



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 7.4% of the state's population, and 51.5% of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 7.7% of all registered voters in the state. Immigrants are not only essential 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 \$14.3 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. Immigrant, Latino, and Asian workers, consumers, and entrepreneurs are integral to Minnesota's economy and tax base—and they are an electoral force with which every politician must reckon.

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 7.4% in [2013](#),³ according to the U.S. Census Bureau. Minnesota was home to 403,514 immigrants in [2013](#),⁴ which is more than the total population of [New Orleans, Louisiana](#).⁵
- From 2000 to 2013, immigrants accounted for nearly [28.6%](#) of Minnesota's population growth, according to the Partnership for a New American Economy and Americas Society/Council of the Americas.⁶
- From 2000 to 2010, all of the Duluth, Minnesota metro area's population gain was [attributable](#) to immigration, according to the Chicago Council on Global Affairs.⁷
 - Other metro areas in Minnesota also saw their populations increase in part due to immigration: Minneapolis (35.2% change due to immigration), Rochester (20.3% change due to immigration), and Saint Cloud (16.4% change).⁸
- 51.5% of immigrants (or 207,945 people) in Minnesota were naturalized U.S. citizens in [2013](#)⁹—meaning that they are eligible to vote.
- Unauthorized immigrants comprised roughly 1.8% of the state's population (or 95,000 people) in [2012](#), according to a report by the Pew Hispanic Center.¹⁰

- 7.7% (or 236,640) 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 2012 Census Bureau data by the [American Immigration Council](#).¹¹

Roughly 1 in 11 Minnesotans are Latino or Asian.

- The Latino share of Minnesota’s population grew from 1.2% in [1990](#),¹² to 2.9% in [2000](#),¹³ to 4.9% (or 266,850 people) in [2013](#).¹⁴ The Asian share of the population grew from 1.8% in [1990](#),¹⁵ to 2.9% in [2000](#),¹⁶ to 4.3% (or 234,013 people) in [2013](#),¹⁷ according to the U.S. Census Bureau.
- Asians comprised 3.4% (or 98,000) of Minnesota voters in the 2012 elections, and Latinos accounted for 1.5% (or 44,000), according to the [U.S. Census Bureau](#).¹⁸
- In Minnesota, 86.3% of children with immigrant parents were U.S. citizens in [2009](#), according to data from the Urban Institute.¹⁹
- In [2009](#), 88.3% of children in Asian families in Minnesota were U.S. citizens, as were 90.3% of children in Latino families.²⁰

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

- The 2014 purchasing power of Minnesota’s Asians totaled \$8.6 billion—an increase of 1,024% since 1990. Latino buying power totaled \$5.7 billion—an increase of 1,026% since 1990, according to the [Selig Center for Economic Growth](#) at the University of Georgia.²¹
- The 2013 purchasing power of Minnesota’s immigrant population totaled [\\$7.7 billion](#), 6.9% of the total purchasing power of all residents in the state, according to the Partnership for a New American Economy.²²
- 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 \$3,792 in Hennepin County; \$1,309 in Ramsey County; \$1,497 in Dakota County; and \$1,387 in Anoka County.²³
- 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.²⁴ 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.²⁵
- From 2006 to 2010, there were [15,001](#) new immigrant business owners in Minnesota, and they had total

net business income of \$772 million, which makes up 5.1% of all net business income in the state, according to Robert Fairlie of the University of California, Santa Cruz.²⁶

- In 2010, [6% of all business owners](#) in Minnesota were foreign-born, according to the Fiscal Policy Institute.²⁷ In 2013, [8.5% of business owners](#) in the Minneapolis-St. Paul-Bloomington metropolitan area were foreign-born, according to the Fiscal Policy Institute and Americas Society/Council of the Americas.²⁸ Furthermore, 13.3% of “Main Street” business owners—owners of businesses in the retail, accommodation and food services, and neighborhood services sectors—in the Minneapolis-St. Paul-Bloomington metro area were foreign-born in 2013.²⁹
- [According to](#) the Minnesota Business Immigration Coalition and the Minnesota Chamber of Commerce, “immigrant entrepreneurs have transformed commercial corridors such as University Avenue in Saint Paul and Lake Street in Minneapolis, and are an established presence in smaller cities including Willmar, Austin, Worthington, and Faribault-Northfield.”³⁰

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

- In 2013, foreign-born residents contributed [\\$22.4 billion](#) to Minnesota’s gross domestic product (GDP), which represents 7.5% of total state GDP, according to the Partnership for a New American Economy.³¹
- 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.³²
- 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.³³
- 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](#).³⁴
- Minnesota was home to 60,000 Hmong, whose businesses generated an estimated \$100 million in revenue, according to the [same report](#).³⁵
- From 2000 to 2011, 82% of refugees arriving in Minnesota were originally from African nations, primarily Somalia (14,312), Ethiopia (3,526), and Liberia (2,629).³⁶ Somalis in Minnesota accounted for \$164 million in [buying power](#) and owned 600 [businesses](#) as of 2006.³⁷

Immigrants are integral to Minnesota's economy as workers and taxpayers.

- Immigrants comprised 9% of the state's workforce in [2013](#) (or 269,759 workers), according to the U.S. Census Bureau.³⁸
- 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](#).³⁹
- Minnesota's foreign-born population contributed [\\$1.2 billion](#) to Social Security and \$295 million to Medicare in 2013, accounting for 7.1% of Social Security contributions and 7.5% of Medicare contributions in the state, according to the Partnership for a New American Economy.⁴⁰
- Latinos in Minnesota paid \$567 million in federal taxes and \$309 million in state/local taxes in 2013, according to the [Partnership for a New American Economy](#). In particular, foreign-born Latinos paid \$250 million in federal taxes and \$161 million in state/local taxes.⁴¹
 - The federal tax contribution of Minnesota's Latino population included \$426 million to Social Security and \$99.7 million to Medicare in 2013. Foreign-born Latinos contributed \$216 million to Social Security and \$50.4 million to Medicare that year.⁴²
- Unauthorized immigrants comprised 2.5% of the state's workforce (or 75,000 workers) in [2012](#), according to a report by the Pew Hispanic Center.⁴³
- 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](#).⁴⁴

Unauthorized immigrants pay taxes.

- Unauthorized immigrants in Minnesota paid \$87.5 million in state and local taxes in [2012](#), which includes \$53.2 million in sales taxes, \$13.9 million in personal income taxes, and \$20.4 million in property taxes, according to data from the Institute on Taxation and Economic Policy.⁴⁵
- Were unauthorized immigrants in Minnesota to have lawful permanent residence, they would pay \$104.9 million in state and local taxes, including \$58.5 million in sales taxes, nearly \$24 million in personal income taxes, and \$22.5 million in property taxes.⁴⁶

Immigrants are integral to Minnesota's economy as students.

- Minnesota's 13,765 foreign students contributed \$354.2 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](#).⁴⁷

- Foreign students contribute to Minnesota’s metropolitan areas. From 2008 to 2012, according to the [Brookings Institution](#), 11,623 foreign students paid \$206 million in tuition and \$144 million in living costs in the Minneapolis-St. Paul-Bloomington metropolitan area.⁴⁸
- Foreign students also contribute to innovation in Minnesota. In 2009, “non-resident aliens” comprised 26.5% of master’s degrees and 46.8% of doctorate degrees in science, technology, engineering, and mathematics (STEM) fields, according to the [Partnership for a New American Economy](#).⁴⁹

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.⁵⁰
- 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.⁵¹
- In Minnesota, 79.1% of children with immigrant parents were considered “English proficient” as of [2009](#), according to data from the Urban Institute.⁵²
- The English proficiency rate among Asian children in Minnesota was 74%, while for Latino children it was 84.8%, as of [2009](#).⁵³

Endnotes

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