2010, 5.1% of all business owners in Indiana were foreign-born, according to the Fiscal Policy Institute.²⁵ In the Indianapolis-Carmel metropolitan area, 10% of business owners were foreign-born in 2013, according to the Fiscal Policy Institute and the Americas Society/Council of the Americas.²⁶ Furthermore, almost 1 in 4 (23.4%) of "Main Street" business owners—owners of businesses in the retail, accommodation and food services, and neighborhood services sectors—in the Indianapolis metro area were foreign-born in 2013.²⁷

Immigrants are integral to Indiana's economy as taxpayers.

- Latinos in Indiana paid **\$938 million in federal taxes and \$514 million in state/local taxes in 2013** according to the Partnership for a New American Economy.²⁸ In particular, foreign-born Latinos paid \$473.7 million in federal taxes and \$251.4 million in state/local taxes in 2013.

- The federal tax contribution of Indiana's Latino population included **\$677.5 million** to Social Security and \$158 million to Medicare in 2013.²⁹ In particular, foreign-born Latinos contributed \$341 million to Social Security and \$79.8 million to Medicare in 2013.
- Unauthorized immigrants in Indiana paid **\$108.9 million** in state and local taxes in 2010, including \$74.4 million in sales taxes, \$25.4 million in state income taxes, and \$9 million in property taxes, according to data from the Institute for Taxation and Economic Policy.³⁰
- Were unauthorized immigrants in Indiana to have legal status, they would pay **\$141.7 million** in state and local taxes, including \$78.8 million in sales taxes, \$53.3 million in state income taxes, and \$9.6 million in property taxes.³¹

Immigrants are integral to Indiana's economy as workers.

- Immigrants comprised **5.8% of the state's workforce** in 2013 (or 189,293 workers), according to the U.S. Census Bureau.³²
- Unauthorized immigrants comprised **1.9% of the state's workforce** (or 60,000 workers) in 2012, according to a report by the Pew Hispanic Center.³³
- If all unauthorized immigrants were removed from Indiana, **the state would lose \$2.8 billion in economic activity, \$1.3 billion in gross state product, and approximately 16,739 jobs**, even accounting for adequate market adjustment time, according to a report by the Perryman Group.³⁴

Immigrants are integral to Indiana's economy as students.

- Indiana's 26,406 **foreign students contributed \$839.6 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.³⁵
- Foreign students contribute to Indiana's metropolitan areas. From 2008 to 2012, according to the Brookings Institution, 11,354 foreign students paid \$308 million in tuition and 125 million in living costs in the Lafayette metropolitan area.³⁶ In the Indianapolis-Carmel metro area, 3,634 foreign students paid \$70 million in tuition and \$42 million in living costs. In the Bloomington metro area, 8,466 foreign students paid \$217 million in tuition and \$94 million in living costs. In the South Bend-Mishawaka metro area, 2,211 foreign students paid \$64 million in tuition and \$21 million in living costs. In the Terre Haute metro area, 1,534 foreign students paid \$28 million in tuition and \$16 million in living costs.
- Foreign students also contribute to innovation in Indiana. In 2009, "non-resident aliens" comprised 40.7 percent of masters degrees and 56.2 percent of doctorate degrees in science, technology, engineering, and mathematics (STEM) fields, according to the Partnership for a New American Economy.³⁷

Naturalized citizens excel educationally.

- In Indiana, **34.4% of foreign-born persons** who were naturalized U.S. citizens in 2011 **had a bachelor's or higher degree**, compared to 26.5% of noncitizens.³⁸

- The number of immigrants in Indiana with a college degree **increased by 61%** between 2000 and 2011, according to data from the Migration Policy Institute.³⁹
- In Indiana, **81.4% of children with immigrant parents** were considered “English proficient” as of 2009, according to data from the Urban Institute.⁴⁰
- The English proficiency rate among **Asian children in Indiana was 86.4%**, while for **Latino children it was 83.8%**, as of 2009.⁴¹

Endnotes

¹ U.S. Census Bureau, *The Foreign-Born Population: 2000*, December 2003.

² Ibid.

³ 2013 American Community Survey (1-Year Estimates).

⁴ Ibid.

⁵ Ibid.

⁶ Rob Paral, *Growing the Heartland: How Immigrants Offset Population Decline and an Aging Workforce in Midwest Metropolitan Areas* (Chicago, IL: The Chicago Council on Global Affairs, 2014), p. 8.

⁷ Ibid.

⁸ 2013 American Community Survey (1-Year Estimates).

⁹ 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.

¹⁰ 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. 25.

¹¹ U.S. Census Bureau, *The Hispanic Population: 2000*, May 2001.

¹² Ibid.

¹³ 2013 American Community Survey (1-Year Estimates).

¹⁴ U.S. Census Bureau, *The Asian Population: 2000*, February 2002.

¹⁵ Ibid.

¹⁶ 2013 American Community Survey (1-Year Estimates).

¹⁷ 2012 Current Population Survey, *Table 4b. Reported Voting and Registration, by Sex, Race and Hispanic Origin, for States: November 2012*.

¹⁸ *The Urban Institute*, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.

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²⁰ Jeffrey M. Humphreys, *The Multicultural Economy 2014* (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2014), pp. 22, 24.

²¹ 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).

²² U.S. Census Bureau, *Estimates of Business Ownership by Gender, Ethnicity, Race, and Veteran Status: 2007*, June 2011.

²³ Ibid.

²⁴ 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).

²⁵ David Dyssegaard Kallick, *Immigrant Small Business Owners: A Significant and Growing Part of the Economy* (New York, NY: Fiscal Policy Institute, 2012).

²⁶ David Dyssegaard Kallick, *Bringing Vitality to Main Street: How Immigrant Small Businesses Help Local Economies Grow* (New York, NY: Americas Society/Council of the Americas and Fiscal Policy Institute, 2015).

²⁷ Ibid.

²⁸ 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).

²⁹ Ibid.

³⁰ Institute on Taxation and Economic Policy, *Undocumented Immigrants’ State and Local Tax Contributions* (Washington, DC: July 2013).

³¹ Ibid.

³² 2013 American Community Survey (1-Year Estimates).

³³ 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.

³⁴ 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.

³⁵ NAFSA: Association of International Educators, *The Economic Benefits of International Students to the U.S. Economy: Academic Year 2013-2014* (Washington, DC: 2014).

³⁶ Neil Ruiz, *The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations* (Washington, DC: The Brookings Institution, 2014).

³⁷ 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).

³⁸ Migration Policy Institute Data Hub, *Indiana: Language & Education*.

³⁹ Ibid.

⁴⁰ *The Urban Institute*, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.

⁴¹ Ibid.