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**NEW AMERICANS IN MINNESOTA:
The Political and Economic Power of Immigrants, Latinos, and Asians
in the North Star State**

Immigrants, Latinos, and Asians account for large and growing shares of the economy and population in Minnesota. Immigrants (the foreign-born) make up 7.3% of the state's population, and 45.9% of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 4.3% of all 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 \$13.8 billion in consumer purchasing power, and the businesses they own had sales and receipts of \$4 billion and employed more than 22,000 people at last count. At a time when the economy is still recovering, Minnesota 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 Minnesota's population and electorate.

- **The foreign-born share** of Minnesota's population rose from 2.6% in [1990](#),¹ to 5.3% in [2000](#),² to 7.3% in [2011](#),³ according to the U.S. Census Bureau. Minnesota was home to 388,839 immigrants in [2011](#),⁴ which is more than the total population of [New Orleans, Louisiana](#).⁵
- **45.9% of immigrants (or 178,569 people) in Minnesota were naturalized U.S. citizens** in [2011](#)⁶—meaning that they are eligible to vote.
- Unauthorized immigrants comprised roughly **1.6% of the state's population** (or 85,000 people) in [2010](#), according to a report by the Pew Hispanic Center.⁷
- **4.3% (or 126,034) of registered voters** in Minnesota 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 2008 Census Bureau data by [Rob Paral & Associates](#).⁸

Roughly 1 in 11 Minnesotans are Latino or Asian.

- The **Latino share of Minnesota's population** grew from 1.2% in [1990](#),⁹ to 2.9% in [2000](#),¹⁰ to 4.8% (or 257,186 people) in [2011](#).¹¹ The **Asian share of the population** grew from 1.8% in [1990](#),¹² to 2.9% in [2000](#),¹³ to 4.0% (or 216,270 people) in [2011](#),¹⁴ according to the U.S. Census Bureau.

- **Asians comprised 2.0% (or 56,000) of Minnesota voters** in the 2008 elections, and **Latinos accounted for 1.3% (or 35,000)**, according to the [U.S. Census Bureau](#).
- In Minnesota, **86.3% of children with immigrant parents were U.S. citizens** in [2009](#), according to data from the Urban Institute.¹⁵
- In [2009](#), **88.3% of children in Asian families** in Minnesota were U.S. citizens, as were **90.3% of children in Latino families**.¹⁶

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

- **The 2012 purchasing power of Minnesota's Asians totaled \$8.4 billion**—an increase of 994% since 1990. **Latino buying power totaled \$5.4 billion**—an increase of 965% since 1990, according to the [Selig Center for Economic Growth](#) at the University of Georgia.¹⁷
- Minnesota's 11,371 [Asian-owned](#) businesses had sales and receipts of **\$2.4 billion and employed 16,950 people** in 2007, the last year for which data is available.¹⁸ The state's 5,002 [Latino-owned](#) businesses had sales and receipts of **\$1.6 billion and employed 5,970 people** in 2007, according to the U.S. Census Bureau's Survey of Business Owners.¹⁹

Minnesota's diverse immigrant population adds hundreds of millions of dollars to the state's economy.

- In the Twin Cities metro area, **138 immigrant-owned businesses** created **386 new jobs** and **spent \$5.6 million on payroll, rent, and supplies** in 2002, according to a [study](#) from the University of Minnesota.²⁰
- More than **1,000 Mexican-American businesses** operated in Minnesota, **generating an estimated \$200 million in sales**; while Latino workers employed in south-central agricultural industries added nearly **\$25 million to the local economy**, according to a [2004 report](#) by the Minneapolis Foundation.²¹
- More than **16,000 Asian-Indians living in Minnesota** accounted for **\$500 million in consumer purchasing power**, paid **\$5.2 million in real estate taxes** and **\$2.3 million in rent**, and owned **400 companies** that employed more than **6,000 people**, according to the [same report](#).²²
- Minnesota was home to **60,000 Hmong**, whose businesses generated an estimated **\$100 million in revenue**, according to the [same report](#).²³
- Minnesota is home to the country's largest Somali population, which numbered roughly **15,000 people** as of 2002.²⁴ Somalis in Minnesota accounted for **\$164 million in buying power** and owned **600 businesses** as of 2006.²⁵

Immigrants are integral to Minnesota's economy as workers.

- Immigrants comprised **8.6% of the state's workforce** in [2011](#) (or 254,573 workers), according to the U.S. Census Bureau.²⁶
- **Immigrants accounted for 8% of total economic output in the Minneapolis metropolitan area** as of 2007, according to a study by the [Fiscal Policy Institute](#).²⁷
- Unauthorized immigrants comprised **2.1% of the state's workforce** (or 60,000 workers) in [2010](#), according to a report by the Pew Hispanic Center.²⁸
- If all unauthorized immigrants were removed from Minnesota, **the state would lose \$4.4 billion in economic activity, \$2.0 billion in gross state product, and approximately 24,299 jobs**, even accounting for adequate market adjustment time, according to a report by the [Perryman Group](#).²⁹

Unauthorized immigrants pay taxes.

- Unauthorized immigrants in Minnesota paid **\$81.7 million** in state and local taxes in [2010](#), according to data from the Institute for Taxation and Economic Policy,³⁰ which includes:
 - \$15.6 million in state income taxes.
 - \$7.6 million in property taxes.
 - \$58.4 million in sales taxes.

Immigrants are integral to Minnesota's economy as students.

- Minnesota's 12,735 **foreign students contributed \$319.2 million** to the state's economy in tuition, fees, and living expenses for the 2011-2012 academic year, according to the [NAFSA: Association of International Educators](#).³¹

Naturalized citizens excel educationally.

- In Minnesota, **33.2% of foreign-born persons** who were naturalized U.S. citizens in [2011](#) **had a bachelor's or higher degree**, compared to 29.4% of noncitizens. At the same time, only 20.6% of naturalized citizens lacked a high-school diploma, compared to 33% of noncitizens.³²
- The number of immigrants in Minnesota with a college degree **increased by 82.3%** between 2000 and 2011, according to [data](#) from the Migration Policy Institute.³³
- In Minnesota, **79.1% of children with immigrant parents** were considered "English proficient" as of [2009](#), according to data from the Urban Institute.³⁴
- The English proficiency rate among **Asian children in Minnesota was 74%**, while for **Latino children it was 84.8%**, as of [2009](#).³⁵

Endnotes

- ¹ U.S. Census Bureau, [The Foreign-Born Population: 2000](#), December 2003.
- ² Ibid.
- ³ 2011 American Community Survey (1-Year Estimates).
- ⁴ Ibid.
- ⁵ Ibid.
- ⁶ Ibid.
- ⁷ Jeffrey S. Passel and D’Vera Cohn, [Unauthorized Immigrant Population: National and State Trends, 2010](#) (Washington, DC: Pew Hispanic Center, February 1, 2011), p. 24.
- ⁸ Rob Paral & Associates and the Immigration Policy Center, [The New American Electorate: The Growing Political Power of Immigrants and Their Children](#) (Washington, DC: American Immigration Council, October 2010).
- ⁹ U.S. Census Bureau, [The Hispanic Population: 2000](#), May 2001.
- ¹⁰ Ibid.
- ¹¹ 2011 American Community Survey (1-Year Estimates).
- ¹² U.S. Census Bureau, [The Asian Population: 2000](#), February 2002.
- ¹³ Ibid.
- ¹⁴ 2011 American Community Survey (1-Year Estimates).
- ¹⁵ [The Urban Institute](#), data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
- ¹⁶ Ibid.
- ¹⁷ Jeffrey M. Humphreys, [The Multicultural Economy 2012](#) (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2012).
- ¹⁸ U.S. Census Bureau, [Estimates of Business Ownership by Gender, Ethnicity, Race, and Veteran Status: 2007](#), June 2011.
- ¹⁹ Ibid.
- ²⁰ Katherine Fennelly and Anne Huart, [The Economic Impact of Immigrants in Minnesota](#) (Minneapolis, MN: Hubert H. Humphrey Institute, University of Minnesota, 2009), p. 19.
- ²¹ The Minneapolis Foundation, [Immigration in Minnesota: Discovering Common Ground](#) (Minneapolis, MN: The Minneapolis Foundation, 2004), p. 9.
- ²² Ibid., p. 4.
- ²³ Ibid., pp. 12-13.
- ²⁴ Paula Woessner, “[Size of Twin Cities Muslim Population Difficult to Determine](#),” *Community Dividend* (Federal Reserve Bank of Minneapolis), August 2002.
- ²⁵ Bruce P. Corrie, Ph.D., “[Economic Contributions of Somalis in Minnesota](#)” (St. Paul, MN: Concordia University, 2006).
- ²⁶ 2011 American Community Survey (1-Year Estimates).
- ²⁷ David Dyssegaard Kallick, [Immigrants in the Economy: Contribution of Immigrant Workers to the Country’s 25 Largest Metropolitan Areas](#) (New York, NY: Fiscal Policy Institute, December 2009), p. 11.
- ²⁸ Jeffrey S. Passel and D’Vera Cohn, [Unauthorized Immigrant Population: National and State Trends, 2010](#) (Washington, DC: Pew Hispanic Center, February 1, 2011), p. 24.
- ²⁹ 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.
- ³⁰ The Immigration Policy Center, [Unauthorized Immigrants Pay Taxes, Too](#) (Washington, DC: April 2011).
- ³¹ NAFSA: Association of International Educators, [The Economic Benefits of International Students to the U.S. Economy: Academic Year 2011-2012](#) (Washington, DC: 2012).
- ³² Migration Policy Institute Data Hub, [Minnesota: Language & Education](#).
- ³³ Ibid.
- ³⁴ [The Urban Institute](#), data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
- ³⁵ Ibid.