May 2013

NEW AMERICANS IN NEW JERSEY: The Political and Economic Power of Immigrants, Latinos, and Asians in the Garden State

Immigrants, Latinos, and Asians account for large and growing shares of the economy and electorate in New Jersey. Immigrants (the foreign-born) make up 1 in 5 Garden Staters, and half of them are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 18.8% of all registered voters in the state. Moreover, Latinos and Asians (both foreign-born and native-born) wield \$87.7 billion in consumer purchasing power, and the businesses they own had sales and receipts of \$40.1 billion and employed more than 160,000 people at last count. Immigrant workers contributed at least \$47 billion to the state economy in 2006. At a time when the economy is still recovering, New Jersey 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 New Jersey's population and electorate.

- ➤ **The foreign-born share** of New Jersey's population rose from 12.5% in 1990, to 17.5% in 2000, to 21.5% in 2011, which is more than the population of the entire state of Nebraska.
- > 50.7% of immigrants (or 959,342 people) in New Jersey were naturalized U.S. citizens in 2011⁶—meaning that they are eligible to vote.
- ➤ Unauthorized immigrants comprised **6.2% of the state's population** (or 550,000 people) in 2010, according to a report by the Pew Hispanic Center.⁷
- ➤ 18.8% (or 756,168) of registered voters in New Jersey 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

More than 1 in 4 New Jerseyans are Latino or Asian.

- The **Latino share of New Jersey's population** grew from 9.6% in $\underline{1990}$, to 13.3% in $\underline{2000}$, to 18.1% (or 1,600,690 people) in $\underline{2011}$. The **Asian share of the population** grew from 3.5% in $\underline{1990}$, to 5.7% in $\underline{2000}$, to 8.5% (or 747,620 people) in $\underline{2011}$, according to the U.S. Census Bureau.
- Latinos comprised 9.3% (or 337,000) of New Jersey voters in the 2008 elections, and Asians 5.9% (or 215,000), according to the <u>U.S. Census Bureau</u>.

- ➤ In New Jersey, **87.5% of children with immigrant parents were U.S. citizens** in <u>2009</u>, according to data from the Urban Institute. ¹⁵
- ➤ In 2009, 84.9% of children in Asian families in New Jersey were U.S. citizens, as were 91.5% of children in Latino families. 16

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

- ➤ The 2012 purchasing power of New Jersey's Latinos totaled \$43.7 billion—an increase of 388.9% since 1990. Asian buying power totaled \$44 billion—an increase of 686.7% since 1990, according to the Selig Center for Economic Growth at the University of Georgia. ¹⁷
- New Jersey's 67,755 Asian-owned businesses had sales and receipts of \$29.9 billion and employed 115,024 people in 2007, the last year for which data is available. The state's 68,374 Latino-owned businesses had sales and receipts of \$10.2 billion and employed 48,059 people in 2007, according to the U.S. Census Bureau's Survey of Business Owners.

Immigrants are integral to New Jersey's economy as workers.

- ➤ Immigrants comprised **27.4% of the state's workforce** in <u>2011</u> (or 1,280,049 workers), according to the U.S. Census Bureau.²⁰
- ➤ Immigrant workers contributed at least \$47 billion to New Jersey's gross state product in 2006, according to a study at the Eagleton Institute of Politics at Rutgers University. 21
- ➤ More than 40% of the state's scientists and engineers with advanced degrees were foreign-born in 2006, according to the same study. 22
- ➤ Immigration to New Jersey raised the wages of native-born workers without a high-school diploma by 3.0% between 1990 and 2000, according to the same study. 23
- ➤ Unauthorized immigrants comprised **8.6% of the state's workforce** (or 400,000 workers) in 2010, according to a report by the Pew Hispanic Center. ²⁴
- ➤ If all unauthorized immigrants were removed from New Jersey, the state would lose \$24.2 billion in economic activity, \$10.7 billion in gross state product, and approximately 103,898 jobs, even accounting for adequate market adjustment time, according to a report by the Perryman Group. 25

Unauthorized immigrants pay taxes.

- ➤ Unauthorized immigrants in New Jersey paid **\$446.1 million** in state and local taxes in <u>2010</u>, according to data from the Institute for Taxation and Economic Policy, ²⁶ which includes:
 - \$40 million in state income taxes.
 - \$81.3 million in property taxes.
 - \$324.9 million in sales taxes.

Immigrants are integral to New Jersey's economy as students.

New Jersey's 15,200 **foreign students contributed \$447.6 million** to the state's economy in tuition, fees, and living expenses for the 2011-2012 academic year, according to NAFSA: Association of International Educators.²⁷

Naturalized citizens excel educationally.

- ➤ In New Jersey, **40.4% of foreign-born persons** who were naturalized U.S. citizens in <u>2011</u> **had a bachelor's or higher degree,** compared to 29.6% of noncitizens. At the same time, only 15.4% of naturalized citizens lacked a high-school diploma, compared to 26.9% of noncitizens. ²⁸
- ➤ The number of immigrants in New Jersey with a college degree **increased by 57.5%** between 2000 and 2011, according to data from the Migration Policy Institute.²⁹
- ➤ In New Jersey, **87.4% of children with immigrant parents** were considered "English proficient" as of 2009, according to data from the Urban Institute.³⁰
- ➤ The English proficiency rate among **Asian children in New Jersey was 88.2%**, while for **Latino children it was 85.8%**, as of 2009.³¹

Endnotes

¹ U.S. Census Bureau, <u>The Foreign-Born Population: 2000</u>, December 2003.

² Ibid.

³ 2011 American Community Survey (1-Year Estimates).

⁴ Ibid.

⁵ U.S. Census Bureau, State & County QuickFacts, May 2013.

⁶ Ibid.

⁷ Jeffrey S. Passel and D'Vera Cohn, <u>Unauthorized Immigrant Population: National and State Trends, 2010</u> (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, <u>The Multicultural Economy 2012</u> (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.

²⁰ 2011 American Community Survey (1-Year Estimates).

²¹ Ira N. Gang and Anne Morrison Piehl, *Destination, New Jersey: How Immigrants Benefit the State Economy* (New Brunswick, NJ: Eagleton Institute of Politics, Rutgers University, December 2008), p. 17.

²² Ibid, p. 11.

²³ Ibid, p. 16.

²⁴ 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.

²⁵ The Perryman Group, <u>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)</u>, p. 69.

²⁶ The Immigration Policy Center, <u>Unauthorized Immigrants Pay Taxes</u>, <u>Too</u> (Washington, DC: April 2011).

²⁷ NAFSA: Association of International Educators, *The Economic Benefits of International Students to the U.S. Economy: Academic Year 2011-2012* (Washington, DC: 2012).

Migration Policy Institute Data Hub, New Jersey: Language & Education.
 Ibid.
 The Urban Institute, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.
 Ibid.